

CITY PLAN COMMISSION
Wednesday, November 18, 2020

A meeting of the City Plan Commission was called to order at 6:00 p.m. by Chairperson David Ward in the Council Chambers, City Hall, 421 Michigan Street.

Roll Call: Members Helen Bacon, Debbie Kiedrowski, Jeff Norland, David Ward, Dennis Statz, Kirsten Reeths, and Mark Holey were present. Also present were City Administrator Josh VanLieshout, Community Development Director Marty Olejniczak, Planner/Zoning Administrator Chris Sullivan-Robinson, and Community Development Secretary Cheryl Nault.

Adoption of agenda: Moved by Mr. Norland, seconded by Mr. Statz to adopt the following agenda:

1. Roll call.
2. Adoption of agenda.
3. Approval of minutes from October 21, 2020.
4. Approval of minutes from October 28, 2020.
5. Public comment on non-agenda Plan Commission related items.
6. Consideration of: Consideration of: West Waterfront redevelopment proposals.
7. Consideration of: Tourist Rooming Houses.
8. Adjourn.

All ayes. Carried.

Approval of minutes from October 21, 2020: Moved by Mr. Holey, seconded by Mr. Norland to approve the minutes from October 21, 2020. All ayes. Carried.

Approval of minutes from October 28, 2020: Moved by Ms. Kiedrowski, seconded by Ms. Bacon to approve the minutes from October 28, 2020. All ayes. Carried.

Public comment on non-agenda Plan Commission related items: No one spoke during public comment.

Consideration of: West Waterfront redevelopment proposals: Mayor Ward stated that a revised proposal was received from Northpointe. A portion of their financing on their original proposal was through the County's CDBG funds. It was thought that those funds could be used for housing, but found out that they weren't able to. Hence, Northpointe came back with another proposal.

Mr. Olejniczak stated that Northpointe revised their proposal and added 12 more units, for a total of 52 that are 100% market-rate units and revised their financial proforma. They are also willing to work with the City on design features of the building. R.W. Baird was asked to see how this affects the tax increment district and completed two more proformas. The first proforma was based on a \$5.3 million project. It does not make as much extra revenue to be used on other items. The City believed that Northpointe's estimate of the project value was low. The second proforma was based on a more realistic value of \$6.5 million. This proforma performed better and generates more funds for public improvements. Mr. Olejniczak wanted the Commission to reaffirm its recommendation to Council to work with Northpointe on a development agreement.

Northpointe Developer Andy Dumke, appearing via Zoom, gave a brief summary of the project. He stated that the original plan was to construct affordable housing units, since he thought there was a need. But, without the CDBG funds, the project was revised. He feels great about the proposed project and rents. They want to capture the views available to the water. Their goal is to break ground in spring of 2021.

Mr. Statz was concerned about parking. Mr. Dumke responded that there would be 28 underground parking spaces, along with surface parking. It added up to 1.1 parking spaces per unit. He would like to see 2 stalls per unit and felt that they would be able to find additional parking.

Ms. Reeths asked about adding retail space to the building. Mr. Dumke said that he would love to do so, but the site is so small. With retail, five parking spaces per 1000 square feet is required. He wasn't sure if Lot 100 would work for the retailers that he normally recruits. They like to be around a larger population area, such as a Walmart.

Ms. Bacon wondered if they thought about adding 3-bedroom apartments. Mr. Dumke stated that because of the increased footage for a 3-bedroom, some of the other units would have to be taken away. It is a beautiful site, but small.

Ms. Bacon would like to see air around the site and not have the building taking up the whole area.

Ms. Kiedrowski and Mr. Norland complimented the revised footprint of the building. Mr. Dumke added that it faces to the south, but is working on a new plan to face the water to take advantage of the site.

Mr. Dumke stated that the rent projections are \$1200 for a one-bedroom per month and \$1500 for a 2-bedroom per month. It will be higher-end construction.

Ms. Reeths asked about using the rooftop for a restaurant or a sitting area for residents of the building. Mr. Dumke replied that they have discussed a rooftop patio, but there would be an issue with parking by having a restaurant.

