

411 W 1<sup>st</sup> St, Rm 208 \* Duluth, Minnesota 55802-1197

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| File Number          | PL16-065                                   |                   | Contact                |              | Chris Lee, clee@duluthmn.gov |                   |
|----------------------|--|-------------------|------------------------|--------------|------------------------------|-------------------|
| Туре                 | Interim Use Permit, Vacation Dwelling Unit |                   | Planning Commission [  |              | ssion Date                   | July 12, 2016     |
| Deadline             | Application Date                           |                   | June 3, 2016           |              | 60 Days                      | August 2, 2016    |
| for Action           | Date Extension Letter Mailed               |                   | June 23, 2016          |              | 120 Days                     | September 1, 2016 |
| Location of S        | ubject                                     | 559 Boulder Drive |                        |              |                              |                   |
| Applicant            | BRD6, LLC                                  |                   | Contact                | 651-705-3301 |                              |                   |
| Agent                | Patrick Sheahan                            |                   | Contact                | pshear       | psheahan@summitre.net        |                   |
| Legal Description    |  | 010-3917-00080    |                        |              |                              |                   |
| Site Visit Date      |  | June 28, 2016     | Sign Notice Date       |              |                              | June 28, 2016     |
| Neighbor Letter Date |  | June 23, 2016     | Number of Letters Sent |              | s Sent                       | 12                |

#### **Proposal**

The applicant proposes use of their 3 bedroom apartment unit as a vacation rental property. A vacation dwelling unit allows for periods of occupancy of 2 to 29 days, with a minimum stay of 2 nights.

Note: On May 23th, 2016 City Council approved amendments to the Unified Development Chapter regulating vacation dwelling units per Ordinance 16-022-O. The amendments to vacation dwelling unit use specific standards will become effective June 25th, 2016. The Planning Commission shall review this proposal per the amended use specific standards for vacation dwelling units.

|          | Current Zoning | Existing Land Use | Future Land Use Map Designation |  |  |
|----------|----------------|-------------------|---------------------------------|--|--|
| Subject  | R-2            | Residential Urban | Urban Residential               |  |  |
| North    | R-2            | Residential Urban | Urban Residential               |  |  |
| South    | R-2            | Residential Urban | Preservation                    |  |  |
| East     | R-2            | Residential Urban | Urban Residential               |  |  |
| West R-2 |                | Residential Urban | Traditional Neighborhood        |  |  |

## **Summary of Code Requirements**

UDC Section 50-19.8. Permitted Use Table. A Vacation Dwelling Unit is an Interim Use in an R-2 District.

UDC Sec. 50-37.10.B ... Council shall make, a decision to adopt, adopt with modifications or deny the application based on the criteria in subsection C below. The ... Council may impose appropriate conditions and safeguards, including but not limited to financial security pursuant to Section 50-37.1.P, a development agreement regarding the design, construction, and operation of the special use, to protect the Comprehensive Land Use Plan, to conserve and protect property and property values in the neighborhood and to ensure that all conditions of the special use permit will continue to meet.

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 or to allow the city time to develop a regulation addressing the potential longer term impacts of the requested use in that location; 2. The applicant agrees to sign a development agreement with the city confirming that (a) approval of the permit will not result in increased costs to the city if the property is later acquired by the city through

eminent domain; (b) the use will be terminated at the applicant's expense on the date(s) stated in the permit, (c) the termination of the interim use as stated in the permit will create no rights to a nonconforming use and no rights to compensation for termination of the use or for the value of any structures of improvements related to the use, and (d) the applicant agrees to all conditions imposed by the city. No interim use permit shall be issued until a development agreement confirming these points is executed.

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

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

Governing Principle #5 - Strengthen neighborhoods

Future Land Use Map Designation – Urban Residential (UR):

Greatest variety of building types, medium to high densities. Applicable to larger infill areas close to downtown, entertainment or activity centers, and waterfront residential areas. May include student housing areas, live/work units, and limited neighborhood retail. Connected or adjacent to parks and open space.

## Findings:

1. The site is developed consistent with the future land use as described and the applicants are not proposing alterations to the use.

Note: Interim Use Permits are approved, approved with recommendations, or denied by the City Council by resolution after a public hearing is held by the Planning Commission. Interim Use Permits expire if the project or activity authorized by the permit is not begun within 1 year.

#### **Review and Discussion Items**

- 1) Applicant is applying for an Interim Use Permit for a vacation dwelling unit in an apartment building of which they own.
- 2) A time limit on this Interim Use 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 interim use permit shall expire upon change in ownership of the property or in six years, whichever occurs first.
- 3) The applicant's property is located at the Boulder Ridge Apartments. The dwelling unit has 3 bedrooms, which would allow for a maximum of 7 people.
- 4) The property has street frontage along Boulder Drive and meets the required off-street parking requirements and has an available garage
- 5) Permit holders must designate a managing agent or local contact who resides with 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. Applicant will act as managing agent (as applicant lives in home adjacent to this property).
- 6) There is no site plan, and there are no screening requirements as the unit is located in an apartment unit.
- 7) Applicant will need to complete an inspection from the Minnesota Department of Health as part of the process for obtaining a Lodging License, and one with the City's fire prevention office. The Applicant will also need to apply for a Hotel/Motel License and a Tourism Tax permit.
- 8) 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").
- 9) No public or agency comments were received.

