



# CITY OF DULUTH

Community Planning Division

411 W 1<sup>st</sup> St, Rm 208 \* Duluth, Minnesota 55802-1197

Phone: 218/730.5580 Fax: 218/723-3559

<b>File Number</b>	PL 17-100	<b>Contact</b>	Ryan Saltis/Kate Van Daele	
<b>Type</b>	Interim Use Permit- Vacation Dwelling Unit	<b>Planning Commission Date</b>	August 8, 2017	
<b>Deadline for Action</b>	<b>Application Date</b>	June 29, 2017	<b>60 Days</b>	August 28, 2017
	<b>Date Extension Letter Mailed</b>	June 30, 2017	<b>120 Days</b>	October 27, 2017
<b>Location of Subject</b>	1108 West 8 <sup>th</sup> Street			
<b>Applicant</b>	Hooshang Mehralian	<b>Contact</b>		
<b>Agent</b>	Twin City Development Company LLC	<b>Contact</b>		
<b>Legal Description</b>	NLY 90 ft. of lots 178, 180 and 182 & all of lots 184 and 186			
<b>Site Visit Date</b>	July 22 <sup>nd</sup> , 2017	<b>Sign Notice Date</b>	July 25, 2017	
<b>Neighbor Letter Date</b>	July 25, 2017	<b>Number of Letters Sent</b>	22	

### Proposal

Applicant proposes to use their home as a vacation dwelling unit. A vacation dwelling unit allows for periods of occupancy of 2 to 29 days, with a minimum stay of two consecutive nights.

	<b>Current Zoning</b>	<b>Existing Land Use</b>	<b>Future Land Use Map Designation</b>
<b>Subject</b>	R-1	Single Family Home	Traditional Neighborhood
<b>North</b>	R-1	Single Family Home	Traditional Neighborhood
<b>South</b>	R-1	Single Family Home	Traditional Neighborhood
<b>East</b>	R-1	Single Family Home	Traditional Neighborhood
<b>West</b>	R-1	Single Family Home	Traditional Neighborhood

### Summary of Code Requirements

UDC Section 50-19.8. Permitted Land Use Table. A Vacation Dwelling Unit is an Interim Use in an R-1 District.

UDC Section 50-37.10. B... Council shall make, a decision to adopt with modifications or deny the application based on the criteria in subsection C below. The Council may impose appropriate conditions and safeguards, including but not limited to financial security pursuant to Section 50-37.10.1. P, a development agreement regarding the design, construction and operation of the special use., to protect the Comprehensive Land Use Plan, to conserve and protect property and property values in the neighborhood and to ensure that all conditions of the special use permit will continue to meet.

UDC Section 50-37.10. E... the Council shall only approve an Interim Use Permit, or approve it with conditions, if it determines that: (1) A time limit is needed to protect the public health, safety and welfare from potential longer term impacts of the requested use in that location or to allow the city time to develop a regulation addressing the potential longer term impacts of the requested use in that location, (2) The applicant agrees to sign a development agreement with the city confirming that (a) approval of the permit will not result in increased costs to the city if the property is later acquired by the city through eminent domain, (b) the use will be terminated at the applicant's expense on the date(s) stated in the permit, (c) the termination of the Interim Use Permit as stated in the permit will create no rights to a nonconforming use and no rights to compensation for termination of the use or

for the value of any structures of improvements related to the use, and (d) the applicant agrees to all conditions imposed by the city. No Interim Use Permit shall be issued until a development agreement confirming these points are executed.

**Comprehensive Plan Governing Principle and/or Policies and Current History (if applicable):**

Governing Principle #8 – Encourage mix of activities, uses and densities

Future Land Use: Traditional Neighborhood

Current History: This home was condemned in 2012 due to a lack of potable water from a private well on the property. In 2016, the owners hired a management company to renovate the home which included a connection to public water. The management company's intentions are to rent out the home and keep it in good standing.

