



Planning & Development Division
Planning & Economic Development Department

Room 160
 411 West First Street
 Duluth, Minnesota 55802



218-730-5580



planning@duluthmn.gov

File Number	PL 22-222		Contact	Chris Lee	
Type	Interim Use Permit– Vacation Dwelling Unit in Form District		Planning Commission Date		January 10, 2023
Deadline for Action	Application Date		November 28, 2022	60 Days	January 27, 2023
	Date Extension Letter Mailed		December 6, 2022	120 Days	March 28, 2023
Location of Subject		325 South Lake Avenue, Unit 1316			
Applicant	SCOBAR LLC		Contact	Scott & Barb Montgomery	
Agent			Contact		
Legal Description		CIC #29 Waterfront Plaza Condominiums (010-4444-001410)			
Site Visit Date		December 20, 2022	Sign Notice Date		December 27, 2022
Neighbor Letter Date		December 9, 2022	Number of Letters Sent		46

Proposal

Requested is an interim use permit (“IUP”) for a vacation dwelling unit. The IUP would allow for a 2-bedroom condominium with a maximum of 5 occupants in the F-5 form district. Vacation dwelling units located in form districts are exempt from minimum night stays and parking requirements, and there is no cap on the total number of permits issued in the city.

Staff recommends Planning Commission approve the IUP.

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	F-5	Mixed Use Building	Tourism/Entertainment District
North	F-5	Mixed Use Building	Tourism/Entertainment District
South	F-5	Mixed Use Building	Tourism/Entertainment District
East	F-5	Parking lot	Tourism/Entertainment District
West	F-5	Parking lot	Tourism/Entertainment District

Summary of Code Requirements:

UDC Section 50-19.8. Permitted Use Table. A Vacation Dwelling Unit is an Interim Use in the F-5 zone district. UDC Sec. 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;
2. The applicant agrees to sign a development agreement with the city.
3. Except for properties within the Higher Education Overlay District as identified in 50-18.5, the minimum rental period and off-street parking requirements of 50-20.3.U and 50-20.5.M shall not apply for vacation dwelling units or accessory vacation dwelling units in form districts.

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

Governing Principle #8 - Encourage mix of activities, uses, and densities - The issuance of an IUP allows an existing structure in the downtown area to be functionally used, decrease vacancy levels, and increase tax base.

Econ. Dev. Policy #3 - Build on Existing Economic Strengths & Competitive Advantages

S9: Encourage expansion of the city's tourism economy through efforts to expand in areas of current activity, such as in Canal Park, but also through marketing and investment in destination neighborhoods and iconic tourism experiences unique to Duluth. The proposed IUP in this location will enhance the level of activity in the downtown, and increase opportunities for additional commerce.

Future Land Use – Tourism/Entertainment: Retail, entertainment, and lodging facilities, meeting facilities, waterfront-related uses, open space uses.

Current History: The property currently is a mixed-use building. The ground floor contains a brewery and taproom. The upper floors are for the Suites Hotel, office space and dwelling units.

Review and Discussion Items:

- 1) Applicant's property is located at 325 South Lake Avenue, Unit 1316. The unit is located on the third floor of The Suites Hotel in Canal Park. The proposed vacation dwelling unit contains 2 bedrooms that would allow for a maximum of 5 guests.
- 2) Permit holders must designate a managing agent or local contact who resides within 25 miles of the City and who has 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 applicants have listed Cascade Vacation Rentals and Jones Cleaning as the managing agents; as Cascade Vacation Rentals is not within 25 miles of the City, Jones Cleaning will be the managing agent.
- 3) The site is not required to provide parking. However, the applicant has stated that there is a gated parking area in the rear where guests will be given access to one parking space during their stay. Additional parking is available at other paid parking lots.
- 4) The site does not have any outdoor amenities, but the applicant has stated that guests will have access to the hotel pool, hot tub, sauna, and game room during their stay. All of these amenities are indoors.
- 5) A time limit on this Interim Use Permit ("IUP") is needed to minimize negative impacts to surrounding residential uses thereby causing damage to the public's health, safety and welfare. Section 50-20.3.U.7 states the IUP shall expire upon change in ownership of the property or in six years, whichever occurs first.
- 6) Applicant will apply for all relevant permits and licenses and these are contingent upon approval of the Interim Use Permit for a Vacation Dwelling Unit.
- 7) Applicant must comply with Vacation Regulations (included with staff report), including providing information to guests on city rules (included with staff report as "Selected City Ordinances on Parking, Parks, Pets, and Noise").
- 8) No comments from citizens, City staff, or any other entity were received regarding the application.

