VILLAGE OF SISTER BAY
PLAN COMMISSION MEETING MINUTES
FRIDAY, OCTOBER 30, 2026
APPROVED AS AMENDED

1. Call to Order & Roll Call

Chairperson Nate Bell called the Plan Commission meeting to order on Friday, October 30, 2026, at 9:00 A.M. and roll call was taken.

Present: Commission members Nate Bell, Jerry Ahrens, Skip Heidler, and Brigid White.

Staff Member(s): Administrative Assistant Sarah Bertges.

Others: Warren Zaug, Chris Schmeltz. VIA ZOOM: Louise Howson

2. Approve of Agenda

Motion to approve the agenda as presented was made by Bell and second by Heidler. Motion carried – all ayes.

3. Approve Meeting Minutes

a. September 22, 2026; Regular Meeting

Two corrections were offered.

Motion to approve the September 22, 2026 minutes as amended was made by Heidler and second by Ahrens. Motion carried – all ayes.

4. Comments, Correspondence, and Concerns from the Public

Bell reported receiving one email, and the sender confirmed he wanted it included in the packet. Bell stated that the email was more appropriate for the public hearing on November 10. No members of the public asked to speak.

5. Discussion/Action Items

a. Proposed Land Division/Certified Survey Map (CSM) for Zaug Enterprises LTD to Separate a 3-Acre Parcel from an Existing 16-Acre Parcel, Parcel#181005312832L

Bell informed the Commission that the CSM had already been approved on October 22 because of the 90-day statutory review period. That period began when the CSM was submitted on July 24. Bell stated that the deadline was missed and that the Village attorney confirmed this the previous week. Bell stated a planning and zoning consultant had been engaged and was expected to attend the next meeting. Bell noted that the applicant was not in a rush and that the zoning implications could still be discussed.

Warren Zaug, representing Zaug Enterprises, explained that the 16-acre parcel is the site of the Country House Resort. The 3 acres to be separated are not used by the resort, which uses the remaining 13 acres. Zaug Enterprises is the limited partnership that owns the land, and Country House Inc. is the operating company. The separation is for business planning purposes. There are no immediate plans for the 3 acres, and the owner intends to keep the existing B-1 General Business zoning. The parcel has no structures, about 300 feet of width, and shore frontage on a steep bluff. Access is via an easement across property already owned by the applicant to Sunny Court, a public road. The portion of Sunny Court on the west side of the parcel is private. Sewer, water, and a fire hydrant are located near the nearby resort-used houses.

Commissioners noted that the parcel lies within both bluff and woodland overlay districts, which will require attention in any future development. Commissioners also noted that B-1 development is

expected to abut a public road. Bell stated that the Village could in the future elect to make the access a public road to satisfy that requirement. Bell added that the trigger would likely be development, depending on the intensity of use and emergency services access. Commissioners found nothing in the code requiring a waiting period between land division and rezoning, and agreed the two matters are independent. The minimum acreage requirements of the district were met. Bell noted that the Commission could approve the CSM but could not deny it, and the item was acted on as a formality.

Motion to approve the proposed land division and CSM for Zaug Enterprises LTD was made by Heidler and second by Ahrens. Motion carried – all ayes.

b. Proposed Spa - Dorr Hotel Holdings, LLC - 2335 Mill Rd

Bell noted that the item was a continuation of the March 31 preliminary review, and that the Planned Unit Development (PUD) documents had been sent to the Commission the previous afternoon after a commissioner observed that the project is within a PUD.

Chris Schmeltz, representing the applicant, stated that the original single-story design did not fit the surrounding area. The building was redesigned as a larger two-story structure. The applicant proposed increasing maximum patron capacity from 20 to 40, which would raise the parking requirement from 5 to 10 spaces. The applicant had also requested the 3-space credit for the district and 7 additional shared spaces. He emphasized that the spa would be open to the public and not restricted to hotel guests.

Building description. Schmeltz described the facility as a thermal spa circuit containing a hot mineral pool, a cool pool, and a cold plunge. It would include two saunas, with capacities of about 20 and 8 to 10, and a 2-hour session model. The upper level would house the spa, and the lower level would hold four treatment rooms and mechanical, laundry, boiler, and filter space. The primary entrance would be from the Dorr Hotel parking lot side. The 40-person figure was described as a ceiling to avoid returning later for an increase, and the applicant did not expect to reach it routinely. Commissioners noted that group events, such as bridal parties, could approach capacity.

Parking. Commissioners discussed the following points.

- The classification used in March was business recreational at 1 space per 4 patrons. A salon and spa classification would require 1.5 spaces per customer. Commissioners generally agreed to continue the 1-per-4 standard.
- Concerns were raised that the 3-space credit applies per parcel and may not be reusable by an adjoining use on the same property. It was also noted that the Dorr Hotel's allotted spaces should not be counted as available shared spaces, and that nearby public parking cannot be credited, although the Commission may take its existence into consideration.
- It was stated that the 3-space credit applies to the individual lot and not to the PUD as a whole. Other commissioners argued that the PUD must be treated consistently, so that credits and green space are either applied on a PUD basis or on a per-lot basis. The question of the 3-space credit was referred for further review.
- Bike racks could offset 2 to 3 spaces, particularly for employees.
- The applicant estimated 4 to 6 employees, and most of the applicant's staff walk to work from employee housing.
- Commissioners discussed the share of patrons who would be hotel guests. Estimates ranged from one-half to two-thirds, and no figure was adopted.
- Commissioners agreed on a baseline of 15 spaces (10 for patrons and 5 for employees). Potential reductions would be applied afterward: 3 for the B-3 credit, if allowed, and 2 for bike racks, which would yield about 10 spaces.
- A commissioner questioned whether the Commission was being consistent, citing a nearby business that was paying a fee in lieu of parking for a small patio expansion. Bell responded with the history of the downtown parking moratorium that encouraged the original development.