**Review and Discussion Items**

- 1) The applicant's property is located on 1108 West 8<sup>th</sup> Street. The dwelling unit has 5 bedrooms, which would allow for a maximum of 11 people. The home is 2184 square feet and was built in 1906.
- 2) Permit holders must designate a managing agent or local contact who resides within 25 miles of the city and who has the authority to act for the owner in responding 24 hours a day to complaints from neighbors or the city. Permit holder must provide the contact information for the managing agent or local contact to all property owners within 100 feet of the property boundary. The agent of this property is Deb Kamunen who resides at 102 18<sup>th</sup> Street, Cloquet, MN.
- 3) Four parking spaces are required for this unit. Three spaces will be parking in the garage, with the final space located in the driveway of the home.
- 4) The Applicants have opted to move their fire pit to an area that has a dense vegetative buffer. The fire pit in its new location will be approximately 34 feet from the West 8<sup>th</sup> Street parcel line. The site plan indicates dense vegetation on all sides that buffers the property from all adjacent neighbors. The usable exterior space has been buffered from all adjoining properties in accordance with the UDC properties.
- 5) A time limit on this Interim Use Permit is needed minimize negative impacts to surrounding residential uses thereby causing damage to the public's health, safety and welfare. Section 50-23.3. U.7. states that Interim Use Permit's shall expire upon change in ownership of the property or in six years, whichever occurs first.
- 6) Applicants has obtained a City of Duluth Tourism Tax Permit, Fire Operational Permit, Lodging License, and State tax I.D. The applicants have also submitted their Hotel/Motel License and are awaiting a response.
- 7) Applicant must comply with Vacation Dwelling Unit Regulations (included with staff report), including providing information to guests on city rules (included with staff report as "Selected City Ordinances on Parking, Pets, and Noise")
- 8) No comments have been received by the public or internal departments in regards to this application.


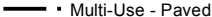
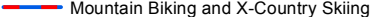


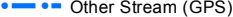

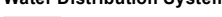






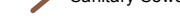
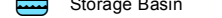

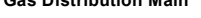



**Staff Recommendation**

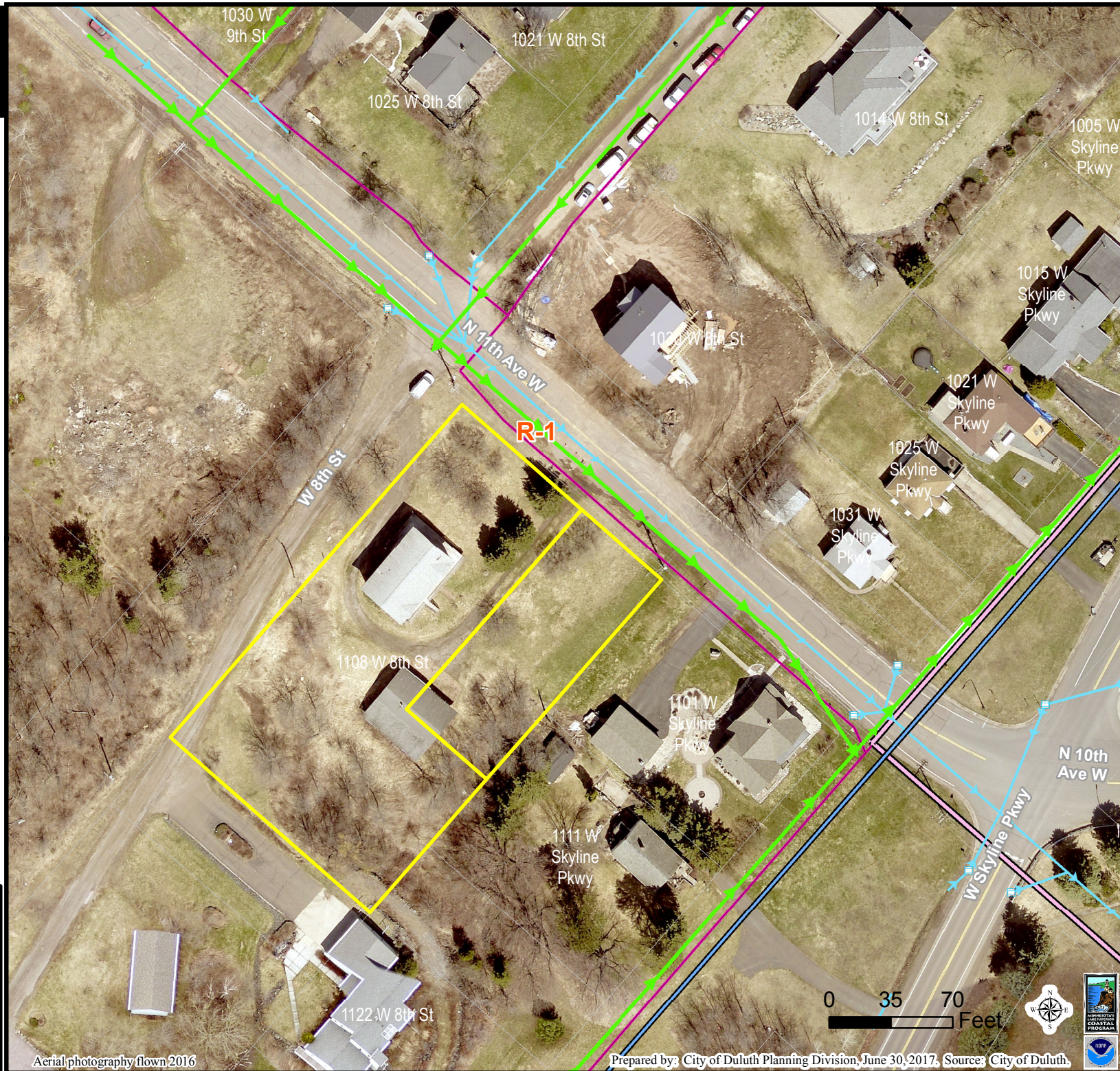
Based on the above findings, staff recommends that Planning Commission recommend approval subject to the following conditions:

- 1) The Interim Use Permit shall not be effective until the applicant has received all required licenses and permit for operation. The resolution cannot be affirmatively considered by the City Council until all required documentation is provided to City Staff.
- 2) The applicant shall adhere to the terms and conditions listed in the Interim Use Permit documents and provide evidence of compliance, which will be included in the resolution.
- 3) The applicant must disclose to all guests, in writing, that quiet hours shall be observed between the hours of 10 P.M and 8 A.M.
- 4) Trash burning on the property is prohibited.
- 5) Prior to issuance of the permit, the applicant shall apply to St. Louis County to merge the existing two parcels into one.



**Legend**

-  Bike
-  Multi-Use - Paved
-  Mountain Biking and X-Country Skiing
-  Climbing
-  Trout Stream (GPS)
-  Other Stream (GPS)
- Zoning Boundaries**
-  Zoning Boundaries
- Water Distribution System**
-  30 - 60" Water Pipe
-  16 - 24" Water Pipe
-  4 - 6" Water Pipe
- Sanitary Sewer Collection System**
-  Sanitary Sewer Collector
-  Sanitary Sewer Interceptor
-  Sanitary Sewer Forced Main
-  Storage Basin
-  Pump Station
- Gas Distribution Main**
-  8" - 16" Gas Pipes
-  4" - 6" Gas Pipes
-  0" - 4" Gas Pipes
- Storm Sewer Collection System**
-  Storm Sewer Pipe
-  Storm Sewer Catch Basin
-  Wetlands (NRR1)










