

Pursuant to due call and notice thereof, a Planning Commission meeting was held on Tuesday, July 9, 2024 at 5:30 p.m.

**PRESENT:** Jim Read, Dick Glatzmaier, Bryan Becker, Aaron Goebel, Jeff Manthe

**ABSENT:** None

The meeting was called to order at 5:30 p.m.

### **MINUTES OF MAY 2024**

*Motion was made by Dick Glatzmaier to approve the minutes, second by Bryan Becker, all in favor and carried.*

### **PUBLIC HEARING SHORT-TERM RENTALS**

The public hearing was opened at 5:31 p.m.

Jim Read explained that the City currently does not have an ordinance covering short-term rentals but there are regulations through Stearns County. Bob Pflipsen at 901 Hamlet Dr. N was present at the meeting and was in favor of a ban. He questioned if the City has contacted our city attorney regarding banning short-term rentals. His concern in Stratford is due to narrow streets and the Stratford Association Beach. Last summer a house was rented and the cars were piling up on the streets. All these extra visitors made the residents that have a right to the beach feel like they weren't able to use this area. Problems could include drinking, smoking and dogs, all of which are banned on the beach. Aaron Goebel asked about the Stratford rules. It was noted the property owner is responsible for guests and said owner should accompany any guests while at the beach. Jim Read stated where there are associations in place, those properties would also have to follow any HOA rules. If you have a formal association, you should be able to have a formal rule within their association regarding rentals. They dictate everything else such as color of the house, etc.

Jeff Meyer at 405 Chinook Ave. SW stated that the City has a public swimming beach and look at all the effort that the police put in at that location. Mr. Meyer is in favor of a moratorium on short-term rentals as he feels these rentals are like putting a hotel in a residential area. Mr. Meyer stated the MPR News and the Star Tribune had articles regarding problems with these rentals. Mr. Meyer questioned if a specific use is not listed as a permitted use in our ordinance does that make it an illegal use?

James Noske at 1020 Romeo Way stated that laws are generally restricted. Blattner and Sons created the development. They had restricted covenants that run with the land. Every owner within the Stratford Association is part of the HOA non-profit that owns the beach. They technically have no enforcement of City ordinance which is one of the problems. Do we want something that could be a problem to enforce or just leave things the way they are? Regarding the rough draft short-term rental ordinance discussion should be made under No. 18. to change the word "establishment" as it is not defined. We do not want someone selling their property and still have the license.

Brett Boese at 603 Chinook Ave. SW is currently using his property as a short-term rental to generate income but also personally using this property with his family. He has been operating as a short-term rental for approximately 5 months and is not aware of any complaints. He does have cameras on the property in the event any problems arise. A ban will hurt his plan of what he originally purchased this property for. Mr. Boese is nervous as a ban or even a minimum stay policy of 30 days would shut them down. He has been doing this for 10 years and has a 4.9 star rating and 1,200 positive reviews. He would request that we possibly grandfather him in. Mr. Boese did go through the license process with the County and the property was inspected to verify compliance. Mr. Boese stated an average booking is 4.5 days and normally the longest is a week.

Kurt Fox at 921 Hamlet Dr. N noted if there is a moratorium anything new would be stopped. Anything that is existing can continue. Jodi Traut explained that a moratorium can be on anything new coming in but only for a period of time. Any existing short-term rentals can continue to operate. After the study period, the council would need to decide to either ban these rentals or adopt an ordinance to allow with regulations. The Planning Commission discussed the ordinance language regarding a Bed and Breakfast. Aaron Goebel stated that we could run into problems with companies buying up houses and using them specifically as short-term rentals, driving the cost of homes up. How would we block something like this happening in the future?

Matt Harkens at 1032 Hamlet Dr. N also noted that a company could come in to buy properties to use as short-term rentals which they would then farm out to a management company to operate. There is a reason why these are banned. It is because they are not good for communities. They are good for property owners economically but not for a community as a whole. Long-term rentals can become a part of the community. Short-term rentals that come in for a week and leave don't care what happens on the property as they will be out and a new renter in. The benefit to ban outweighs any benefit to allow short-term rentals.

