

**CITY OF PARK RAPIDS  
REGULAR MEETING  
PLANNING COMMISSION  
OCTOBER 28, 2019, 6:00 p.m.  
Park Rapids City Hall, 212 Second Street West  
Park Rapids, Minnesota**

**1. CALL TO ORDER:** The October 28, 2019, Regular Meeting of the Park Rapids Planning Commission was called to order at 6:02 p.m. by Chair Bradow.

**2. ROLL CALL:** Present: Commissioners Dick Bradow, Robb Swanson, Bruce Johnson and City Council Member Liz Stone. Absent: Nancy Newman. Staff Present: City Planner Andrew Mack and Planning/Administrative Assistant Carmen L. Lockhart. Others Present: None.

**3. APPROVAL OF AGENDA:** A motion was made by Stone, seconded by Johnson and unanimously carried to approve the agenda with the addition of 6A1. Vacation Rentals.

**4. APPROVAL OF PLANNING COMMISSION MINUTES OF SEPTEMBER 23, 2019:** A motion was made by Stone, seconded by Bradow and unanimously carried to approve the September 23, 2019 Regular Meeting Minutes as presented.

**5. PUBLIC HEARING:**

**5A. Zoning Ordinance Regulation Amendment to Section 151.243 adding new Language for Conditional Use Permits; adding a new provision for Approval of Interim Use Permits, including standards and criteria to use in consideration of evaluating both types of requests; and also amending Section 151.003 by adding several new Definitions:**

Mack explained we've looked at this for months and it is assembled in its final format. This is for Conditional Use and Interim Use Permits and there were some clarifications made to make the procedure clear. There was discussion concerning the applicant paying the expenses of a review, if necessary, and holding escrow; establishing fees; determining whether administrative approval or a public hearing process is required for a review; and the difference between minor and major permit modifications. There was further discussion concerning expirations and applying for twelve-month extensions of CUP or IUP's if a project is not substantially started and the many variables that may occur, such as financing, community opinion, change of ownership, and possibly requiring additional conditions. Mack advised the draft ordinance will be reviewed by the city attorney for legal review prior to council action.

**The Public Hearing was opened at 6:21 p.m. No comments.**

**The Public Hearing was closed at 6:21 p.m.**

**The Findings of Facts were reviewed. The commissioners came to the following conclusions:**

1. *Is the zoning amendment consistent with the Park Rapids Comprehensive Plan? YES. Why? Enhancing CUP's and adding IUP's.*
2. *Have there been changes in the character of development in this vicinity? N/A.*
3. *Is the amendment request a result of an error made in the Zoning Ordinance/Zoning Map or Comprehensive Plan? NO.*

**A motion was made by Stone, seconded by Johnson, to recommend to the City Council approval of a Zoning Ordinance Regulation Amendment to Section 151.243 adding new Language for Conditional Use Permits; adding a new provision for Approval of Interim Use Permits, including standards and criteria to use in consideration of evaluating both types of requests; and also amending Section 151.003 by adding several new Definitions; pending final review, comment and approval by the city attorney.**

**6. INFORMATIONAL/DISCUSSION:**

**6A. Zoning Ordinance Matrix:** Mack provided an updated matrix with track changes. There was discussion and additional changes/corrections made to the matrix as follows:

**Page 2 of matrix which is page 22 of packet:**

- Religious Institutions: After much discussion concerning keeping the downtown (B-2) for retail purposes, it was determined more research should be done on the number of churches and what districts they are located in and discuss further at the November meeting.

**Page 3 of the matrix which is page 23 of the packet.**

- Land Alteration/Tree Removal Not Incidental to Permitted Use: Remove from matrix.
- Forestry Land Management & Timber Harvest: Remove from matrix.