Bell noted that the current code now requires full parking for new projects. Commissioners noted the PUD makes this project different from a stand-alone project.

- Bell stated that fee in lieu of parking at this location would be acceptable, as existing public parking can be maintained. Commissioners noted that a public hearing was forthcoming on stabilizing the fee in lieu amount and designating its purpose, and that the Village supports a shuttle bus. Commissioners expressed interest in reviewing the parking code within the year. Bell stated that the code would likely be revisited but would not commit to a timeline.
- Schmeltz stated the applicant would prefer to avoid an ongoing fee in lieu and proposed using the Claflin Lane lot, about 450 feet away, for employee parking. The lot is owned by Mill Road Holdings LLC and serves the workforce housing. Commissioners indicated they would be open to reviewing a written proposal. The Commission noted that limiting patrons to hotel guests, which Schmeltz described as a fallback, would reduce the requirement but conflicts with the community purpose of the spa.
- Blank walls: Commissioners asked for articulation on the wall facing CHOP, along the Mill Road side, and at the northwest corner. The code requires breaks in long walls through windows, material changes, or wall offsets. Schmeltz indicated the applicant would add details.
- Setbacks: Schmeltz stated that the PUD allows a 0-foot setback but the applicant is not requesting one, and a 6-foot setback is planned from Mill Road. Commissioners stated that the Mill Road frontage is the front yard. The code allows chimneys to project 2 feet into side yards, but not front yards. The front entry canopy and pillars also intrude into the 6-foot setback. Commissioners voiced general support for the chimney as an architectural feature, and agreed to seek an approach that conforms to the code, such as a canopy that does not exceed the setback. A site plan showing setbacks on all sides, including the CHOP side, which must remain navigable for deliveries and snow management, was requested.
- Green space: The PUD calls for central green space to be shared across the PUD and publicly accessible. Lots 13 and 14 were combined by CSM into Lot 1. Commissioners asked for a full green-space calculation for the whole PUD, including how much is already encumbered by CHOP. The 10 percent requirement for green space applies.
- Loading: The shared on-street loading zone serving CHOP was noted as a prior practice that the code does not otherwise allow, and it will continue as grandfathered.
- Color and lighting: Commissioners noted that the code calls for variation between adjacent buildings and does not require matching colors. Schmeltz explained that the dark color was inspired by Scandinavian waterfront architecture. A commissioner noted that the exterior lighting specification of "2700 lumens" should be 2700 K, the color temperature. The lighting plan is to be approved before the occupancy permit.
- Commissioners cautioned that AI-generated renderings may be inaccurate, and that a landscape plan is required to soften the building.

Direction to applicant. The Commission took no formal action. Bell stated that the building design was headed in the right direction and that remaining items were primarily documentation. Bell stated that if documents are submitted the week of November 2, the building details could be placed on the November 10 agenda, but parking would take longer to resolve. Schmeltz was told he could contact Village staff, who would direct him to the consultant.

Action items:

- The applicant to provide a green-space calculation for the entire PUD and a site plan showing setbacks on all sides.
- The applicant to provide a landscape plan, a lighting plan, and drainage plans for review with the Village engineer.
- The applicant to submit articulation details for blank walls.
- The applicant to submit a proposal for employee parking at the Claflin Lane lot.

- The applicant to provide a parking calculation that includes bike rack credits and estimates of hotel guest use.
- The applicant to provide historical PUD documents and subsequent amendments dating from 2017.
- Village staff to determine whether the B-3 3-space credit applies to the individual lot or the PUD, and to compile all PUD amendments.
- The Commission to review the parking code in the coming year.

6. Zoning Permit Log

Bell reported that the permit log had not been fully reviewed and that a backlog of items had been identified. The consultant would work with staff to address the backlog, and the Village Clerk would review the administrator's email for outstanding items. Bell stated that the permit log would be revisited after the backlog was resolved. No commissioners raised items of concern.

7. Matters to be Placed on a Future Agenda or Referred to a Committee, Official or Employee

Commissioners asked whether any notice beyond the required public notices was planned for the November 10 public hearing. Bell directed staff to place a newspaper advertisement. Bell agreed to contact the local press about running a story on the hearing.

8. Next Meeting

The next regular monthly meeting was scheduled for November 10, 2026, at 5:30 P.M. in the Large Meeting Room at the Sister Bay-Liberty Grove Fire Station. The commission also confirmed that the November public hearing will be scheduled in conjunction with a regular Plan meeting on Tuesday, November 10, 2026, at 5:30 P.M.

9. Adjournment

Motion to adjourn at 10:08 AM.
Motion by Heidler second by Ahrens. Motion carried -all ayes.

Respectfully submitted by Sarah Bertges, Administrative Assistant