

City of Duluth Planning Commission

October 28th, 2025 – City Hall Council Chambers Special Meeting Minutes

Call to Order

President Gary Eckenberg called to order the special meeting of the city of Duluth Planning Commission at 5:05 p.m. on Tuesday, October 28th, 2025, in the Duluth city hall council chambers.

Roll Call

Attendance:

Members Present: Nik Bayuk, Jason Crawford, Gary Eckenberg, Brian Hammond, Danielle Rhodes, Dave Sarvela, Kate Van Daele, and Andrea Wedul
Members Absent: Chris Adatte

Staff Present: Nick Anderson, Ben Van Tassel, Tricia Hobbs, Jenn Moses, Chris Lee, Jason Mozol, Christian Huelsman, Ariana Dahlen, and Sam Smith

Public Comment on Items Not on Agenda

President Eckenberg read a public comment that was not included in the October 15th meeting packet. The comment was received on October 8th from Asher Estrin-Haire regarding his opposition to item PLIUP-2508-0039. In the comment, Estrin-Haire expressed his concerns about the proposed interim use permit.

Other Business

PLSUB-2508-0010 Minor Subdivision at Swan Lake Rd (010-0803-00020) by Adam Schminski [CH]

Staff: Christian Huelsman addressed the commissioners. This item was tabled at the previous meeting on October 15th because a member of the public brought additional information forward to staff and the commissioners the day of the meeting. Commissioners did not feel comfortable moving forward with the application until staff had a chance to review the additional information. Four documents were received and reviewed by staff, and staff determined that their interpretation of the site and the application had not changed. Staff recommends approval with conditions.

Applicant: Jesse Stokke, 4914 Trails End Dr – Stokke stated that this project meets all necessary criteria, and it will help provide housing in Duluth. He has worked on similar projects in other neighborhoods successfully, and this project fits the neighborhood demographic.

Stokke has worked closely with the city throughout this process and has completed everything that has been asked of him, including a wetland delineation and a tree preservation plan. He asked for his application to be approved.

Public: No speakers.

Motion/second: Crawford/Van Daele approve as per staff recommendation

Vote: (8-0)

PLUMA-2509-0006 UDC Map Amendment for Lower Miller and Coffee Creek Shoreland Designations at 2402 W Michigan St by City of Duluth [JM]

Staff: Jason Mozol addressed the commissioners. This item was tabled at the previous meeting on October 15th. He gave a brief overview of the project for the commissioners who were not present at the last meeting. Both subject streams are designated trout streams with trout living in them. Trout are sensitive to water quality and temperature.

Planning staff spoke with the DNR about the general development waters designation for sections of Miller Creek and Coffee Creek instead of the cold-water river designation, and their staff stated both the general development designation and the cold-water designation would be acceptable for this area. DNR staff also noted that all trout streams within the city of Duluth are designated as cold water streams, and it would be consistent to designate the subject stream sections as cold water river zones. The general development zone would provide a 50 ft setback to the streams, while the cold-water river zone provides a 150 ft setback. A smaller setback means less restrictions for development in the area, but it also means there will be less protection for the streams. Staff continues to recommend the cold-water designation.

Public: Rob Finnegan, 3501 E 1st St – Finnegan owns one of the nearby parcels that would be impacted by the proposed reclassification. He feels that the 50 ft setback would be adequate for the area. When he recently asked the city to weigh in on the square footage of his proposed warehouse, it was discovered that there were no shoreland protections there. Finnegan stated that city staff consulted the DNR on how to proceed. He stated that the DNR did not weigh in, so city staff went on to propose that the streams be designated as a cold-water creek.

Commissioners: Discussion ensued among the commissioners about which shoreland designation would be most appropriate for the subject site.

Motion/second: Hammond/Rhodes recommend approval to city council with the modification that the sections of Miller Creek and Coffee Creek described in the staff memo be given the general development waters shoreland designation instead of cold-water river shoreland designation.

Vote: (7-0)
Crawford abstained

PLOR-2510-0015 Resolution of the City of Duluth Planning Commission Recommending that the City Council Approve Sale of Certain Real Property in the Lester Park Neighborhood to the Duluth Economic Development Authority

Staff: Jenn Moses addressed the commissioners. She gave a summary of some key points that staff heard from the commissioners at the October 15th meeting and provided some context for some changes that were made to the proposed resolution.