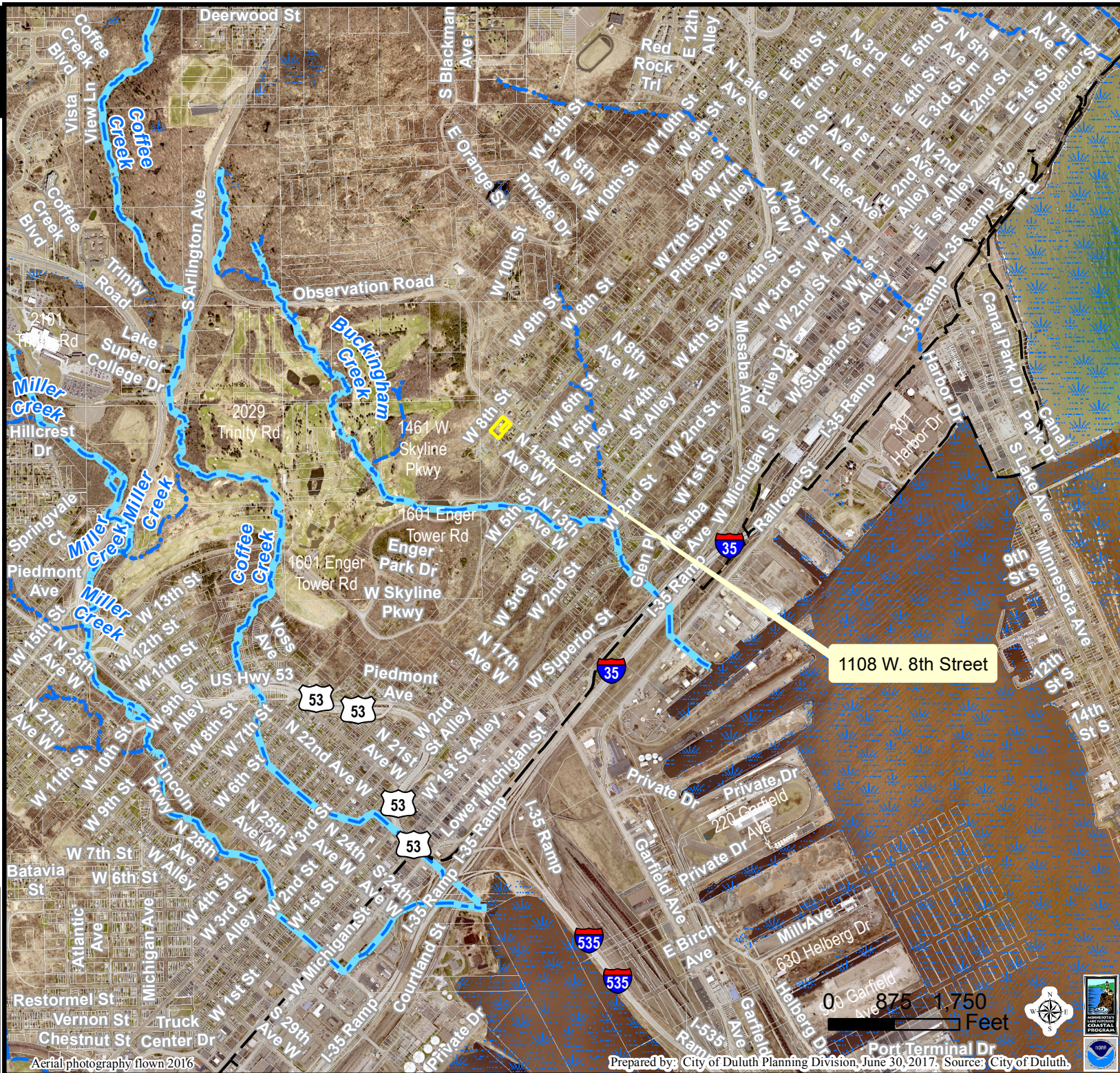
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Aerial photography flown 2016



