

PLAN COMMISSION MEETING AGENDA

February 18th, 2025 at 6:30PM at the City Hall Council Chamber and via Go To Meetings

The meeting can be joined in person or by using a computer, smartphone or tablet at

<https://meet.goto.com/775025133>

The meeting can also be joined by phone at

1 866 899 4679 using Access Code: 775-025-133

Present: Mayor Matt Mackenzie, John Beirl, Jeff Beirl, David Eades, Laurie Gregor, Steven Wiley (Planning and Development Director), Terri Erickson (Assistant Planner), Brant Kucera (City Administrator), Derek Hall (Airport Manager), Ryan Nelson (Vision WI), Shannon Grayson (Vision WI), Jason Hale (North Shore Development Co.)

Absent: Ana Tochtermann (excused), JoAnn Erickson (excused)

AGENDA

1. Call to Order and Roll Call
Mayor Mackenzie called the meeting to order at 6:30 pm and a quorum was declared present.
2. Approval of the Agenda
Mackenzie asked for approval of the agenda. John Beirl moved to approve the agenda as proposed and Mr. Eades seconded. The motion carried 5-0.
3. Consent Agenda
 - a. Approval of minutes from the January 21st, 2025 Plan Commission meeting
John Beirl moved to approve the minutes. Ms. Gregor noted a correction to be made on page 4, second paragraph. She is credited with asking about native plants and this should have been Ms. Tochtermann instead. John Beirl moved to approve the minutes with the changes noted. Ms. Gregor seconded. The motion carried 5-0.
4. Identify potential conflicts of interest
None
5. Citizen Participation (non-agenda items)
None
6. Action Items:
 - a. Vote on a request to purchase City-owned land at 821 Water Street (Portion of Parcel # 201-01063-0000), zoned Waterfront City Center (W-CC) with a Waterfront Overlay (W-O).
Applicant: Sara Brown

Mayor Mackenzie noted this item was tabled at the last meeting. Motion made by John Beirl to take from the table for discussion. Second by Mr. Eades. There was a request for more information regarding the cost for the property. Mr. Wiley noted we looked at the county tax records for the parcel which went back to 2014. It was valued at \$73,000 on the 50-foot wide section of property and around \$23,000 for the house. The structure was razed sometime after

2014 so is no longer being factored into the value of the property. Ms. Brown is offering \$6,000 for the purchase of 25 feet. In 2014 the original 50-foot section was valued at \$7,300 for the land. The city had paid \$54,000 for the property with the house. Staff is comfortable moving ahead with the land sale request. The assessor valued the property at \$7,000.

Mayor Mackenzie called a vote to take the item from the table and move forward. Passed 5-0 to move forward with the motion as made. Further Discussion: John Beirl noted he is okay with the staff recommendation; however, he feels it is poor financial management on the cities part of buying property, taking on the expense of removing a single-family home, and then selling the lot for a loss. He doesn't think, as a member of the planning commission, for him to be the one to remind staff of the history of this property shows a lack of staffing consistency and the further need to hire at least some people who know our community's past. Mr. Wiley responded that none of us (staff) were here at that time. John Beirl noted that the Parks and Recs Director has been actively involved with everything that went on with the Ore Dock so would argue that is not the case and that this appears to be poor communication on staff's part. Mayor Mackenzie added that he was here and is aware of why the city purchased the property and it was for different reasons than for what we are doing with it now. It was done well before the current staff was involved with it and the intended use of this land has changed. Now it is a matter of how we use the land today. Mr. Beirl questioned the Mayor if he was aware of it, doesn't he feel it is a material enough occurrence that it would also be relevant enough for the decision making of this body? He questioned why it wasn't put in the staff report to begin with. Mayor Mackenzie noted he was aware why the City was buying property in the Ore Dock area but not specifically which parcels. He said initially there were plans to provide parking in that area for easier Ore Dock access but this idea has since changed considerably. He noted we can recommend a different price to the council if need be. John Beirl responded that he feels transparency is very, very important. Jeff Beirl noted he would prefer to see a conforming lot here for the interests of long-term planning. Mayor Mackenzie responded that has been a goal of the city currently - to take existing non-conforming lots and make them conforming again.