Some commissioners had questions about whether the subject property was intended to be park land while referencing the parks master plan and asked what the city's vision for the property was. Commissioners also had questions about the proposed land conveyance process.

Partially in response to those questions, last night the city council passed a resolution that indicates the council's vision to explore development opportunities on the site, and it lays out a land use study process. Council's resolution does not supersede or negate the need for the planning commission resolution, but it does serve to answer some questions about council's desire to explore development opportunities. The subject property is in a park status, and for a land use study to be initiated, there needs to be an indication of future change that warrants the city to study the property. The actions of council and planning commission, including the resolution before them tonight, establish that the future land use on the site could change and that the city should proactively plan for that by initiating a land use study. The city does not have the resources to do the work, so DEDA has been asked to contribute funding to the project. For DEDA to be able to expend those resources, there must be an agreement in place with the city to outline what that process looks like. Moses provided a visual of the process to the commissioners.

Planning commissioners' approval of this resolution marks the second step of the process. This step is like a how a purchase agreement with DEDA and the city would look like, so DEDA can do all the due diligence on the property. The closing does not happen until the due diligence portion is done and the land use study has been completed. The land use study typically takes around six months to complete, but council has asked for additional information in the study, so it could take closer to nine months. Planning commission and city council will have opportunities to weigh in on the future land use changes, and those times are indicated on the visual as public hearings.

Staff do not know what the future land use will be without study. Land use studies are based on the governing principles in comprehensive plan. One of the things that the comprehensive plan identifies is open space in Duluth, while also acknowledging that the city has an unsustainable amount of open space. The calls for neighborhoods with identity and with a variety of housing types so people can stay within their neighborhoods as their needs change, and it calls for compact development with minimal demands on infrastructure. These are some of the things that the land use study will be working to incorporate in terms of how to balance the governing principles within the mix of future land uses for the site.

There have been two changes to the resolution since the October 15th meeting. The changes were added to address commissioners' comments about the goals as well as the public input process. A section was added that talks about the identified need for housing with adjacent outdoor amenities and a desire for preservation of open space. The other change talked about how the land use study will incorporate community priorities and needs and will seek input from community members and stakeholders.

Ben Van Tassel addressed the commissioners. He reiterated that several steps would need to happen before DEDA would close on the property, which could be more than twelve months from now. Next steps include a formal environmental review process and a public sale process. Van Tassel noted that DEDA executive director Tricia Hobbs, councilor Lynn Nephew, and Parks & Recreation manager Jess Peterson were all present to answer any questions.

Commissioners: Van Daele added that councilor Wendy Durrwachter was present as well. Eckenberg asked about the 1955 Minnesota law noted in the resolution and asked about the intention behind it. He also asked if planning commissioners have the power to stop this resolution and the council resolution from moving forward.

Staff: Attorney Anderson answered that he does not have great insight into the minds of the 1955 state legislature. He stated that this process was put in place that would intentionally require multiple layers of city review and heighten city thresholds for the approval of such sales,

taking into account that this involves the sale of park property. Anderson stated that $\frac{3}{4}$ vote of the planning commission is required for this to move forward.

Commissioners: Wedul expressed concern about the accuracy of the parcel lines represented in the visuals. Rhodes asked why the contingencies being discussed are not clearly represented in the resolution.

Staff: Van Tassel confirmed that surveys and lot splits will be part of the process leading up to closing. The line was drawn as it was to be clear that the area of focus is east of Lester River Rd. The action tonight will start a long series of processes including the land use study, a number of public hearings, actions before city council, rezonings, and more.

The intention of the resolution is to have the land use study before any property is closed on, and DEDA will also have the land use study as a term of their development agreement.

Attorney Andreson stated that the language in the resolution can be amended by commissioners.

Commissioners: Commissioners asked staff to provide details about the land use study process and asked if there were options outside of a land use study. They also asked questions about the potential outcomes of the study, who will be conducting the study, where the revenue from the future land sale will go, and what the public engagement process looks like.