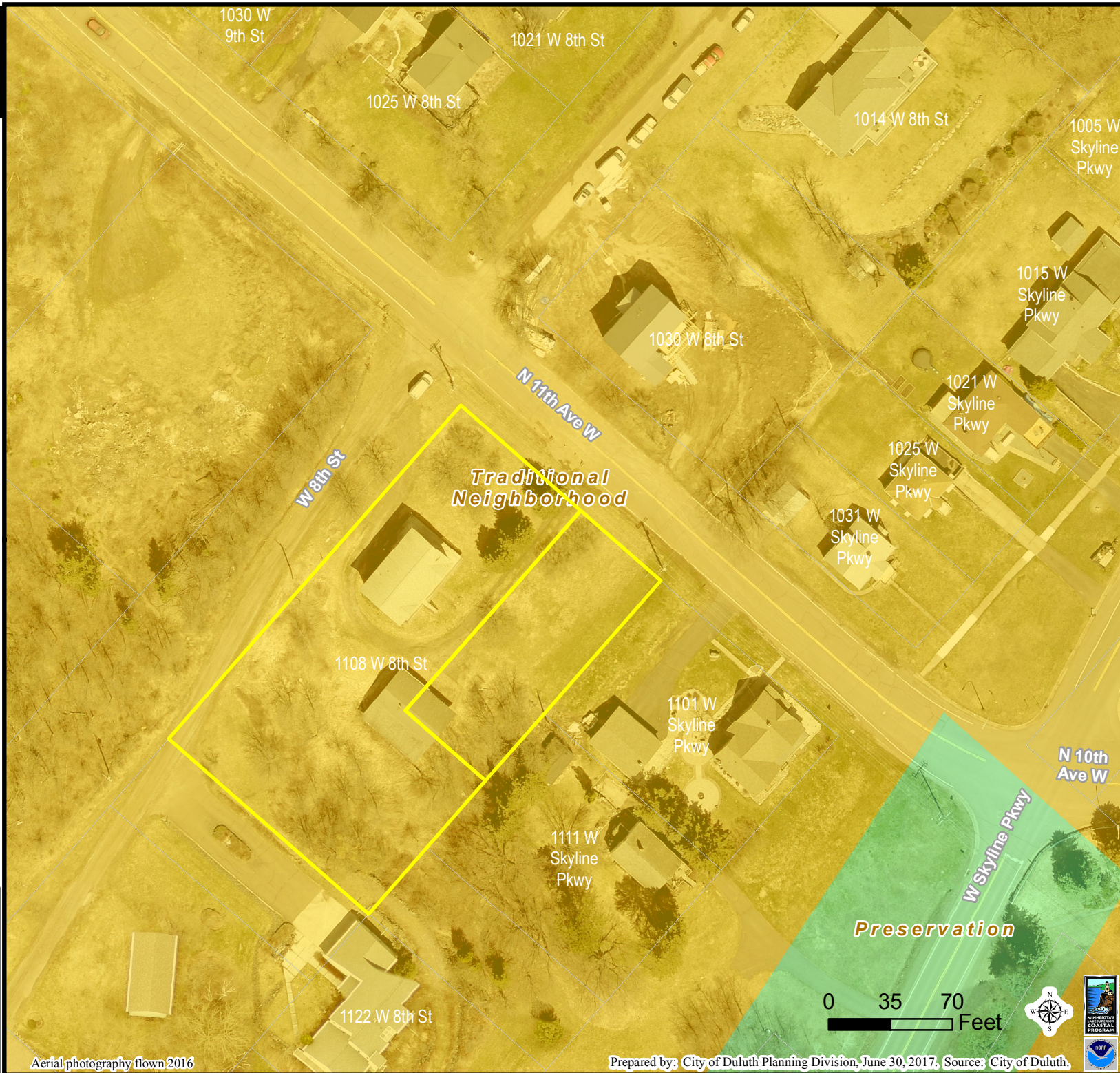


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### Future Land Use

- Preservation
- Recreation
- Rural Residential
- Low-density Neighborhood
- Traditional Neighborhood
- Urban Residential
- Neighborhood Commercial
- Neighborhood Mixed Use
- General Mixed Use
- Central Business Secondary
- Central Business Primary
- Auto Oriented Commercial
- Large-scale Commercial
- Business Park
- Tourism/Entertainment District
- Medical District
- Institutional
- Commercial Waterfront
- Industrial Waterfront
- Light Industrial
- General Industrial
- Transportation and Utilities