Mayor Mackenzie made a call for a vote to move forward with a recommendation to council as set forth by staff for the sale of this 25-foot section of property. Motion carries 5-0.

- b. Public Hearing: Review and Approval of a Conditional Use Permit to allow a Wireless Telecommunication Facility on City-owned Property on Rail Drive (Parcel # 201-05120-0210), zoned Heavy Industrial (HI). Applicant: The Towers, LLC.

Jeff Beirl made a motion to go into public hearing. Second by John Beirl. Motion carried. Mr. Wiley presented on the subject. He reviewed the surrounding uses, future land use recommendation, the existing site and proposed layout for the project with drawings submitted by the applicant. He reviewed the typical standards for review for a conditional use as well as UDO permit application requirements for a wireless telecommunication facility. The staff recommends approval of the conditional use permit contingent on the following conditions:

- Approval of the Conditional Use Permit to allow for the proposed Wireless Telecommunication Facility on Parcel # 201-05120-0210.
- Approval for the security fencing as proposed in the plans with three strands of barbed wire.

- Conditional Use Permit is only for the wireless telecommunications land use proposed and not for any additional uses or improvements. If any additional land uses are proposed such uses will require additional administrative and/or Conditional Use Permit approval through Plan Commission and the Common Council.
- Prior to the construction of any future improvements on the parcel, the applicants(s) shall apply for and obtain any required approvals and permits.
- Applicant shall maintain the tower and associated equipment and ensure all site improvements remain code compliant and in structurally-sound condition.
- Applicant shall ensure that the tower is compliant and remains compliant with all applicable Federal, State, and Local regulations.
- Applicant shall maintain liability insurance protecting against losses due to personal injury or property damage resulting from the construction, operation, or collapse of the tower, antennae, or accessory equipment and shall keep the City updated with current proof of liability insurance.
- Applicant shall maintain a lease with the City for use of the property.

Chad Morgan from Ramaker (A&E firm) spoke to affirm he was online and available to answer any questions for the applicant. Mr. Wiley noted he had not received any public comments or questions regarding this project and that required letters and notices were sent out and/or published. John Beirl made a motion to go out of public hearing. Second by Ms. Gregor. Motion Carried. Motion by John Beirl to approve CUP with conditions as outlined in the staff report. Second by Jeff Beirl. John Beirl asked if this project has been reviewed by the city attorney. Mr. Wiley replied that it was. Jeff Beirl asked what part of the property the lease is for and for how long and when would it be renewed? Mr. Wiley noted it is for the entire parcel but they are limited on what they can build and will not be disturbing the wetlands. He believes it is a 5-year lease, renewable up to 9 times for 45 years. Mr. Morgan clarified it is for a 50-year term. Mayor Mackenzie called a roll call vote. Carried 5-0.

- c. Vote to support Resolution #17809 petitioning the Secretary of Transportation for Airport Improvements for the JFK Memorial Airport

Mayor Mackenzie explained that under state statute, this resolution is required to be run through Plan Commission. It covers a six-year period (2025 – 2031). By authorizing the resolution, it allows the State to approach the federal government to receive funding for the airport. Only items on the list can be funded federally. He noted that if the commission has concerns about the list, they can be passed on to the council. He pointed out that the current costs for running the airport and the financial implications are not conducive to increasing the size of the airport. He ran through the proposed resolution and the items that have been struck out of the language such as widening the entrance road and a zoning overlay. John Beirl made a motion to endorse the resolution subject to the revised wish list. Second by Jeff Beirl. Motion carried.

7. Discussion Items:

- a. Potential Planned Unit Development for a Development on Beaser Avenue

Mr. Wiley explained that the City is looking at a potential Planned Unit Development for housing on the vacant city-owned site along Beaser Avenue. He noted it is a former brownfield site and the city has put out RFP's over the years for potential development. He introduced the developers the city has been working with and that were also present at the meeting: Ryan Nelson, Shannon Greyson,

and Jason Hale. He went on to say this would be a higher density multi-family residential use with community amenities. He believes it would be about 130 units ranging from studios to one and two-bedroom units. It would consist of a development agreement, transfer of land, and a potential planned unit development. The land is currently zoned MRC. The zoning standards tie back to the district the proposed use most closely resembles which would be R-4 for this development. They will likely need relief from the ordinance on the maximum height allowed which is 45 feet. The actual proposed building may be as high as 60 feet with a pitched roof. There would be a mix of covered parking at the first level plus surface parking. The intent of the discussion is to make the commission aware of the project and hopefully garner support. Wiley discussed the reason for using a planned unit development for this project and the potential to incorporate higher standards for selected elements.