Staff Recommendation:

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

- 1) The Interim Use Permit shall not be effective until the applicant has received all required licenses and permits for operation.
- 2) The applicant shall adhere to the terms and conditions listed in the Interim Use Permit.
- 3) Any alterations to the approved plans that do not alter major elements of the plan may be approved by the Land Use Supervisor without further Planning Commission action; however, no such administrative approval shall constitute a variance from the provisions of Chapter 50



PL22-222
IUP for Vacation Rental
325 S Lake Ave #1316

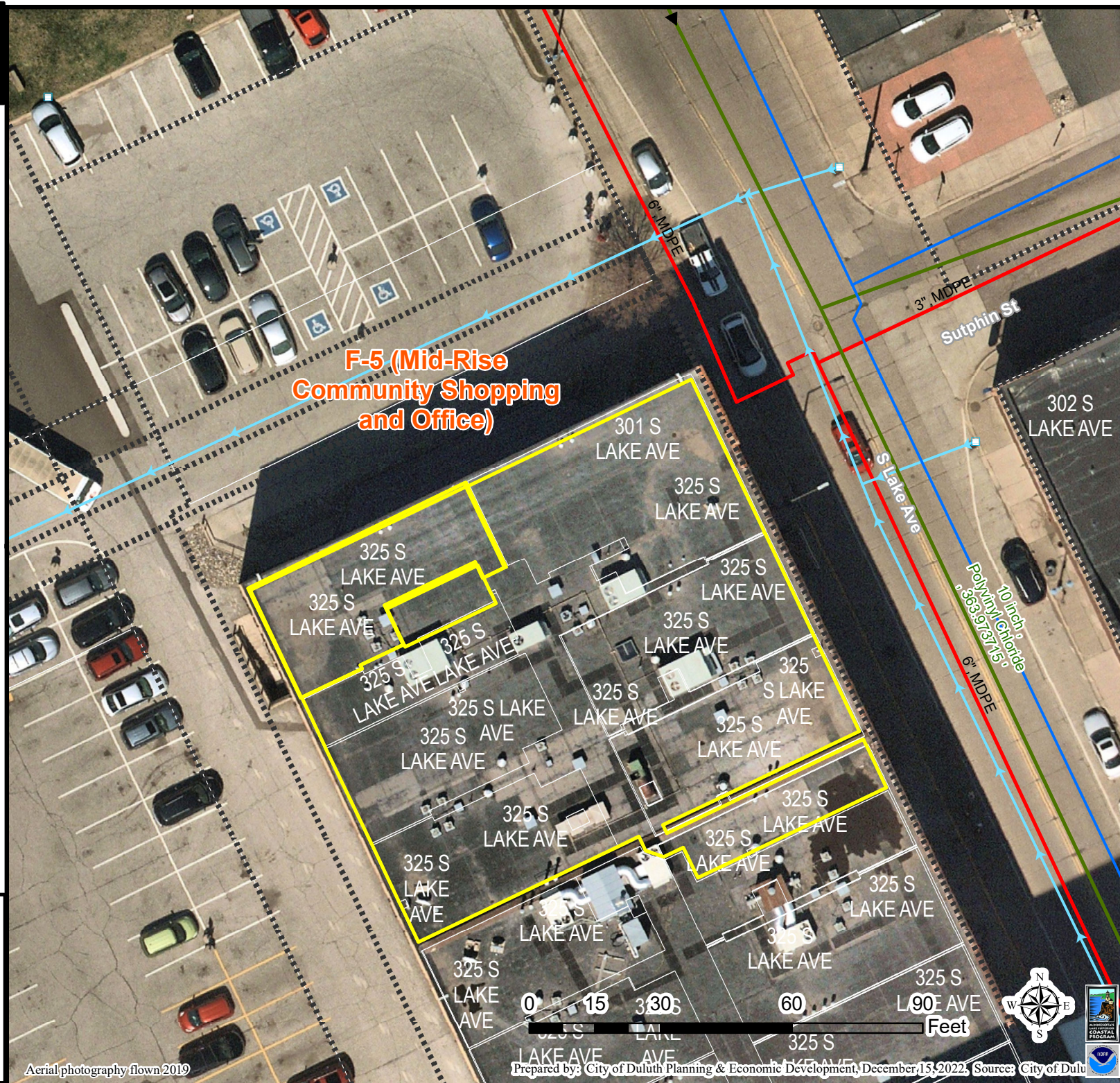
Legend

- Gas Main
- Water Main
- Hydrant
- Sanitary Sewer Mains
 - CITY OF DULUTH
 - WLSSD; PRIVATE
- Sanitary Sewer Forced Main
- Storage Basin
- Pump Station
- Storm Sewer Mains
 - Storm Sewer Pipe
 - Storm Sewer Catch Basin
- Road or Alley ROW
- Zoning Boundaries

