



**Planning & Development Division**  
*Planning & Economic Development Department*

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<b>File Number</b>	PLIUP-2501-0001	<b>Contact</b>	Natalie Lavenstein, nlavenstein@duluthmn.gov			
<b>Type</b>	Interim Use Permit – Vacation Dwelling Unit	<b>Planning Commission Date</b>		February 11, 2025		
<b>Deadline for Action</b>	<b>Application Date</b>	January 6, 2025	<b>60 Days</b>	March 7, 2025		
	<b>Date Extension Letter Mailed</b>	January 13, 2025	<b>120 Days</b>	May 6, 2025		
<b>Location of Subject</b>		5721 Grand Ave				
<b>Applicant</b>	Paul Nelson		<b>Contact</b>	NA		
<b>Agent</b>	NA		<b>Contact</b>	NA		
<b>Legal Description</b>		010-4510-03570				
<b>Site Visit Date</b>		January 29, 2025	<b>Sign Notice Date</b>		January 27, 2025	
<b>Neighbor Letter Date</b>		January 21, 2025	<b>Number of Letters Sent</b>		50	

**Proposal**

The applicant proposes use of a 3-bedroom unit in a Form District as a vacation rental property.

**Recommended Action:** Staff recommends that Planning Commission approve the interim use permit.

	<b>Current Zoning</b>	<b>Existing Land Use</b>	<b>Future Land Use Map Designation</b>
<b>Subject</b>	F-3	Residential, Retail	Central Business Secondary
<b>North</b>	MU-N	Residential	Central Business Secondary
<b>South</b>	MU-C	Mixed Use	Central Business Secondary
<b>East</b>	F-3	Mixed Use	Central Business Secondary
<b>West</b>	F-3	Mixed Use	Central Business Secondary

**Summary of Code Requirements:**

UDC Section 50-19.8. Permitted Use Table. A vacation dwelling unit is an Interim Use in the F-3 zone district.

UDC Section 50-20.3.V Use-Specific Standards. Lists all standards specific to vacation dwelling units.

UDC Sec. 50-37.10.E . . . the commission 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.

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

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

A short-term rental allows property owners to generate income and provides a service for tourists.

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.

Future Land Use – Central Business Secondary: Characterized by medium densities, multi-story and mixed-use buildings.

**History:** The subject property, 5721 Grand Ave, was built in 1890. The existing structure is a mixed-use building. There is retail on the first level and a residential unit on the upper level.

**Review and Discussion Items:**

Staff finds that:

- 1) Applicants' property is located at 5721 Grand Ave. The entire upper-level unit will be rented. There are 3 bedrooms, which allow for a maximum of 7 guests.
- 2) The minimum rental period will be one night.
- 3) No off-street parking will be provided. Properties located in form districts are not required to meet the vacation dwelling unit off-street parking requirements in 50-20.3.V.3.
- 4) The applicant has indicated they will not allow motorhomes or trailers.
- 5) 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 applicant has listed themselves to serve as the local contact.
- 6) A time limit is needed on this Interim Use Permit ("IUP") to protect the public health, safety and welfare from potential longer-term impacts of the requested use at the location of the subject property. 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.
- 7) Applicant must comply with vacation dwelling unit regulations, including providing information to guests on city rules.
- 8) There are currently 167 licensed vacation dwelling units in the city, with 82 of those in form districts; the remaining 85 are subject to the cap of 100. The subject property is located within a form district and is not subject to the cap.
- 9) No public, agency, or City comments were received.
- 10) The permit will lapse if no activity takes place within 1 year of approval.

**Staff Recommendation:**

Based on the above findings, Staff recommends that Planning Commission approve the permit subject to the following conditions:

- 1) The applicant shall adhere to the terms and conditions listed in the Interim Use Permit.
- 2) 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 review; however, no such administration approval shall constitute a variance from the provisions of Chapter 50.





PLIUP-2501-0001  
Interim Use Permit  
Vacation Dwelling Unit  
5721 Grand Ave



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Aerial photography flown 2019

Prepared by: City of Duluth Planning & Economic Development, January 17, 2025. Source: City of Duluth



