

Comments Heard During 9/23/21 Public Information Meeting

-Concerns over ADA accommodations in vacation rentals. How can we make sure that at least some of these rental accommodations are available to all members of our community? Response: accessibility is more of a building code issue, but that doesn't mean it isn't important to us. City staff would like to attend a future disabilities commission and talk about the issue in more detail.

-How did you determine the cap of 60 plus 10 or 10% increase; how did you get to those metrics? Response: this was a discussion that has happened several over the last few years, but this specific metric and inflator is from the City Council resolution earlier this year. There has been a lot of discussion over the last few years on what the "right" number of vacation units for the city.

-Has there been some discussion on mandatory residency on vacation dwelling units, to reduce the number of out-city or out-state organizations buying up all the homes and VRBO licenses? Response: It has been discussed in the past, but right now residency is only being discussed as part of the new short term rental license: vacation dwelling, limited.

-Why can't you sell your vacation dwelling unit license to another property owner? Response: the interim use permits are intended for a specific property, for a specific duration (typically six years), and a specific property owner. They are intended to be permits that are used for vacation rentals, not just "sit on the shelf" and sold or traded on the private market like bitcoin.

-How many folks are still on the waiting list? Response: 6 or 7 persons.

-If we see unlicensed vacation rentals, what should we do? Response: email planning@duluthmn.gov or go to the city's website and report the violation, and city staff will follow up and research the issue.

-With the requirement for more/better screening, can I do a chain link fence? And what about if I get the permit in the winter when I can't easily put up a fence or hedge? Response: a chain link will not be appropriate, it must be an opaque fence (wood panel, wood picket fence, etc.) or vegetative screen. As currently drafted, you could not rent a new vacation rental unit until the screen is in place, and that might mean that you can not rent in the winter if it is too hard to install a fence in the ground.

-After six years, can I apply for an extension? Response: Yes, you could apply for another six years. It would be a new application fee and would need to go before the Planning Commission again. The PC could approve the permit, or approve it with additional conditions, or deny the permit. Decisions of the PC can be appealed to the City Council within 10 calendar days of PC action.

-Is there a plan to open up the waiting list again, so folks can sign up to apply for a future permit? Response: if the ordinance passes the City Council with an adjustment to allow more vacation dwelling units, then yes there would be a process to be able to add your name and address to the waiting list. But staff will wait to make that decision until after the council has acted. Note that there is a chance that some of the existing 60 vacation dwelling unit permits may wish to "convert" to the vacation dwelling unit, limited, permit. The exemption from the 60 cap for new vacation dwelling units in form districts will continue.

-Is the accessory home share license the same as the “air b&b” license? Response: The term “air b&b” is a slang/catch-all term that can mean different things to different people, but in our context when we hear that term we most often think of the official vacation dwelling unit license, the license that is currently capped at 60 units in Duluth. Accessory home share permit is the short-term rental of one or two bedrooms that has the home owner generally on premises to monitor the visitors. Property owners that want to rent for 30 days or more do not need a vacation dwelling license; they can apply for a regular life-safety rental license, similar to property owners that want to rent out on an annual basis. 29 days or less is a short term rental, 30 days or more is a long term life safety rental license.



Lake Superior Area REALTORS®, Inc.
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To City of Duluth, City Council and Planning Commission,

This letter is being provided on behalf of the Lake Superior Area REALTORS®, Inc. (LSAR), a non-profit trade association that provides services to our members, including education, the multiple listing service, legislative advocacy, professional standards enforcement, and more. In addition, we strive to be “The Voice for Real Estate” in our community and provide information and resources to governmental agencies, the media, and the public.

As real estate professionals, we want to take this opportunity to express overall support for the City Councils efforts to address community members desire to have Vacation Dwelling Units (VDUs), while also working to protect the health and safety of existing neighborhoods. In review of resolution 21-0558R, which outlines proposed amendments to the existing short-term rental of VDUs, we would offer the following suggestion to the text.

