

**Town of Duluth  
Planning Commission  
Meeting Minutes  
March 26, 2026**

The meeting was called to order at 6:30pm by Chair Justin Osadjan.

In attendance: Justin Osadjan, Ken Peterson, Nate Nesgoda, Tony Mancuso, Megan Gunness, Andrew Aho, Kit Grayson.

Absent: No one.

Also attending: Liz Strohmayr, Planning Director; ArMand Nelson, Town Board liaison to the Planning Commission; Beth Mullan, Secretary; and Laura Herzog, incoming secretary.

Agenda-

Tony made a motion to approve the agenda as presented. Nate seconded the motion. It passed unanimously.

New Business- None.

Old Business- Review of SC-1A and SC-1B in Table 5.3.2 Commercial Land Use.

Liz said in review that we leave it as C, meaning it is allowed with a CUP (Conditional Use Permit), which is the way it has always been for a business in these zones, otherwise the change on the table for discussion is to open it up to an over the counter permit for any commercial business, which would not allow for a public hearing.

Justin said he agrees with Kit's previously submitted proposal to leave it as C. He said he sees that as an overwhelming residential area with few businesses. He would prefer to allow businesses with public input because he thinks the residents want to preserve the shore with businesses that fit into the area.

Tony said he agrees with Kit and Justin, and he thinks asking for a CUP is adequate for people that want to start a business, while continuing to get input from the neighbors. He said every situation can be slightly different and he thinks it is useful to have a hearing to discuss it.

Liz said we are here to help with the CUP process, and since a CUP stays with the property forever it makes sense to ask for a CUP for a business. She said it consists of a fee, a public hearing, and neighborhood notification with community feedback. She said she has gotten community feedback appreciating that process, and she thinks the commission has done a great job with deliberations in balancing the community input as well as the input of the business owners. She thinks it's a useful tool that has served well for all parties in the past.

Nate said he is in support of needing a CUP for businesses in those two zones. He thinks there is something to be said about community input that affects the neighborhood around it, and it's important for the Commission to know what types of businesses are going in.

Ken asked if single family residents could be made conditional since they are in the commercial zone district. He wondered if we want residential homes taking up the small space we allow for small businesses. His concern is eventually not having enough area left for potential small businesses to go in.

Justin said SC-1A and SC-1B seem to be mixed use zones, with more residents than businesses, and we want to permit businesses, but carefully curated that will fit in with the north shore area and the community.

Liz said residential dwellings are allowed in all zones except LIM-1 where a CUP would be needed.

Beth said the Ordinance states in Article VIII, Section 2. Part A.2. that an affidavit shall be signed by the homeowner acknowledging the existence of the commercial area and that he/she understands the potential impact such uses may have on the home.

Liz said that issues would only be upheld if the business is being non-compliant.

Nate said it may cut out some space for commercial business, but that keeps more in line with the ruralness of the area being located between two cities.

Liz stated the topic in question that the Commission needs to decide on is changing zones SC-1A and SC-1B for Commercial Land Use from C (permitted with a CUP) to P (permitted), or PS (permitted with performance standards), as they previously discussed in the matrix update meetings.

Justin said he thinks that the proposed change was not thought through thoroughly, and that they have learned a lot more since discussing it further. He said he wants to be as receptive as we can to the voices in the community.

Justin made a motion to keep zones SC-1A and SC-1B as C (permitted with a CUP) for Commercial Land Use in Table 5.3.2. of the Ordinance. Kit seconded the motion.

Six are in favor of the motion, with one not in favor. The motion passed.

Liz added that she appreciates the discussion and that she's thankful the Commission is willing to have the open conversation to think about possible changes.

Ken wrote up the proposed changes shown below to the language for SC-1B in Article VIII, Section 11, and Kit added line G in reference to stormwater. Ken thinks SC-1A should be kept the same as COM-1, since SC-1B is more nonbusiness with single-family homes, but still commercial enough to have different conditions.

Kit said he felt like there was a need for more control over stormwater and runoff being the location of those two zones. Showing the need for adding part G.

All agree to add verbiage to hours of operation to include "hours of operation including deliveries."