Staff: Moses gave a general overview of the land use study process and referenced the council resolution that was passed the night before.

Van Tassel stated that the land use study is the appropriate tool to help envision the future for this land. The land use study takes a big picture view of what the city would like to see on the site. It costs money to maintain property, and at the same time there is a need for housing, a need for other development, and the need for investment in local neighborhoods. Starting this process will move the property forward to help address those community needs. There are no predetermined outcomes for the study, and it will be used to meaningfully explore different options for the site. The study will be overseen by planning staff, but a third-party consultant may be used as well.

The revenue from the sale of park land will be reinvested into the city's parks in some capacity. The full distribution of revenue will be spelled out in the future development agreement, and those recommendations will be part of the next step of the process. When the land use study is complete and the areas of land that are identified to remain as open space, parks staff will look at a mini master plan for those areas to further define recreational opportunities.

Van Tassel stated that there will be two kinds of pub processes for this project, which include items that will go through planning commission and city council, and outreach to stakeholders through the land use study. There will be 3 to 4 items going to city council in the next couple of months, and there will be many chances for people to weigh in and receive updates from staff.

Commissioners: Van Daele asked if natural preservation efforts will continue as well as keeping green space all while looking at other uses, and Wedul asked to explain how DEDA will be made to comply with the results of the land use study results.

Bayuk asked councilor Wendy Durrwachter to provide some insight into the council's thought process surrounding this project.

Staff: Van Tassel responded that all uses will be considered, and a great deal of research and input will go into deciding which uses will best fit the site.

Moses cited public process examples from previous land use studies, which include stakeholder advisory committees, open houses, public meetings, public comment submissions, focus groups, and more, but staff do not know what the design for this project will be until they meet with the consultant.

Tricia Hobbs explained that there will be language in the development agreement that will state that DEDA will not close on the property if the site is to remain as park property. Everything that is put forth in the development agreement must conform with zoning regulations. Once the land use study is completed, the city will bring in stakeholders to help set a vision for what the site should look like. The stakeholders will also be involved in the public land sale process. DEDA is not asking for reimbursement for the land use study and will eat the cost if the study results show that there are no development opportunities on the site.

Wendy Durrwachter stated that the council resolution expresses strong support for conveying the land to DEDA. Her part was to ensure that the land use study was put into place before the final closing on the property. The council resolution demanded a land use study, and it defined what that land use study would be. Durrwachter believes that the outcome of the land use study should be determined before the land is conveyed to DEDA.

Commissioners: Eckenberg asked staff for clarification on the order of the steps in this process, specifically about to when the land conveyance to DEDA needed to happen. He also asked why this resolution is being brought forward tonight because there is language in it that talks about the city being authorized to sell the property at a public sale upon recommendation of the planning commission, but the sale of the property won't happen until the end of the process.

Staff: Hobbs responded that the conveyance and closing of the property are two different things. This is operating as a purchase agreement, meaning there are contingencies to closing and other things that are necessary for the land to be transferred into DEDA's ownership. The subject property will be in the city's ownership throughout land use study, any rezonings, and through any comprehensive plan updates. DEDA is being asked to make a significant financial contribution to do this exploration. Per the city's purchasing policy, DEDA must have an agreement in place when it expends funds, similarly to the 1200 Fund or the Housing Trust Fund. The city has options to figure out a path forward without DEDA funds, but it does not have the resources to do so. For DEDA to expend these funds, this is the agreement that needs to be in place. This conveyance is initiating the entire process, and this is typical in many real estate transactions.

Attorney Anderson stated that the requirement for public sale is a requirement that DEDA will have to comply with. He reiterated that there are contingencies to be met prior to this conveyance taking place.

Public: Rachel Johnson, 5702 Oneida St – Johnson is in favor. She is the president of APEX, a private sector led economic development organization, and their mission is to attract sustainable growth. She believes that the recent council-approved resolution should provide direction for the planning commissioners regarding the resolution that is in front of them tonight. Johnson stated that housing is needed in Duluth, and the city's parks are becoming too costly to maintain. She said that inaction is not fair to current and future Duluth residents and urged commissioners to approve the resolution to keep the process moving forward.