The City of Duluth has tried to ensure that the information contained in this map or electronic document is accurate. The City of Duluth makes no warranty or guarantee concerning the accuracy or reliability. This drawing/data is neither a legally recorded map nor a survey and is not intended to be used as one. The drawing/data is a compilation of records, information and data located in various City, County and State offices and other sources affecting the area shown and is to be used for reference purposes only. The City of Duluth shall not be liable for errors contained within this data provided or for any damages in connection with the use of this information contained within.

Aerial photography flown 2019

F-5 (Mid-Rise Community Shopping and Office)



Prepared by: City of Duluth Planning & Economic Development, December 15, 2022. Source: City of Duluth

Vacation Dwelling Unit Worksheet

1. The minimum rental period shall be not less than two consecutive nights (does not apply to Form districts). **What will be your minimum rental period?** 2 nights

2. The total number of persons that may occupy the vacation dwelling unit is one person plus the number of bedrooms multiplied by two. You may rent no more than four bedrooms.

How many legal bedrooms are in the dwelling?

2

What will be your maximum occupancy?

5

3. Off-street parking shall be provided at the following rate:

a. 1-2 bedroom unit, 1 space

b. 3 bedroom unit, 2 spaces

c. 4+ bedroom unit, number of spaces equal to the number of bedrooms minus one.

d. Vacation dwelling units licensed on May 15, 2016, are entitled to continue operating under the former off-street parking requirement. The parking exemption for vacation dwelling units licensed on May 15, 2016, expires upon transfer of any ownership interest in the permitted property.

e. Form districts are not required to provide parking spaces.

How many off-street parking spaces will your unit provide? 2 - 1 space in Marine Iron Lot managed by Interstate Parking

4. Only one motorhome (or pickup-mounted camper) and/or one trailer either for inhabiting or for transporting recreational vehicles (ATVs, boat, personal watercraft, snowmobiles, etc.) may be parked at the site, on or off the street. **Will you allow motorhome or trailer parking? If so, where?** No

5. The property owner must provide required documents and adhere to additional requirements listed in the City of Duluth's UDC Application Manual related to the keeping of a guest record, designating and disclosing a local contact, property use rules, taxation, and interim use permit violations procedures.

6. The property owner must provide a site plan, drawn to scale, showing parking and driveways, all structures and outdoor recreational areas that guests will be allowed to use, including, but not limited to, deck/patio, barbeque grill, recreational fire, pool, hot tub, or sauna, and provide detail concerning the provision of any dense urban screen that may be required to buffer these areas from adjoining properties. Please note that this must be on 8 x 11 size paper.

7. The interim use permit shall expire upon change in ownership of the property or in six years, whichever occurs first. An owner of a vacation dwelling unit permitted prior to May 15, 2016, may request, and the land use supervisor may grant, an application for adjustment of an existing permit to conform to this section, as amended, for the remainder of the permit term.

8. Permit holder must keep a guest record including the name, address, phone number, and vehicle (and trailer) license plate information for all guests and must provide a report to the City upon 48 hours' notice. **Please explain how and where you will**

keep your guest record (log book, excel spreadsheet, etc):

Cascade Vacation Rentals

9. Permit holder must designate a managing agent or local contact who resides within 25 miles of the City and who has authority to act for the owner in responding 24-hours-a-day to any complaints from neighbors or the City. The permit holder must notify the Land Use Supervisor within 10 days of a change in the managing agent or local contact's contact information.

