

CITY OF MARINE ON ST. CROIX
CITY COUNCIL AND PLANNING COMMISSION
SHORT TERM RENTAL WORKSHOP
6 pm, Wednesday, November 6, 2019

The meeting was called to order by Mayor Mills at 6:00pm. Pardun, Roden, Miller, Hagstrom, Henry, Spisak, Brenner, Sanderson present. Mroska, Smitten absent. Anderson arrived 6:42.

Citizens Present: Larry Roden, John Goodfellow, Mary and Larry Whitaker, Win Miller, John Waugh, Karen Kramer

Intro and Summary of Background Materials – Hagstrom summarized research by Planning Commissioners Smitten, Roden, Henry, Sanderson and herself: gathering citizen input, finding best practices for short-term rentals in other communities, and reviewing the zoning code and comprehensive plan for direction on proposed regulations. Now the group hopes to reach a consensus on regulations and hear next steps from council.

Number of Nights Allowed Annually – Council members and commissioners discussed how to regulate rentals to avoid properties at which short-term rental is the primary use. The goal is to maintain the comp plan vision of encouraging multi-generational community in Marine. Considerations included whether to require that the owner live at the property at least six months per year (homestead) and what the maximum number of nights a property could be rented per year should be. The group settled on a 30-night maximum with no requirement to homestead.

“Recreational Vehicle” rentals – To prevent short-term rentals in recreational vehicles, tents, etc. the council and commission established that rentals must be in a primary or accessory structure. If an accessory structure’s conditional use permit states it may not be used as a rental, it cannot be used for short-term rental.

Number of STRs – The group established that two short-term rental licenses would be allowed in each of Marine’s five districts (single family rural, St. Croix rural, single family urban, St. Croix urban, Village Center). The Schoolhouse Apartments will be excluded from the district totals, and allowed three STR rentals on their own. Regarding the possibility of additional licenses approved at the council’s discretion, Clerk Peterson will check with the city attorney for his opinion.

Regulating Proximity – Proximity will not be regulated because the city plans to limit the number per district.

Events – The group agreed that events should not be allowed, but discussed the nuances of having friends and family over casually to enjoy the home and amenities. Proposed solutions included defining “events,” incorporating the city’s existing quiet hours, making rules known to guests in advance, and limiting parked vehicles, especially during quiet hours. Hagstrom suggested that limiting the number of occupants according to the home’s maximum allowed (two per bedroom plus two more) would create a clear limit. Spisak suggested that the ordinance also contain a clause saying “all other elements of the code apply.” The group ultimately established that the number of visitors should not exceed allowable occupancy. That rule would be reinforced by saying no events, with a definition to be proposed by Anderson.

Number of Occupants – The council and commission established a maximum of two occupants per bedroom plus two additional occupants. For instance, eight occupants in a three-bedroom home. Spisak noted that the ordinance should refer to the renters as occupants, not guests, to avoid confusion between those staying overnight and others they might invite to the residence.

Minnesota Department of Health License – It is the operator’s responsibility to contact the MDH to obtain this separate license.

Local Lodging Tax – Pardun cited Minnesota law: 3% is the most a city can charge. Of those funds, 90% must go toward promoting tourism or building something like a convention center. The group decided the city would not charge a tax.

Application Fee – The council and commission decided to charge a \$200 annual fee for the permit and application. To keep administrative time to a minimum a checklist will be developed to ensure applicants submit the necessary information. The group decided licenses should be renewed collectively each year. Applicants approved partway through the year would pay a prorated fee.

Complaints – The group discussed complaints and license revocation. Henry noted the STR committee had drafted a complaint form for residents to download or pick up at the city office. The form includes a field for a case number if the sheriff’s office was called. Probable cause found by a deputy would be considered evidence of a valid complaint, but would not be the only acceptable evidence. The Public Safety Committee will adjudicate whether complaints are valid. When a complaint is deemed valid, the city will communicate to the property owner that they need to firmly establish rules with renters. Hagstrom suggested conferring with the city attorney about what constitutes a significant complaint. The group decided that after three substantiated complaints a license may be revoked by council action.

Fine for Operation Without License – Anderson suggested that in keeping with other city ordinances, operating without a license could be considered a misdemeanor with a fine of \$1,000. All agreed.

Should STRs be required to have access via public road – Henry wondered whether renters should be allowed to cross private road easements. Anderson said emergency vehicles are allowed to use private roads, so they should not pose a public safety concern. If other issues arose, for example the street being too dark for renters to find a property at night, the city would hear complaints. Parking requirements would need to comply with city code. Spisak suggested limited vehicles to the number of off-street parking spaces so they would not block access. For property owners, the group established a minimum of one parking space per vehicle. For renters, a maximum of one car per bedroom would be allowed, with no parking in the public road right of way or on private road easements.

STR in Accessory Buildings – Whether to allow a license will relate to each building’s conditional use permit. Hagstrom and Clerk Peterson noted city code allows accessory apartments, but typically the CUP includes a clause that it cannot be used as a rental unit. If rental is allowed in the CUP it could be used for short-term rental.

Next steps and Timeline – A planning commission member will summarize the proposed regulations, with a comment from City Attorney Dave Snyder regarding discretionary licenses. The summary will be sent to Clerk Peterson, who will distribute it for review and revision. Members will look at it again and when it is ready Peterson will send it to Snyder.

Snyder will draft an ordinance for the commission to review at its January meeting, with a goal of setting the public hearing for February.

The STR moratorium deadline is January, so the council will consider extending it at its November 14 meeting. Item needs to be added to the November agenda.

Meeting adjourned 8:23pm.

Minutes by Suzanne Lindgren Dammann, Assistant City Clerk