**Page 4 of the matrix which is page 24 of the packet.**

- Community Indoor Entertainment: Add C to R-B and I-1;
- Community or Event Center: Highlight C in AG-1 and I-1 and add C to R-B;
- Bed & Breakfast: Add C in R-1, R-1A, R-2 and R-3 and highlight C in R-B;
- Campground or RV Park: The C in AG-1 should have been highlighted.
- Short Term Vacation Rental: Discuss at November meeting.
- Printing or Publishing: Add P in I-2.

- Professional or Business Office: Add P in I-2.
- Marina Surface Water Oriented Commercial Use: Remove C from B-2.

**Page 5 of the matrix which is page 25 of the packet.**

- Music, Stage, Festival and Event Grounds, Private Property: Add I to B-2;

It was agreed to start reviewing on page 5 of matrix under Personal Services for the November meeting.

**6A1. Vacation Rentals:** There was discussion concerning the community survey provided at the last meeting. Bradow asked if we are ready to move forward on this or if we need more time to review it? Bradow stated he likes the simplicity of the Two Harbors ordinance model as it doesn't require a CUP or IUP, it sets definitions and standards and is handled administratively.

Mack said the first point of discussion is the type of permit Bradow is talking about and whether or not they have to go through a public hearing. This group agreed initially, based on my recommendation, that it should go through a hearing process. In thinking through this a little more, we don't have a problem with this right now and the concern I believe, that was raised with this originally, was that there could be some safety concerns and they should be subject to inspection. I felt strongly about that and so did the commission. After some research the majority of the ones in the city limits are being inspected in our rental inspection system and further investigation is needed. The second concern had to do with the fairness as to paying the lodging tax as other lodging establishments are. Mack said there are two major short term vacation rentals and others under different titles, but the two main ones are AirBNB and VRBO. Mack advised AirBNB charges and collects the state lodging tax and pays it directly to the state. VRBO does not collect lodging tax and leaves it up to the host/owner to assume that responsibility and pay the state. The process currently in place in Park Rapids is the city handles the collection of the lodging tax from establishments who provide a monthly report and payment to the city. The example of the Two Harbors ordinance, makes that a requirement. Basically it's a license/permit that is administrative and is one of the standards in the requirements for the permit from the city that they must provide a monthly report of the lodging summary of the total guests, nights and what the required lodging tax payment is, whether or not they had any guests that month. Under that scenario that would achieve that concern and it also requires they become a licensed rental under the city's rental licensing ordinance. This administrative process would achieve the two primary concerns identified and would take this off the Planning Commission.

There was further discussion concerning whether to have a spacing buffer standard and that a current landlord in Park Rapids has properties next door to each other and how that could be handled. Other concerns were increased traffic, traffic speed, noise, parking, posting house rules inside structure and not allowing parties.

The Planning Commission agreed they need to review this further and discuss at the November meeting to decide whether this should be an administrative process verses a CUP or IUP public hearing process.

**6B. Zoning Definitions:** Mack stated this was covered in the proposed draft ordinance in item 5A above.

**6C. Land Alteration/Tree Removal:** Mack explained last month this group talked about tree preservation and referred it to the Urban Forestry which we discussed at their last meeting and some of you may have read in the newspaper they felt that wasn't something they wanted to tackle and referred it back to the Planning Commission. They didn't necessarily think it shouldn't be addressed by the Planning Commission but they felt they weren't the right entity to address it. Mack said after the meeting he looked at the City Code and it called for them to in fact address it but it's not what they've traditionally done in the past.

There was discussion concerning placing this on a list to discuss with the City Council at a future date during a joint work session as to what level of priority it should be given. Johnson suggested working with the school district as a tree preservation project. Research of how other communities address this topic should be done.

As stated above, it was agreed to remove this from the matrix at this time.

**7. ADJOURNMENT: A motion was made by Stone, seconded by Bradow, and unanimously carried to adjourn the meeting at 7:52 p.m.**

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Chair Richard Bradow

ATTEST:

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Carmen L. Lockhart  
Planning/Administrative Assistant