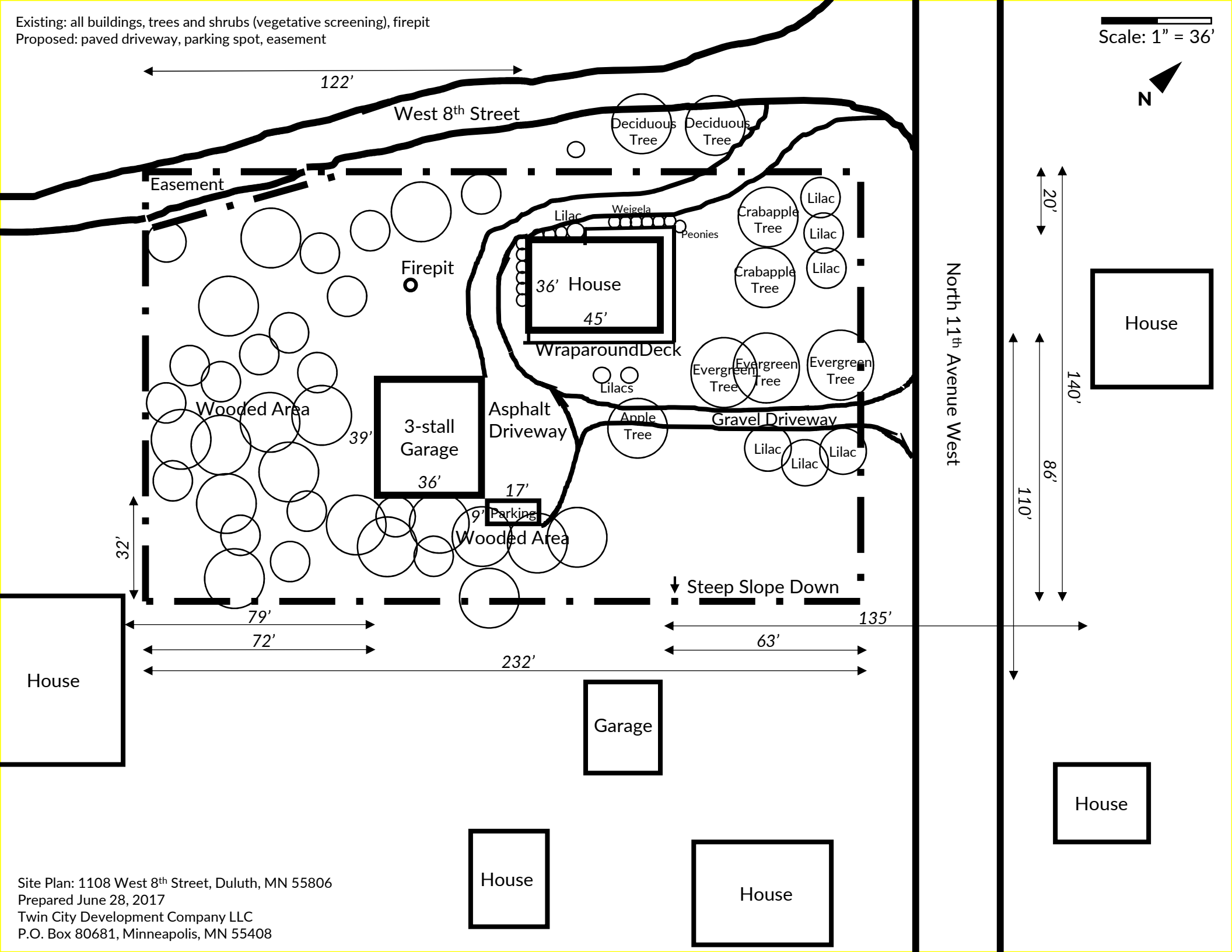
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Existing: all buildings, trees and shrubs (vegetative screening), firepit  
 Proposed: paved driveway, parking spot, easement

Scale: 1" = 36'



122'

West 8<sup>th</sup> Street

Easement

Firepit

36' House  
45'

Wraparound Deck

Wooded Area

3-stall Garage  
36'

Asphalt Driveway

Gravel Driveway

17' Parking

Wooded Area

Steep Slope Down

North 11<sup>th</sup> Avenue West

House

140'

86'

110'

House

Garage

House

House

House

Site Plan: 1108 West 8<sup>th</sup> Street, Duluth, MN 55806  
 Prepared June 28, 2017  
 Twin City Development Company LLC  
 P.O. Box 80681, Minneapolis, MN 55408

79'

72'

232'

135'

63'

32'

39'

36'

17'

9'

20'



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**TWIN CITY DEVELOPMENT COMPANY LLC**

P.O. Box 80681  
Minneapolis, MN 55408

June 27, 2017

City of Duluth Planning Commission  
Care of Keith Hamre  
411 West First Street, Room 208  
Duluth, MN 55802

Dear City of Duluth Planning Commission:

I am pleased to present this application for a vacation dwelling unit interim use permit. We have recently made significant improvements to a unique property in Duluth and believe it would be an ideal vacation rental due to its large size, proximity to downtown, and fantastic view of the lake. With this vacation rental, we hope to make a positive contribution to the City of Duluth in the upcoming years.

A few highlights:

**The owner has invested over \$57,000 in this property since 2016 and it has been thoroughly inspected and brought up to current code.**

- **We are currently in the process of installing a new 300 foot water main for the City of Duluth** (Engineering project #1390).<sup>i</sup>
- A local company will be doing a complete tear-off reroof with top of the line Timberline HD shingles within the next week or two.<sup>ii</sup>
- We put the electrical service line underground following the major storm last July.
- Top to bottom interior painting and flooring is in progress.<sup>iii</sup>
- I will be getting estimates this week to install a new asphalt driveway in the event that this permit is granted.<sup>iv</sup>

This property is particularly suitable for a vacation rental due to its large size, large lot area, and location.

