

EXHIBIT B



Planning & Development Division
Planning & Economic Development Department



218-730-5580



planning@duluthmn.gov

Room 160
411 West First Street
Duluth, Minnesota 55802

To: City Council
From: Adam Fulton, Deputy Director
Date: September 12, 2019
Re: Land Conveyance and Conformance with the City's Comprehensive Plan
Parcel's 010-3490-02920, 010-3490-02900, 010-3490-02880, and 010-3490-02860, adjacent to Central Entrance Drive and North 6th Avenue East

Parcel's 010-3490-02920, 010-3490-02900, 010-3490-02880, and 010-3490-02860 are adjacent to Central Entrance Drive and North 6th Avenue East and between East 8th Street and East 8th Alley. The parcels are tax forfeit and owned by the State of Minnesota, and have been vacant for several years. The four lots are not developable as they are encumbered by North 6th Avenue East and have steep sloped areas that would make it difficult to build on. Additionally, two of the lots are nonconforming to lot frontage and lot area. The adjacent property owner is interested in acquiring the parcels to assemble a larger development site for commercial use. The sale of the parcels would require the appropriate retention of rights-of-way on them for North 6th Avenue East. The site is zoned MU-N, Mixed-Use Neighborhood, which allows residential and commercial uses.

Section 2-176 of the City Code requires that the City's Planning Agency "reviews proposals for conveyance for conformity to the City's comprehensive plan and shall have reported its findings in writing to the Council."

A Land Use Study (PL 19-013) was completed in the spring of 2019 for the surrounding area including the four parcels noted above with a recommendation to change the future land use category to Neighborhood Mixed Use. Following the change to the future land use map the immediate area including the four parcels were rezoned (PL19-061) from Residential-Traditional (R-1) to Mixed Use-Neighborhood (MU-N). The proposed use of the property for commercial use is consistent with the Comprehensive Plan.

The City's utility data indicates that most of the area including the four parcels can be or are served by utilities, and that those utilities could be expanded or upgraded as needed for any future development. The four parcels adjoined to with the property to the south and west would allow for a commercial use that would be beneficial to the neighborhood.

Conveyance of the City's interest in the property supports the following Comprehensive Plan principles:

Principle #1: Reuse previously developed lands. Reuse of previously developed lands, including adaptive reuse of existing building stock and historic resources, directs new investment to sites which have the potential to perform at a higher level than their current state. This strengthens neighborhoods and is preferred to a dispersed development pattern with associated alteration of natural landscapes and extensions



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of public services. Site preparation or building modification costs are offset by savings in existing public infrastructure such as streets and utilities, and transit, fire, and police services.

Principle #5: Promote reinvestment in neighborhoods.

Duluth is strongly defined by its neighborhoods. This system should be supported through land use and transportation that foster neighborhood reinvestment. New development or redevelopment should maximize public investment that strengthens neighborhood commercial centers or diversifies residential opportunities that fit the neighborhood's character.

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

Cities have evolved as a mix of land uses, building types, housing types, and activities. Accommodating choice while protecting investment is a balance to strike in land use regulation. Mixed uses provide opportunities for a diversity of activity that segregated, uniform uses do not provide.

All governing principles can be reviewed at: http://www.imagineduluth.com/media/548496/4_governing-principles.pdf

After reviewing the proposal and evaluating the parcels for sale to the adjacent property owner, the Planning Agency finds that the proposed sale implements the principles of the Comprehensive Plan and is in conformance with it. Additional planning approvals may be required prior to final zoning authorization for construction of any new commercial development.