Please provide the name and contact information for your local contact:

Jones Cleaning, 723 15th Ave Two Harbors, MN 55616 218-391-5081

10. Permit holder must disclose in writing to their guests the following rules and regulations:

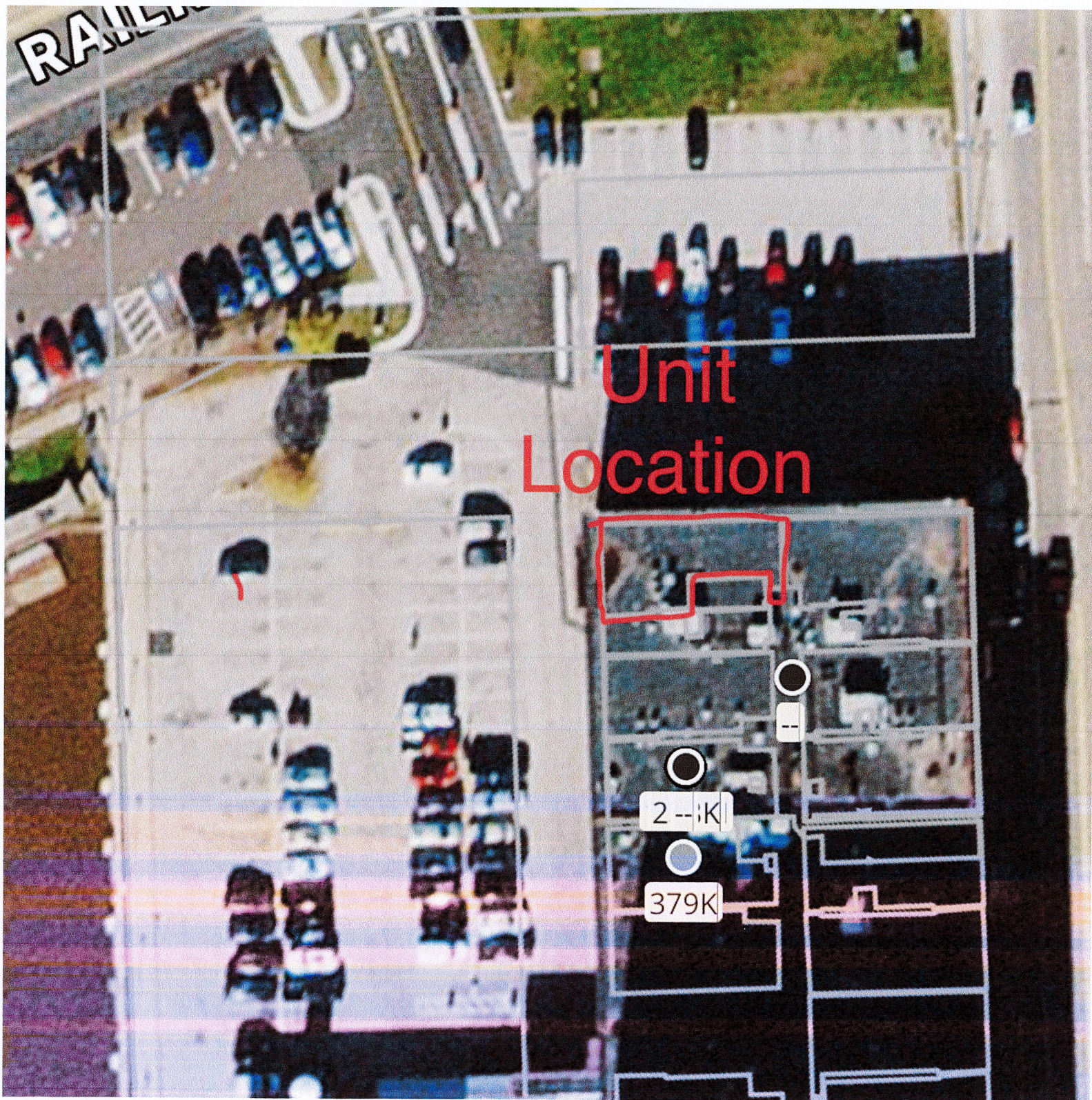
- a. The managing agent or local contact's name, address, and phone number;
- b. The maximum number of guests allowed at the property;
- c. The maximum number of vehicles, recreational vehicles, and trailers allowed at the property and where they are to be parked;
- d. Property rules related to use of exterior features of the property, such as decks, patios, grills, recreational fires, pools, hot tubs, saunas and other outdoor recreational facilities;
- e. Applicable sections of City ordinances governing noise, parks, parking and pets;

Please state where and how this information will be provided to your guests:

In the rental agreement sent to guests
by Cascade Vacation Rental

11. Permit holder must post their permit number on all print, poster or web advertisements. Do you agree to include the permit number on all advertisements? yes

12. Prior to rental, permit holder must provide the name, address, and phone number for the managing agent or local contact to all property owners within 100' of the property boundary; submit a copy of this letter to the Planning and Community Development office. In addition, note that permit holder must notify neighboring properties within 10 days of a change in the managing agent or local contact's contact information.



Unit
Location

2 --K

379K