After further discussion, it was moved by Ms. Bacon, seconded by Ms. Kiedrowski to recommend to Council to accept the revised development proposal from Northpointe Development Corporation for the West Waterfront Redevelopment. A vote was taken on the motion. All ayes. Carried.

Consideration of: Tourist Rooming Houses: Mr. Olejniczak stated that a tourist rooming house, also known as a vacation rental, requires the owner/operator to live within Door, Brown, or Kewaunee County or have a property manager. The Commission had been studying potential changes to the code. The pandemic hit and then it was put aside to discuss until after the busy summer season.

Mr. Sullivan-Robinson stated that the majority of the tourist rooming house permits are for year-round residential uses. There had been questions regarding applying a maximum capacity on the number of tourist rooming house permits issued. The City Attorney, as well as City staff, didn't think that was a good idea.

Mr. Sullivan-Robinson presented different options to consider for regulating tourist rooming houses.

- Leave the current ordinance as is.
- Adopt additional requirements that each tourist rooming house must meet.
- Use the Madison approach where rentals with owner present are not restricted. Rentals without owner present are limited to 30 days per year. Only the owner may operate the TRH.
- Weekly only rentals.
- Maximum restriction – prohibit rental periods of less than 7 days and limit rental periods of 7-28 days to 180 consecutive days in a calendar year.
- Regulate by residential and commercial zoning districts and allow commercially zoned properties to rent under the current City ordinance and allow residential properties to do short-term rentals for a maximum of 180 days out of a 365 day period.
- Regulate by residential and commercial zoning districts and allow commercially zoned properties to rent under the current City ordinance and allow residential properties to do short-term rentals for a maximum of 30 days out of a 365 day period unless the owner is present during the time of rental.

Staff recommendation was to make no changes to the current ordinance at this time. There are currently 56 tourist rooming houses within the City.

Mayor Ward allowed the public to comment on tourist rooming houses.

Bill Boehm, who lives outside of the City, recently purchased a property on 3rd Avenue. A portion of the property is a tourist rooming house. He was curious and interested about what the potential changes would be.

Ben Keleny, 1325 N. 3rd Avenue, appeared virtually through Zoom. He owns a few short-term rentals and also a regular rental property. He felt that the laws should be kept as they are. It helps keep the community alive.

Discussion continued. Moved by Mayor Ward, seconded by Ms. Kiedrowski to accept staff's recommendation to not make any changes to the tourist rooming house ordinance.

Mayor Ward felt that there have been no problems. If there are complaints, the Community Development Department can deny the renewal permits.

Mr. Norland agreed and didn't think there were any major changes necessary. Although, he did review the Village of Egg Harbor's ordinance and recommended that the City amend the City's ordinance to follow Egg Harbor's ordinance.

Ms. Kiedrowski thought that if problems arise, they should be addressed in the future. She didn't think there will be an abundance of these units.

Ms. Bacon didn't think this was a good time to make a change. The people using the tourist rooming houses seem to be families. If the City starts to see complaints, then it should be looked at again.

Mr. Holey agreed with the Mayor and didn't think anything should be done.

Ms. Reeths stated that she liked the verbage in the Village of Egg Harbor ordinance. After talking to a realtor, people are buying homes for tourist rooming houses. This does not give a first time home buyer a chance to buy a home. She said with covid, there really aren't a lot of accurate numbers for rentals. It should be reviewed again in about a year.

Mr. Statz didn't think that short-term rentals are having an impact on smaller houses around town being turned into short-term rentals. He didn't think any changes should be made to the ordinance. He pointed out that in the Village of Egg Harbor's ordinance, the owner/operator would have to live within 75 miles. He added that something should be added to the development agreement with the West Waterfront that the apartment development not be turned into a waterfront hotel.

Mayor Ward stated that if the Commission wanted to bring this back to a future meeting, a commissioner can ask to have it put on the agenda.

Mr. Sullivan-Robinson added that if a problem would arise, it would be brought to the Plan Commission chair's attention.

A vote was taken on the motion. All ayes. Carried.

Adjourn: Moved by Ms. Bacon, seconded by Mr. Holey to adjourn. All ayes. Carried. Meeting adjourned at 7:09 p.m.

Respectfully Submitted,

Cheryl Nault
Community Development Secretary