Jason Hale, with the Vision team, came forward to speak and introduce himself. He touched on the reasoning for possible additional building height depending on the roof type. A flat roof is an option although they feel a pitched roof is more suitable as a transition from residential to downtown building characteristics. He explained that building higher instead of out is better economically and environmentally. He believes a target market in Ashland would be seniors and would advocate for covered, heated parking. He noted the planning is still preliminary. Mayor Mackenzie asked Mr. Hale to talk about his history with these types of projects. Mr. Hale worked as the director of housing for Cook County on over 30 projects consisting of 1,400 units spanning from Duluth to Grand Marais, MN. He noted that communities like Ashland are struggling everywhere to get attention from developers. His understanding is that Ashland is looking for a development like this and does not currently have anything like it. He noted they are aiming for 130 – 150 units and that it comes down to the math and management to make it a successful project. John Beirl asked how he honed in on Ashland and what types of accommodations they are looking for? He noted they are also talking to other communities while adding that these developments don't happen without a partnership from the municipality. It's \$200,000 (give or take) a unit to construct these. He said land or a compatible site with accessible utilities is a major component. He noted the willingness to offer tax increment financing is another tool that is needed to make the math work. John Beirl asked if they will be market-rate rents? Hale responded: yes, market-rate for Ashland. He noted there is a risk on the development side of market rents because many communities like Ashland that don't have newer properties, don't know or understand what number that is because rents have been low for a long time. He added Lake Superior is an asset to drawing renters in. Mr. Eades asked what those projections are for fair market rent in Ashland and added that affordable housing is an important factor in making this work. Mr. Hale explained that according to the housing industry, affordable is defined as 60% or area median income (AMI) or less. 95% of affordable housing projects are built with competitive tax credit funds which this project would not be receiving. He reasoned a tax credit project will not help with current rent progress or bring new development in. They are open to attaining different rent levels and creating a mixed-income building. Currently, rent levels they are providing are ballpark 90 % AMI for the region. They try to hit between 80-100 % AMI. He stated he doesn't have the exact number for our region but recollects that a studio would be approximately \$1,200 monthly rent. He compared this to Duluth where it would be \$1,500. Mayor Mackenzie stated the city would like to see this move forward and are looking at making it a TIF district. Mr. Wiley noted it would be defined as a "blighted-area" TID and that the proposed development has already been introduced before the city council who have shown their support.

b. Discussion pertaining to Rooming Houses

Mayor Mackenzie acknowledged the request to review the City's ordinance language regarding rooming houses. He stated that we do allow them in seven of our districts. He referenced that Superior has regulations that allow 10 units to a single bathroom which seems inappropriate. He added that rooming houses do provide an affordable housing option. Mr. Eades commented that the state is unfriendly with restricting these types of properties. Mayor Mackenzie noted this is not the same as renting out one or two bedrooms in a house. The third rental requires a permit. This is meant to put limits on what you are providing if you are renting out more than three rooms. Mr. Wiley noted this is a misconception in the community - that Ashland prohibits rooming houses which is not true. Seven districts allow these as conditional uses. There are also building code and plan review requirements to consider at the state level. Mayor Mackenzie noted a member of the city council has asked us to look at the ordinance and we want to get the plan commission's perspective. He is not in favor of changing our current ordinance and allowing many units to only one bathroom. College suites may see four or five units to one bathroom which may be more reasonable.