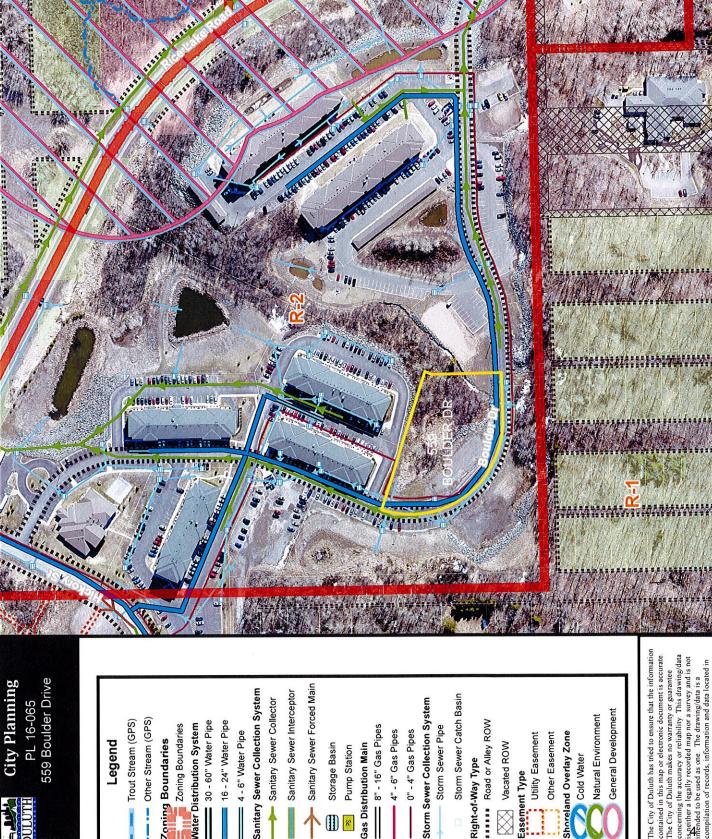
Staff Recommendation PL 16-065

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 document and provide evidence of compliance, which will be included in the resolution.
- 3) The applicant must disclose to all guests, in writing, that quiet hours shall be observed between the hours of 10 p.m. and 8 a.m.



The City of Duluth makes no warranty or guarantee



## EXHIBIT A

#### INTERIM USE PERMIT – VACATION DWELLING UNIT

Unit Address: 559 Boulder Drive, Duluth, MN

Size: 3 Bedroom, 1,417 sf

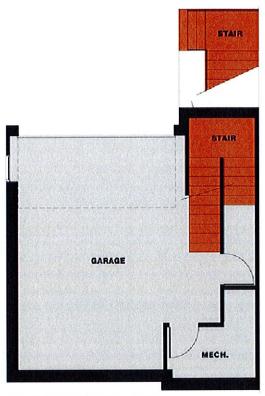
Zoning: R2

Per Ordinance 16-022, amending that Section 50-20.3 of the Duluth City Code, 1959, as amended, Applicant agrees to the following:

- 1. Applicant agrees to a minimum of a two night stay for individuals granted occupancy under this interim use permit.
- 2. Applicants agrees to limit the number of individuals granted occupancy under this interim use permit to a maximum of three individuals.
- 3. Applicant will provide one off street parking space for individuals granted occupancy under this interim use permit.
- 4. Applicant will restrict individuals granted occupancy under this interim use permit to one motorhome (or pickup-mounted camper) and/or one trailer for inhabiting or for transporting recreational vehicles (ATVs, boat, personal watercraft, snowmobiles, etc.).
- 5. Prior to this interim permit being issued, Applicant will obtain all required state and local permits, licenses and inspections required for guest stays ranging from 2 to 29 nights. This unit is currently licensed as a rental property and approximately one year old.
- 6. Applicant will adhere to the additional requirements listed in the city of Duluth's UDC application manual related to the keeping of a guest record, designating and disclosing a local contact, property use rules, taxation, and interim use permit violation procedures. Furthermore, upon request, Applicant will provide documentation of such compliance.
- 7. Please see attached Exhibit B-1 for detail on parking, driveways and other structures, and attached Exhibit B-2 for the unit floor plan. There are currently no outdoor common facilities, such as fire pits or barbecue grills that will be available to individuals granted occupancy under this interim use permit. Applicant does not believe that a dense urban screen is required to buffer the subject property from adjoining properties.
- 8. Applicant agrees that the interim use granted hereunder will expire upon a change in ownership or in six years, whichever occurs first.



# EXHIBIT B-2 FLOOR PLAN 559 BOULDER DRIVE



**GARAGE PLAN** 

2nd and 3rd Levels: TOTAL: 1,417 sf



3rd Level: 730 sf.



