



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

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 411 West First Street  
 Duluth, Minnesota 55802

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<b>File Number</b>	PL 21-077		<b>Contact</b>	John Kelley, jkelley@duluthmn.gov	
<b>Type</b>	Interim Use Permit– Vacation Dwelling Unit in Form District		<b>Planning Commission Date</b>		July 13, 2021
<b>Deadline for Action</b>	<b>Application Date</b>		May 20, 2021	<b>60 Days</b>	July 19, 2021
	<b>Date Extension Letter Mailed</b>		June 16, 2021	<b>120 Days</b>	September 17, 2021
<b>Location of Subject</b>	325 South Lake Avenue, Unit 1209				
<b>Applicant</b>	Alex & Kate Fagundes		<b>Contact</b>		
<b>Agent</b>			<b>Contact</b>		
<b>Legal Description</b>	PID # 010-4444-00070				
<b>Site Visit Date</b>	June 23, 2021		<b>Sign Notice Date</b>	June 29, 2021	
<b>Neighbor Letter Date</b>	June 18, 2021		<b>Number of Letters Sent</b>	48	

**Proposal**

Applicant is proposing a new interim use permit for a vacation dwelling unit. The permit 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, and there is no cap on number of permits issued.

Staff is recommending Planning Commission recommend approval.

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



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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 a permit 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 1209. The unit is located on the second floor of the building. 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 the Suites Hotel to serve as the managing agent.
- 3) The site is not required to provide parking. However, the applicant has stated that parking is available at the Suites Hotel Parking lot and one car can park for free with validation obtained from the hotel front desk. Additional parking is available at other paid parking lots.
- 4) The site does not have any outdoor amenities.
- 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



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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; however, no such administration approval shall constitute a variance from the provisions of Chapter 50



PL 21-077 IUP  
325 S Lake Avenue

**Legend**  
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.

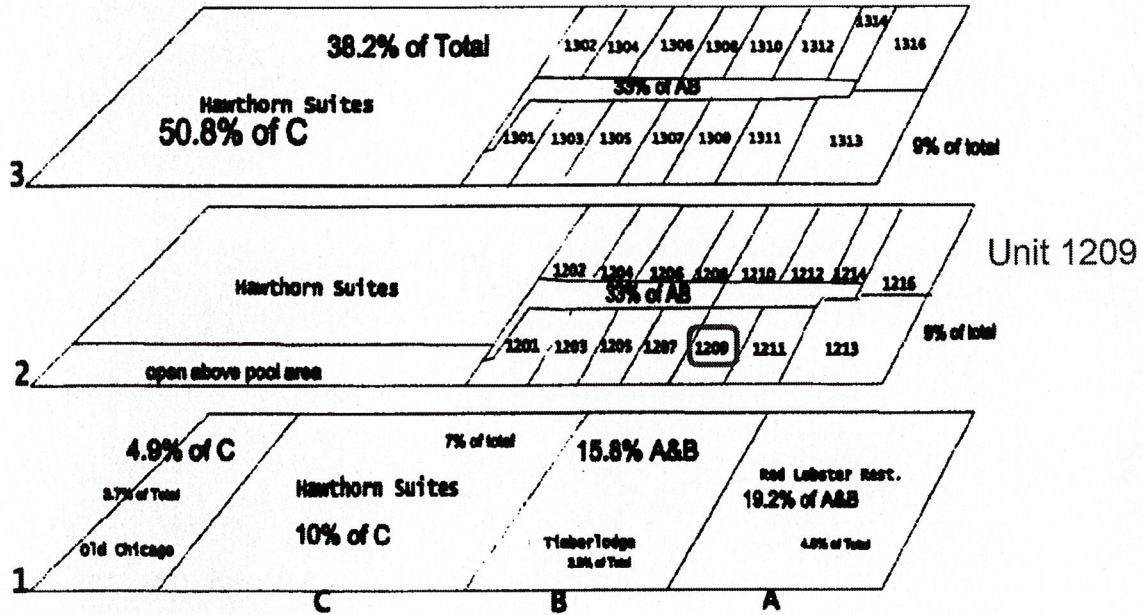


Aerial photography: flowm2016

Prepared by: City of Duluth Community Planning Division, May 3, 2019, Source: City of Duluth.

# High level floor layout

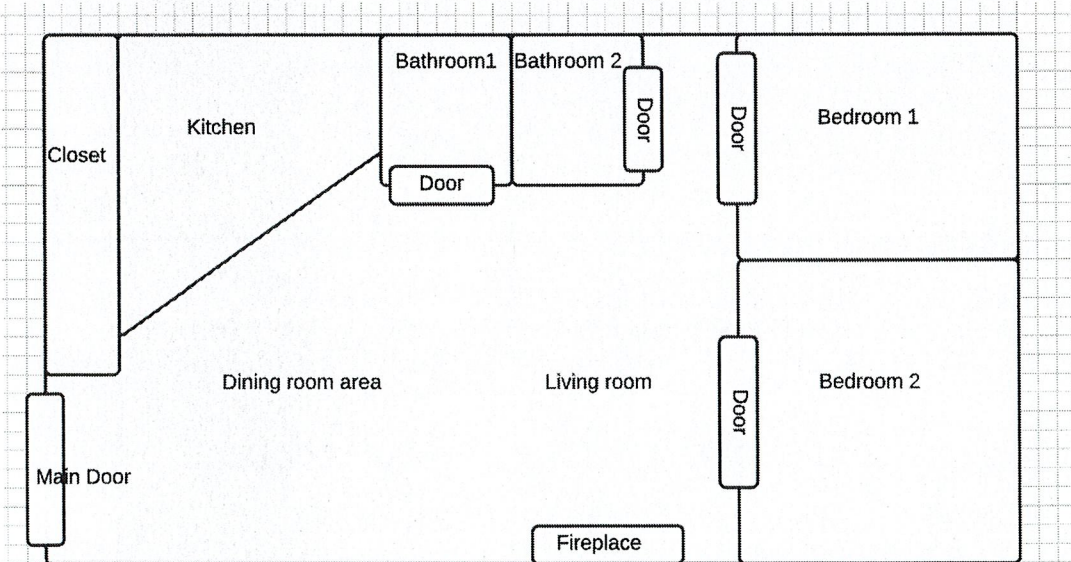
First 3 floors of the Suites Hotel showing location of condo 1209 on the 2<sup>nd</sup> floor.



# Condo Layout

The 1209 condo is a 2 bedroom, 2 bathroom unit with approximately 1300 st feet of space. High level floor plan.

Each bedroom is equipment with a night stand, lamp, queen bed, and small furnishings.



# Parking

Parking is available at the Suites Hotel Parking lot. One car can park for free with validation obtained from the hotel front desk.

Additional cars can be parked at other paid public parking spots.

