Council Agenda Item 26-040-O

MEETING DATE: September 14, 2026

SUBJECT/TITLE: AN ORDINANCE AMENDING CHAPTER 50, SECTION 50-19.8, PERMITTED USES; SECTION 50-20 USE SPECIFIC STANDARDS; SECTION 50-24.2 PARKING STANDARDS; SECTION 50-37.17 REVIEW AND APPROVAL PROCEDURES; SECTION 50-39 ENFORCEMENT AND PENALTIES; SECTION 50-41 DEFINITIONS, OF THE DULUTH CITY CODE REGARDING LODGING.

SUBMITTED BY: Jenn Moses, Manager, Planning and Community Development

RECOMMENDATION: Approve

BOARD/COMMISSION/COMMITTEE RECOMMENDATION: Planning Commission

PREVIOUS COUNCIL ACTION: Council passed a moratorium on short term rental permitting via 25-028-O. New short-term rental permitting and licensing will be implemented by 26-038-O.

BACKGROUND: In November 2025, City Council imposed a moratorium on the permitting and approval of vacation dwelling units, accessory vacation dwelling units, accessory vacation dwelling units (limited), accessory home shares, and bed and breakfasts within the City of Duluth, pending the completion of a study of city process for short term rental licensing, permitting, and approvals.

Based on this study and public feedback, Planning staff have examined zoning regulations related to various lodging uses and recommends a comprehensive update. These changes are in response to operational issues observed in short-term rental enforcement, inconsistencies between zoning and building code definitions, and confusion surrounding legacy uses such as “seasonal camp or cabin.” The attached memo describes the current zoning rules and proposes potential changes.

At a regular meeting on September 8, 2026, the planning commission held a public hearing on the proposed UDC Text amendment, reviewed staff findings and conclusions (Attachment 2) and discussed and deliberated the matter as a commission. The planning commission considered a motion to recommend to city council the UDC Text Amendment with staff recommendations, with the motion passing on a vote of 9 yeas, 0 nays and 0 abstentions.

BUDGET/FISCAL IMPACT: N/A

OPTIONS: Approve or deny the text amendment

NECESSARY ACTION: N/A

ATTACHMENTS:

- Attachment 1- Text Amendments
- Attachment 2- Staff Memo to Planning Commission