A. No change

B. Hours of operation - As this commercial zone is largely mixed with existing single family residential structures, hours of operation will be limited to the following 7AM – 9PM. Including business traffic to the establishment, as well as the shipping and receiving of goods and services.

C. General lighting - General lot and building lighting are permitted during business hours, in accordance with Article VIII Section 8. Lighting is to be restricted to the property such that it does not project into neighboring residential lots. Only motion-activated lighting will be allowed outside of business hours. Signage lighting – Signage may be lit 24 hours but must illuminate the sign only and not project into neighboring lots.

D. Signage – Businesses are permitted a site entry sign at the driveway directing traffic to the business and 1 additional advertisement sign which shall conform to Article VIII section 7 of this ordinance.

E. Screening must be provided between a commercial business and existing neighboring residential lots, in accordance with Section III, Section 6. Vegetative screening is preferred. No screening buffer is required between 2 commercial businesses.

F. Business traffic shall be directed such that it remains on arterial roads.

G. Stormwater, Erosion, and sediment Control – Businesses must limit the storage of materials or waste containers exposed to precipitation. Sites must be operated and maintained in accordance with Article III, Section 5, pertaining to stormwater, Erosion and Sediment Control.

Ken made a motion to approve the new proposed verbiage for SC-1B in Article VIII, Section 11, A-G, and to keep COM-1 and SC-1A to remain as they are as PS (permitted with performance standards). Tony seconded the motion. The motion passed unanimously.

Ken made a motion to approve the amended verbiage with the changes discussed for parts B and G. Tony seconded the motion. The motion passed unanimously.

Liz asked the Commission if they would consider adding part G to Article VIII, Section 10 COM-1 and SC-1A as well?

Justin made a motion to add the same language as part G to be adopted to Article VIII, Section 10, COM-1 and SC-1A. Andrew seconded the motion. The motion passed unanimously.

#### Approve Minutes-

Tony made a motion to approve the February Planning and Zoning meeting minutes. Megan seconded the motion. The motion passed unanimously.

#### Directors Report-

Liz said that Matthew Stupnik also needs to identify the top of the bluff for his variance requests. He will need to ask for variances for distance from the road, from the lake, and from the top of the bluff. She said he also needs to update road measurements, and once we get exact measurements then we can publicly post it. Liz said she will let the Commission know once we get it all finalized, and that could possibly be by April.

Liz said the annual township meeting took place, and there were no objections to the proposed Planning and Zoning budget, and the overall township budget also passed. She said we were able to come in under budget being that we no longer need to take part in MS4.

#### Concerns from the Audience- None.

Tony made a motion to adjourn. Kit seconded the motion. It passed unanimously. Meeting adjourned at 7:27pm.

## Ken's Email Proposal:

### Section 11 Shoreland Commercial (SC-1B)

- A. Compatible with Surrounding Residential Area.** This district supports a light level of commercial development intensity. Development intensities and uses should be compatible with the surrounding residential scale and density abutting the commercial district. Permitted uses and standards associated with the use will reflect the surrounding intensity and scale of the neighborhood.
- B. Hours of Operation.** Hours of operation will be consistent with residential neighborhoods, generally limited to the hours between 7:00 AM and 9:00 PM. ~~Hours of operation will be based on but not limited to the following factors and be limited accordingly.~~
- ~~1. Amount of noise associated with the operation of the business.~~
  - ~~2. Intensity and amount of light associated with operation of the business after sunset.~~
  - ~~3. Amount of increased traffic on residential and non-arterial roads, including business traffic to the establishment as well as the shipping and receiving of goods and services.~~
- C. Lighting and Signage.**
1. All lighting and signage shall meet the general requirements of this Ordinance.
  - ~~2. In addition, signage shall not be lit past hours of operation of the business.~~
- D. Increase in Traffic.** The intensity, amount, and scale of use permitted with the commercial development will be directly related to the amount of increased traffic as a result of the commercial use. The proposed use should not result in a significant increase in traffic on non-arterial roads in the surrounding neighborhoods.
- E. Screening and Buffering of Commercial Uses.** Screening and buffering will be provided between the commercial use and ~~the surrounding neighborhoods.~~ (see Article III, Section 5)

New SC-1B proposed – Ken (Com1 and SC-1A PS to remain they are)

A. – No change

B. Hours of operation - As this commercial zone is largely mixed with existing single family residential structures, hours of operation will be limited to the following 7AM – 9PM

C. General lighting - General lot and building lighting are permitted during business hours. Lighting is to be restricted to the property such that it does not project into neighboring residential lots. Only motion activated lighting will be allowed outside of business hours.