Mr. Wiley noted we could look at a specific district if there was enough interest but that we need to be aware of site specifics and potential impacts. Parking, property management and impacts on the neighborhood are all aspects to consider. Mayor Mackenzie suggested we could set a restriction on how many units are allowed before there needs to be management living onsite. He noted the city is looking for thoughts on any amendments to the ordinance that should be changed. Mr. Eades replied that more information is needed and that B&B's are defined by state law. He noted that B&B's in Bayfield were very strict and they had to be owner-occupied which has now changed per the state to not be overly burdensome to the homeowner. He asked what the main objective was. Mayor Mackenzie replied that there have been requests from property owners who want to pack as many people as they can into a property in a long-term living arrangement. He added there is a history of boarding-type houses in the city and there are people who want to re-open them. He mentioned there is interest for this at the Our Lady of the Lake property which is a concern. John Beirl asked if this wasn't already going on at the east end of Main Street? Mayor Mackenzie replied there have been a couple such situations and the city has shut at least one down. It was clarified this is pertaining to long term situations that last for more than 30 days. Mr. Wiley noted the city has limited inspection abilities which makes it difficult to oversee these properties and mandate decent living conditions.

c. Potential Ordinance Amendment pertaining to Metal Siding

Mr. Wiley informed the commission that staff has been doing ordinance research on the use of metal siding. He has started to put together draft ordinance language for allowing the material in some circumstances and wants to get feedback from the commission. His concerns are that allowing the material without any restrictions will erode the city's design standards but realizes the use of it in compatible ways would be reasonable. He noted he doesn't like the idea of creating an ordinance around a single project. He is looking for feedback on the draft. John Beirl agreed there needs to be something but not sure exactly what. Mayor Mackenzie noted we would be looking at allowing or restricting the product to specific districts, for example, not allowing it in the Historic Districts. He noted there is a greater interest in using it because it is cheaper. Mr. Eades asked if there is a reason the exposed fasteners are always a "no"? Ms. Erickson responded that this was a common theme where many communities do not allow them. For one, the aesthetics; looking at

exposed bolts may be considered unfinished and therefore non-desirable. In addition, exposed fasteners may convey an inexpensive or “cheap”, lower quality finish that is best suited for out-buildings and manufacturing or agricultural types of applications. Ms. Erickson noted the exposed and unsealed fasteners are more likely to develop rust and allow water penetration that can cause building envelope issues. Mr. Wiley noted that there may be some applications of metal wall panel systems with exposed fasteners that can be pleasing and create a look that is desirable but the cases we have seen have been mostly utilitarian applications. He clarified the draft language states if the fasteners are visible from the street than it can be a problem but otherwise there is some flexibility. John Beirl stated that he imagines we are not at the forefront of this issue and there are other communities that have already dealt with this. Could we not refer to other ordinances for new language? Mr. Wiley noted that is precisely what we have done with this draft. He clarified that this is proposed new ordinance language as our current ordinance does not allow metal siding except in outlying areas. Mr. Eades expressed support for these ordinance updates. Ms. Erickson gave a few more details regarding the metal siding research she did on comparable cities. Mayor Mackenzie asked if anyone felt there were other districts in the city that we should consider excluding metal siding. John Beirl responded Ashland is a patchwork of properties and it would be hard to have a one-size-fits-all requirement. He is looking to city staff to make a recommendation based on research we have done and our best judgement. Mayor Mackenzie noted there is a difference between the application of new metal siding and an existing use where it is part of the historic fabric of a structure or area. John Beirl gave the example of galvanized metal siding on the lakefront boat houses and it was noted they are locally designated as historic structures with their own identity. Jeff Beirl added that we don't know what new products might be introduced in the future and that the ordinance needs to account for this. Used or rusted metal should not be permitted but the ordinance does currently allow aluminum or steel lap siding which would not be affected by this new language. Mayor Mackenzie asked the commission to reach out to staff with any additional thoughts.

d. Update on Property Maintenance Enforcement

John Beirl asked if the staff reports for property maintenance could include the names of the property owners as this would help distinguish repeat offenders. Mr. Wiley agreed this could be added. Mayor Mackenzie noted it would be beneficial to know if multiple properties are owned by the same person. The system should identify if there is a code violation for a property, the violation should be apparent when looking at the records of any property owned by that individual.

e. Update on Building Permits for January, 2025

No discussion occurred on this item.

f. Update on Miscellaneous Planning and Development Items

None

8. Announcement/Reports/Comments/Questions

Mayor Mackenzie mentioned the tasks that staff are working on and hoping the new housing project becomes a reality.

9. Adjournment

John Beirl made a motion to adjourn. Eades seconded. Motion carried 5-0. The meeting adjourned at 7:54 PM.

Recorded by:
Terri Erickson
Assistant Planner