



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

Room 160  
 411 West First Street  
 Duluth, Minnesota 55802

218-730-5580

planning@duluthmn.gov

|                             |   |                |                                 |                                   |                |
|-----------------------------|---|----------------|---------------------------------|-----------------------------------|----------------|
| <b>File Number</b>          | PL 21-020   |                | <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> |                                   | April 13, 2021 |
| <b>Deadline for Action</b>  | <b>Application Date</b>                                     | March 5, 2021  | <b>60 Days</b>                  | May 4, 2021                       |                |
|                             | <b>Date Extension Letter Mailed</b>                         | March 16, 2021 | <b>120 Days</b>                 | July 3, 2021                      |                |
| <b>Location of Subject</b>  | 120 East Superior Street, Unit 3                            |                |                                 |                                   |                |
| <b>Applicant</b>            | Lillecorps 1 LLC  |                | <b>Contact</b>                  | lillegardw@gmail.com              |                |
| <b>Agent</b>                | Knutson Custom Construction LLC                             |                | <b>Contact</b>                  | Knutsonbuildsduluth@gmail.com     |                |
| <b>Legal Description</b>    | PID # 010-0173-00030  |                |                                 |                                   |                |
| <b>Site Visit Date</b>      | April 2, 2021   |                | <b>Sign Notice Date</b>         | March 30, 2021                    |                |
| <b>Neighbor Letter Date</b> | April 1, 2021   |                | <b>Number of Letters Sent</b>   | 25                                |                |

**Proposal**

Applicant is proposing a new interim use permit for a vacation dwelling unit. The permit would allow for a 4-bedroom condominium with a maximum of 9 occupants in the F-7 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-7                   | Mixed Use Building       | Central Business Primary               |
| <b>North</b>   | F-7                   | Parking Ramp             | Central Business Primary               |
| <b>South</b>   | F-7                   | Park                     | Open Space                             |
| <b>East</b>    | F-7                   | Mixed Use Building       | Central Business Primary               |
| <b>West</b>    | F-7                   | Mixed Use Building       | Central Business Primary               |

**Summary of Code Requirements:**

UDC Section 50-19.8. Permitted Use Table. A Vacation Dwelling Unit is an Interim Use in the F-7 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



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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 - 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 – Central Business Primary: Encompasses a broad range of uses and intensities including but not limited to - governmental campus, significant retail, entertainment and lodging, opportunities for high-density housing, central plaza, public/ open space, and public parking facilities.

**Current History:** The property currently is a mixed-use building. The ground floor contains a brewery and taproom. The upper floors contain an office space and dwelling units.

**Review and Discussion Items:**

- 1) Applicant's property is located at 120 East Superior Street. The unit is technically located on the third floor of the structure due to the walkout basement. The proposed vacation dwelling unit contains 4 bedrooms that would allow for a maximum of 9 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 themselves to serve as the managing agent.
- 3) The site is not required to provide parking. However, the applicant will be renting a couple of parking spaces on an adjacent property.
- 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.



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6) Applicant has applied 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; however, no such administration approval shall constitute a variance from the provisions of Chapter 50



PL 21-020 IUP  
Location Map



**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 flown 2019

Prepared by: City of Duluth Planning & Development Division, February 25, 2020. Source: City of Duluth.