Signage lighting – Signage may be lit 24 hours but must illuminate the sign only and not project into neighboring lots

D. Signage – Businesses are permitted a site entry sign at the driveway directing traffic to the business and 1 additional advertisement sign which shall conform to Article VIII section 7 of this ordinance.

E. Screening must be provided between a commercial business and existing neighboring residential lots. Vegetative screening is preferred. No screening buffer is required between 2 commercial businesses.

F. Business traffic shall be directed such that it remains on arterial roads.

Com1 and SC-1A PS seem to be written in the current ordinance as the primary commercial districts having little restriction on the business owners. I would propose keeping this as such so that we have some denser commercial space available on the shore in this section. This separation is what Liz was illuding to at past meetings and allows us an actual reason to have 2 separate shoreland commercial districts.

I would also propose that the matrix be altered such that a Single Family Residential use in these commercial districts are all made to be C instead of some being PS. This would allow us to encourage a mix of higher housing density commonly found around commercial districts and dissuade single family homeowners from building in these areas they are not meant to be in.

## Kit's Email Proposal:

### Kit's comments to Ken's proposal email in RED:

New SC-1B proposed – Ken (Com1 and SC-1A PS to remain they are)

A. No change

B. Hours of operation - As this commercial zone is largely mixed with existing single family residential structures, hours of operation will be limited to the following 7AM – 9P.

- a. Including business traffic to the establishment as well as the shipping and receiving of goods and services. **Back up beepers from semi or garbage, down shifting to make turn on driveway, headlights into neighbors, ext. Could limit it just to deliveries and services (hard for Liz to enforce).**

C. General lighting - General lot and building lighting are permitted during business hours, in accordance with Article VIII Section 8. Lighting is to be restricted to the property such that it does not project into neighboring residential lots. Only motion activated lighting will be allowed outside of business hours.

Signage lighting – Signage may be lit 24 hours but must illuminate the sign only and not project into neighboring lots **-Would move to signage to closer match section 7**

D. Signage – Businesses are permitted a site entry sign at the driveway directing traffic to the business and 1 additional advertisement sign which shall conform to Article VIII section 7 of this ordinance.

E. Screening must be provided between a commercial business and existing neighboring residential lots, in accordance with Section III, Section 6. Vegetative screening is preferred. No screening buffer is required between 2 commercial businesses. **- Article III, section 6 doesn't talk about type of plants to use.**

**Evergreens?**

F. Business traffic shall be directed such that it remains on arterial roads.

Com1 and SC-1A PS seem to be written in the current ordinance as the primary commercial districts having little restriction on the business owners. I would propose keeping this as such so that we have some denser commercial space available on the shore in this section. This separation is what Liz was illuding to at past meetings and allows us an actual reason to have 2 separate shoreland commercial districts.

G. Stormwater, Erosion, and sediment Control – Businesses must limit the storage of materials or waste containers exposed to precipitation. Sites must be operated and maintained in accordance with Article III, Section 5, pertaining to stormwater, Erosion and Sediment Control. **- Maybe there is a better way to get at this but as this zone is in close proximity of Lake Superior I feel there needs to be extra controls on stormwater.**

I would also propose that the matrix be altered such that a Single Family Residential use in these commercial districts are all made to be C instead of some being PS. This would allow us to encourage a mix of higher housing density commonly found around commercial districts and dissuade single family homeowners from building in these areas they are not meant to be in. **-I'm a little lost at what we are saying? Are we talking about apt or multiple unit housing? I would not encourage that and feel that goes against the comprehensive land use plan. But I could see the benefit of having Conditional use permits for residents in SC-1A or B, making sure they know what they are signing up for.**