Gabe Jarnot at 1020 Hamlet Dr. N noted that they have used VRBO's in the past. Some areas in FL such as Marco Island the only short-term option would be Hiltons and Marriotts. The majority of properties require a minimum of one-month rentals in an effort to maintain more of a community feel. They don't want the weekly turnover which is where you get issues. Aaron Goebel stated a month-long rental might not work here. FL is different because they are getting vacationers getting away from the snow. Mr. Meyer noted that the MN Dept of Health licenses hotels and motels. AirBnB's are good for homeowners' pocketbooks but they are not good for the community. Short-Term rentals are like putting a hotel or motel in a residential area and it should need a license. Pia Lopez at 912 Hamlet Dr. N. stated the 30-day rule would change the definition. If it's over 30 days it just goes into a normal rental. They have in the past rented their house out for 3 months while they were gone.

Cliff Borgerding is not a city resident but does live on Shorewood Rd. and is involved with the Wobegon Trail. Mr. Borgerding stated he often get requests from travelers looking for short-term rentals. He stated an AirBnB would be full in summer. These are not always necessarily party people as many are using the bike trail. He would encourage the City to specifically limit the number of people allowed but he knows a lot of people that are looking for short-term rental

options. Jodi Traut stated we are able to regulate the number of cannabis businesses in the City. It might be possible to put a cap on how many short-term rentals are allowed.

Brett Boese was asked if he runs into any problems with different types of renters. Mr. Boese stated he is not able to discriminate and as long as they fit qualifications they are able to rent. He does ask them to verify their identify in case something goes wrong and does have cameras to utilize in case he needs to. In his experience, the majority of renters are multigenerational, grandparent, grandkids, etc. Mr. Boese stated in Rochester they adopted a short-term rental ordinance comparable to the long-term rental ordinance which regulates bedroom sizes, occupancy, etc. A home with large bedrooms could sleep more people. Stearns County does have regulations also.

Aaron Goebel stated if we allow short-term rentals but regulate them, now we have to take over the license process. The issue is who will be the inspector or who does the enforcement. Some cities have people dedicated to this. Who in the city would be qualified to inspect or do we work with the County? Jeff Meyer stated that we have had issues in the past with renters. We also have limited resources. We are not Rochester and a \$175,000 inspector would cost a 15% levy to the City of Avon. This would be good for renters but adds additional cost to the taxpayer. This would be an argument to support banning short-term rentals.

Brett Boese feels that short-term rentals are self-regulating. Reviews from guests dictate where you are placed on a page. If police are called this would be reflected in the review. If we have issues with long term rentals how can that compare apples to apples with short-term rentals. It was noted that if a neighbor has a problem or complaint something like this would not show up in any reviews associated with that rental.

***Motion was made to close the public hearing at 6:15 p.m. by Bryan Becker, second by Dick Glatzmaier, all in favor and carried.***

It was noted that we could come up with 2 proposals. One to regulate without banning and one to ban short-term rentals. We could research bedroom size, sleeping capacity, etc. to add to the ordinance. Could we find out if there would be any way to work with the County with inspections? If the City would put a limit on the number of rentals, would we need to take over licensing and inspections or could we work with the County. Could we check with the City attorney regarding HOA's banning short term rentals. This might also be a compromise if the City would allow short term rentals.

***Motion was made to recommend a moratorium on short-term rentals by Dick Glatzmaier, second by Bryan Becker, all in favor and carried.***

Moving forward we would let the county know that there is a moratorium on short-term rentals. The Planning Commission would like more information from the City attorney. This would not stop any short-term rentals that are currently in place. Could we also find language from other cities that have successful short-term rentals? Also, would it be possible to contract with the Township?

## **ADMINISTRATIVE SUBDIVISIONS**

The Planning Commission discussed drainage on the lots 406 and 408 Estate Dr. There are wetlands on these two lots. It was noted that this location does not show any drainage issues. Kevin Cox has authorized this lot combination and all utility companies signed off of the easement vacation. It was noted the property owner would pay two SAC/WAC charges.

***Motion was made to recommend approval to vacate the easements and combine lots 406 and 408 Estate Dr, Southern View Plat 3 by Aaron Goebel, second by Jeff Manthe, all in favor and carried.***

Bryan Becker explained that this corner lot had a double wide that he removed two years ago. They added a retention pond that flows into the overflow and a parking lot and would like to combine the lots into one parcel. It was noted that impervious surface was calculated. Utility companies were contacted and they did sign off on the easement vacation.

***Motion was made to recommend approval to vacate the easements and combine 401 Blattner Dr. and 400 1<sup>st</sup> St. SE. by Aaron Goebel, second by Jeff Manthe, all in favor and carried.***

Note: Possible September Planning Commission meeting.

Meeting was adjourned at 6:36 p.m.

Respectfully Submitted  
by Amy Pease