

**CITY COUNCIL  
PUBLIC HEARING**

7:00 P.M.

Monday, May 15, 2023

Present: Mayor Wade LeBlanc  
Ben Bautch  
Richard DeRosier  
Shane Hoff  
Dustin Goutermont

Lana Fralich, City Administrator  
Tim Costley, City Attorney  
Adam Nix, Bolton & Menk  
Christine Mallory, Northshore Journal via ZOOM  
Kitty Mayo, Lake County Press via ZOOM  
Dave Nobbe  
Kaleigh Ritchie via ZOOM  
Jamie Cork via ZOOM

Carolyn Hudyma  
Robert Ritchie via ZOOM  
June Nobbe via ZOOM

Mayor LeBlanc called the public hearing to order at 7:00 p.m.

Mayor LeBlanc described the purpose for the hearing which is to receive public comments regarding Chapter 12, Planning and Zoning, Section 1239 Short Term Rental Code Adoption and Sections 1210.10 (Forest Reserve) and 1210.13 (Bayview Park) amendment to authorize short-term rental.

Mayor LeBlanc explained that the Council will open the hearing up for public comments, take comments, and then adjourn the Public Hearing. The Regular meeting will immediately follow the Public Hearings at which time the City Council will accept, deny, or table the adoption of Chapter 12, Planning and Zoning, Section 1239 Short-term Rentals and amendment of Chapter 12 Section 1210.10 (Forest Reserve) and Section 1210.13 (Bayview Park).

**ADOPTION OF CHAPTER 12, PLANNING AND ZONING, SECTION 1239 SHORT TERM RENTALS AND AMENDMENT OF CHAPTER 12 SECTION 1210.10 (FOREST RESERVE) AND SECTION 1210.13 (BAYVIEW PARK):**

Mayor LeBlanc stated there were two written comments received: Jody Nonnemacher who expressed her opposition to short-term rentals and Daniel Mozzetti who expressed his support for short-term rentals.

Mayor LeBlanc asked if there were any other written or verbal comments received. It was confirmed no additional verbal or written comments had been received.

Mayor LeBlanc called for public comments.

Dave Nobbe gave a brief history of the building of his home, expenses and operating it as a VRBO, not knowing it was against city code until he received a cease-and-desist letter from Silver Bay. He has been working with Planning & Zoning since receiving the letter from the City. He stated how his property taxes increased 25-30% because of MN laws pertaining to renting a home as a VRBO which resulted in his classification changing to business, but the process to change it back is a three-year process according to his conversations with Lake County. He further talked about paying a 3% lodging tax, his loan payment, paying \$9300/yr in property tax, and how renting his property has helped him afford these payments. He continued his comments relating to the time he spends on at the property being about 50%, and by providing short-term rental to tourists he feels they spend money in the city and may one day purchase a home in the city and become residents. He feels that the proposal is strict enough and the process extensive enough to keep short-term rentals at the minimum of six which would not overwhelm the city but would be a positive for the city.

Council Member Hoff thanked Mr. Nobbe for his comments and expressed his opposition due to lack of available locations for new homes to be built.

Robert Ritchie, not a resident but a visitor, expressed his support for short-term rentals via ZOOM.

Jamie Cork expressed support for short-term rentals via ZOOM.

Council Member DeRosier also thanked Mr. Nobbe for his input and then gave a brief history of how the short-term rental planning took place. He feels limiting the number available to six is a good fit for the city and there are many checks and balances to complete before anyone can operate a short-term rental.

Carolyn Hudyma questioned if there were any pending short-term rental applications? City is unable to accept applications until codes are changed.

Council Member Bautch states he understands both sides of the issue but is concerned about how to keep the list at six rentals. There was discussion on having a waiting list for permits vs. not adding to the permits if additional applications become submitted to the City.

Dave Nobbe expressed that running a short-term rental is not for everyone, there is a lot of work involved. Owning a rental does not take housing off the market and he feels there is other land available for homes to be built, Mount Rockwood Rd is a small portion with limited availability to build short-term rentals.

Mayor LeBlanc respectfully disagreed regarding lack of locations to build housing, he believes apartments could be built quickly for work force housing and increasing tax base.

He supports limiting the number of short-term rentals to six which is good for the city and also adds to lodging tax.

Council Member Goutermont stated that the 300" setback requirement is actually a bigger buffer than originally expected, because the property can't abut an R-1 so in some locations it is the second lot.

Mayor LeBlanc called for any additional public comments. There were no further comments.

Mayor LeBlanc called again for any public comments. There were no further comments.

Mayor LeBlanc called for a final time any other comments. Hearing none he moved to close the Public Hearing.

Motion by Goutermont, second Bautch to adjourn the public hearing at 7:35 p.m. MOTION CARRIED.

Minutes taken by Lisa Christenson



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Wade LeBlanc, Mayor

Attest:  


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Lana Fralich, City Administrator