- There are very few vacation rentals in the City of Duluth proper that accommodate eleven people. **The Airbnb and VRBO websites each show only four available properties for eleven people in the Greater Duluth area, some relatively far from the Waterfront and Downtown tourist areas.**<sup>v</sup>
- Duluth hotels can be prohibitively expensive for larger families, family reunions, or groups that require multiple bedrooms. **We believe that this property will provide a lodging option for visitors who might not otherwise be able to stay in Duluth.**

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- The large, sheltered lawn provides a safe outdoor space for guests to enjoy. Surrounded by mature trees and wooded areas on three sides, the home feels peaceful, private, and rather like a Northwoods retreat.<sup>vi</sup>
- At the same time, the property is only a 10 minute drive or a 17 minute bus ride to Canal Park. The city bus stops approximately 300 feet away on Skyline Parkway.<sup>vii</sup>

**Beyond the economic and logistical considerations, our key feeling is that this property should be shared and enjoyed.** With its open floor plan, incredible view of the lake, wraparound deck, and large yard, we feel that the property should be used by folks who will appreciate the surroundings. The owner wants to be at the house regularly but is not able to make Duluth his primary home due to commitments in other cities. A vacation rental arrangement would allow the property to be used to its highest potential by reserving the house for the owner's enjoyment when his schedule allows and sharing it with guests when he is away.

**We also wish to note that this use will not take away a long-term rental unit, as this is the owner's personal home and not a rental property.**

My colleague and I met with Kate and Kyle in Community Planning and understand that we will be responsible for additional action items as part of this process.

- The property is currently split into two tax parcels, which we intend to combine into one. We also intend to grant a formal easement to the City where the public street runs across the west corner of the property.
- We will post the sign notice and provide formal notification to neighbors as required.
- We will attend the Planning Commission meeting in August.
- If the permit and licensing is granted, we will sign a Development Agreement, comply with all tax and reporting requirements, and welcome visitors to the city with an exceptional vacation rental property.

Please do not hesitate to contact me with any questions. I look forward to working with city staff on this project.

Sincerely,



Amanda Dlouhy  
Project Manager

Enclosed photos



i New water main and service line June 26<sup>th</sup> and 27<sup>th</sup>, 2017.



ii Roofing to be completed in early July.



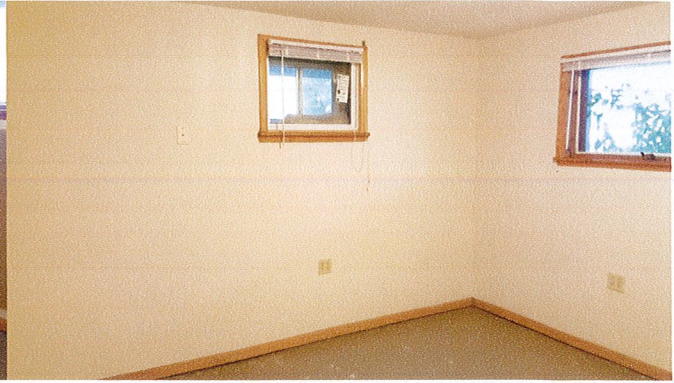
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iii Painting and flooring.



iv New driveway and additional parking spot to be installed if permit granted.



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vi Peaceful retreat space surrounded by trees.



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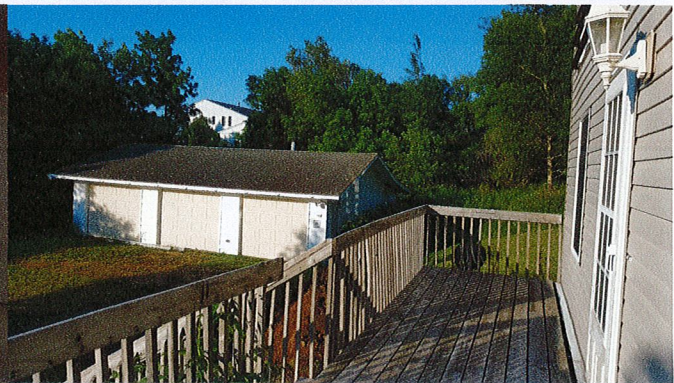
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vii In view of the bus stop (1108 is the home in the center back).