Tim Meyer, 4611 London Rd – Meyer is in favor. He came to speak on behalf of the Lester Park Working Group. They studied the Lester Park redevelopment for sixteen months, and the outcome of that study included two different plans for housing and amenities: One private option and one non-profit option. As part of the process, they also worked with the Duluth HRA regarding options for both public and private housing. These options were presented to council with no recommendation, as they were seeking councilors' input. Meyer stated that he is happy to answer questions, and he encouraged the commissioners to approve.

Tom McNamara, 282 Saint Louis River Rd – McNamara is in favor. He has spoken with building companies about building homes in Duluth and suggested the land use study be conducted by a

building company instead of a consultant. He feels that the proposed process is too complicated and having building company do the analysis of the land will be quicker and easier.

Asher Estrin-Haire, 2417 W 6th St – Estrin-Haire is opposed. He supports the redevelopment of Lester Park but has concerns with DEDA taking ownership. Estrin-Haire referenced other DEDA projects in Duluth that offer no benefit for the city, and he is concerned that DEDA cannot deliver what Duluth needs. He also expressed concerns about the potential for short-term rental units on the site and Arik Forsman’s involvement in this process. He believes that the public should decide which developer the Lester property should go to.

Joel Sipress, 2023 E 4th St – Sipress is opposed and has concerns about moving forward with the resolution. He served on the city council when this land was given protected park status and gave some background as to why that decision was made. Sipress is concerned that steps in this process are happening out of order and believes that the land use study should happen before conveyance. He suggested that there could be an agreement between DEDA and the city that states that DEDA will pay for the land use study and no conveyance would be necessary.

Julie O’Leary, 5128 Arnold Rd – O’Leary is opposed. She is representing the McCabe Chapter of Izaak Walton League. O’Leary had asked planning commissioners to reject this resolution two weeks ago until the city created a plan for the property. She believes that the land use study should happen before the conveyance. She urged the commissioners to reject this resolution that will convey the land to DEDA because it is premature given that the land use study has not been carried out yet.

Mikayla Haynes, 5810 Juniata St – Hayes is opposed. She feels that the steps in this process are not being executed in the right order. The land use study should be completed first. She urged the commissioners to reject the resolution and to follow a more transparent public engagement process.

Diane Desotelle, 3031 Branch St – Desotelle is opposed. She stated that the land use study must happen before the conveyance, as we don’t know where development can happen on the site until the study is complete. Desotelle is concerned that the correct steps are not being taken and is unsure about the land being conveyed to DEDA.

Commissioners: Discussion ensued amongst the commissioners regarding potential amendments to the resolution.

Motion/second: Van Daele/Wedul recommend approval of the resolution to city council, followed by the discussion of three amendments:

Motion/second: Van Daele/Bayuk Motion to amend the seventh paragraph to say “WHEREAS, the City shall conduct a land use study of the Property and seek an amendment to the city’s comprehensive land use plan that will drive a rezoning process; and...”

AND amend the eighth paragraph to say “WHEREAS, a land use study will incorporate community priorities and needs and will seek input from community members and stakeholders as stated in the Duluth City Council Resolution 25-0845R; and...”

Vote: (8-0)

Motion/second: Hammond/Rhodes Motion to remove paragraph 10 from the resolution

Vote: (8-0)

Motion/second: Hammond/Wedul Motion to amend the last paragraph to say "NOW, THEREFORE, BE IT RESOLVED, that the commission recommends that the city proceed with the proposed conveyance of such portions of the Property as recommended in the land use study to DEDA according to the requirements of the Duluth City Code and applicable Minnesota law."

Vote: (8-0)

MAIN Motion to approve the amended resolution with three amendments

Vote: (8-0)

Communications

Land Use Supervisor (LUS) Report – Moses informed the commissioners of an item that will appear in the November meeting packet. Staff are working on an environmental review process for downtown Duluth to help support thoughtful development and redevelopment of the area. More details will be presented next month.

Heritage Preservation Commission Report – no report.

Adjournment

Meeting adjourned at 7:04 p.m.

Respectfully,

Signed by:

Jennifer L R Moses

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Jenn Moses, Manager
Planning & Economic Development