We suggest setting a cap based on the number of housing units in the city. The movement towards calculation of the cap as a percentage of units is appropriate. As proposed, the modifications to the cap consist of ...”10 percent of the net increase in housing units created in the city in the previous year, or no more than ten (10) new VDUs per year...””. Property owners contemplating the possibility of utilizing their own properties for financial well-being at such a time it may be beneficial or even necessary, are unlikely to be able to secure a permit at these rates.

Currently, there are no permits available, and residents have been added to a waitlist. The proposed changes only add a very limited number of permits available each year. How is the City planning to issue available permits? We would recommend the City Council and Planning Commission evaluate the following: the number of residents on the waitlist, the average timeframe of wait and of the 60 permits that have been issued, how many are homesteaded properties. While we will leave the suggestion of a final percentage and/or number of appropriate units to the Commission and City, this data would be helpful in establishing a percentage that would still allow for sustainable growth.

We want to thank staff for their commitment to ensuring the rights of all our residents are respected. Thank you for your time and consideration of our comments.

Sincerely,

 *Doug Kman*

09/27/21

Doug Kman
Chair, Government Affairs Committee
Lake Superior Area REALTORS®, Inc.

From: Cassandra Schamber
Sent: Thursday, September 23, 2021 12:10 PM
To: planning <planning@DuluthMN.gov>
Subject: proposed changed in short-term rental housing

Dear City Councilors and Planning Commission,

I am against increasing the number of short-term rental licenses beyond the current limit. It's clear that the city cannot effectively manage the rental housing problems that already occur here. Adding more short-term rentals would only serve to worsen the quality of life of the current residents.

I live a few blocks from the Piedmont elementary school. There are three HRA-subsidized rental houses on my block. The problems with these houses have been getting steadily worse over time.

There have been increasing problems with noise and litter scattered around the entire block. And because of poor supervision by the city of Duluth and whoever is supposed to be managing these properties, an accused rapist and convicted felon was living in one of these houses with a single mother and her teenage daughter earlier this year. The entire neighborhood was traumatized this spring when he was arrested in that rental house after a dramatic, violent standoff with Duluth police.

If the city can't properly manage and police the existing rentals, how can we expect you to be effective at managing more short-term vacation rentals? These rental properties are known to cause even more disruption of neighborhoods than long-term rentals. They will just add to the chaos and loss of peace in the city.

If you need more rooms for tourists, build more hotels. Keep the tourists out of the residential neighborhoods so that responsible citizens who crave a safe and quiet neighborhood don't need to move to a quieter outlying community.

Shame on any city counselor who votes to approve an increase in the number of short-term vacation rentals! Anyone who votes for these rentals is obviously working to benefit a few wealthy businesspeople at the expense of the community as a whole.

Sincerely, Cassandra Schamber, MD 2229 Nanticoke Street Duluth, MN 55811

Steven Robertson

From: planning
Sent: Tuesday, September 28, 2021 4:37 PM
To: Steven Robertson
Cc: Adam Fulton
Subject: FW: Comment for Planning Commission

From: Jade Kruzel
Sent: Tuesday, September 28, 2021 2:55 PM
To: planning <planning@DuluthMN.gov>
Subject: Comment for Planning Commission

Hi,

I am reaching out regarding tonight's planning commission meeting. I would like to express my thoughts and opinion on the proposed increase of 10% per year for vacation dwellings. Personally, I think this should be increased significantly more than this. The 100 or 120 seemed to be a much better starting place for the number of VDU's allowed at a time.

With 13 current applicants, this means the majority of them will need to wait at least two more years before they will be allowed to obtain a VDU permit. Anyone new that wants to venture into this business will have to wait even longer.

AirBnB, Virbo, Homeshare, etc... all help drive tourism to Duluth and continue to make it arguably the best and most popular vacation spot in Minnesota. With that said, I strongly believe allowing more of these small businesses to operate in the city, will help and continue Duluth to thrive in the coming years. The way of the tourism sector is evolving away from hotels, especially after Covid-19. More people are realizing they can rent an entire home now for virtually the same price as a small hotel room in Duluth and they also do not have to risk being in close proximity to someone who may be sick.

Thank you for your consideration,
Jade Kruzel