

**CITY PLAN COMMISSION MINUTES**  
**October 18, 2023**

A meeting of the City Plan Commission was called to order at 6:04 p.m. on Wednesday, October 18, 2023, by Mayor Ward in Council Chambers, City Hall, 421 Michigan Street, Sturgeon Bay.

**Roll Call:** Members David Ward, Dennis Statz, Helen Bacon, Spencer Gustafson, Amy Stephens and Mark Holey were present. Member Jeff Norland was excused. Staff present were City Administrator Josh VanLieshout, Community Development Director Marty Olejniczak, Planner/Zoning Administrator Stephanie Servia, and Community Development Administrative Assistant Cindy Sommer.

**Agenda:** Motion by Mr. Holey and seconded by Ms. Stephens to accept the following agenda:

1. Roll call.
2. Adoption of agenda.
3. Approval of minutes from August 30, 2023.
4. Public comment on non-agenda Plan Commission related items.
5. Consideration of: Preliminary plat of Geneva Ridge subdivision.
6. Consideration of: Initial presentation of zoning map amendment petition from Central Business District (C-2) to Multiple-Family Residential (R-4) for property located at 346 Oregon St.
7. Consideration of: Tourist Rooming Houses.
8. Adjourn.

All ayes. Motion carried.

**Approval of minutes from August 30, 2023:** Motion by Mr. Gustafson and seconded by Mr. Statz to approve the minutes from August 30, 2023. All ayes. Motion carried.

**Public Comment on non-agenda Plan Commission related items:** No members of the public presented for comment.

**Consideration of: Preliminary plat of Geneva Ridge subdivision:** Mr. Olejniczak explained that the plat consists of five acres on the west side of S. Hudson Avenue designed for single-family, Door County workforce housing. A development agreement has been signed to provide assistance with infrastructure costs. The project consists of 24 lots with homes to be built and sold for \$269,000-\$305,000. Three lots were already previously created by Certified Survey Map so this plat is for lots 4-24 and Outlot 1. The lots all have Two-Family Residential (R-3) zoning designations. The outlot on the northeast corner is for stormwater retention. State approval of the plat was received today. Staff recommends approval of the plat as shown, noting a correction of the rear yard setback to be 25 feet rather than the 20 feet shown, and noting there is an 8-foot utility easement that is not shown on the map.

Mr. Statz motioned to recommend approval of the plat to council subject to the rear yard change from 20 to 25 feet and with the 8-foot utility easement on the north line. Mr. Holey seconded the motion. All ayes, motion carried.

**Consideration of: Initial presentation of zoning map amendment petition from Central Business District (C-2) to Multiple-Family Residential (R-4) for property located at 346 Oregon St:** Ms. Servia stated that Jason Estes is requesting a zoning map amendment to change his property from Central Business District (C-2) to Multiple-Family Residential (R-4). He is currently using the structure as employee housing, which is a non-conforming use. There are other R-4 properties across the street and this proposal fits with the neighborhood. Another option would be Mixed Residential-Commercial (C-5). Both R-4 and C-5 allow residential and commercial use. Mr. Holey noted that the duplex next door is also non-conforming and perhaps contact should be made with others nearby to see if they would like to join in on the zoning map at this time. The members instructed staff to discuss with the applicant whether to rezone to R-4 or C-5. Staff indicated they will reach out to the neighbors and this matter will go to public hearing at the next meeting.

**Consideration of: Tourist Rooming Houses:** Ms. Servia explained that, beginning in 2019, the members decided they would review the ordinance and tourist rooming house processes and statistics. She went through substantial data from the agenda packets that was compiled by staff. Ms. Servia explained that the city started

tracking the tourist rooming house data in 2016 and the use has grown substantially since that time. There are currently 124 active license holders in the city, 48% of which are in the R-2 zoning district. 77% are in all residential districts, with a smattering of other districts throughout the city and every zoning district having at least one license holder. 64% of the structures were previously single-family homes, 15% were multi-family and 10% are mixed-use buildings. 53% of the license holders are Sturgeon Bay residents.

Ms. Servia noted that the city's fee is one of the lowest of the municipalities in the area with the cost being \$100 for the first year and then \$100 for every two years thereafter. She stated that the statute indicates that the fees must be based on the cost of administration, meaning that the city shouldn't be profiting. She also indicated that from January to July of this year, about \$192,000 has been collected in room taxes in the city, however that covers all types of lodging, not just tourist rooming houses. Ms. Servia noted that the statute limits how much the city can regulate tourist rooming houses. For example, one of the city's requirements is to require two parking spaces per rental unit, however that cannot be enforced if the unit does not have space for the parking spaces, and the license cannot be denied.

Ms. Servia also explained that the Wisconsin Realtors Association (WRA) has threatened litigation based on the city's requirement that license holders either live within Door, Kewaunee or Brown County, or contract with a property management company. The claim is that this requirement restricts the property owner's rights. The WRA has also threatened other municipalities with litigation based on the same or similar requirements.

Ms. Servia also stated that there is no data from the police department on any complaints because the police department does not specifically track whether a complaint comes from a tourist rooming house. Their system is based strictly on addresses, so it would take substantial extra time to compile that type of data.

The members discussed the pros and cons of the current tourist rooming house statistics, what other municipalities are doing, and whether or not the city has the authority to make changes to the restrictions without creating legal challenges.

Mr. Van Lieshout stated that the WRA has taken the first step in the litigation process by serving a Notice of Claim on the city, but no lawsuit has been filed. Mr. Olejniczak stated that revising some of the language in the ordinance may help with avoiding the lawsuit. One modification could be changing the word "may" to "shall" in paragraph 3d of the ordinance regarding property management, and rather than listing Door, Kewaunee and Brown County, perhaps it could indicate a mileage or time distance.

The members discussed the number of tourist rooming houses in the city compared to the rest of the county, and how to obtain information from the police department regarding complaints. Mr. Statz stated that Representative Kitchens informed him that tourist rooming houses are not much of an issue statewide, they are more of a concern in small areas of the state, so it's unlikely any changes would be made on a state level.

Mayor Ward stated that it seems the best start is to investigate the ordinance and clean it up based on the suggestions from the WRA attorney, as well as to evaluate the fee schedule and determine if raising the fee makes sense, and/or have the license be renewable every year rather than two years.

**Adjourn:** Motion by Mr. Holey to adjourn, seconded by Ms. Bacon. All ayes, motion carried. The meeting adjourned at 7:16 p.m.

Respectfully submitted,

Cindy Sommer  
Community Development Administrative Assistant