



CITY OF DULUTH

Community Planning Division

411 W 1st St, Rm 208 * Duluth, Minnesota 55802-1197

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File Number	PL 19-051	Contact	John Kelley, jkelley@duluthmn.gov	
Type	Interim Use Permit – Vacation Dwelling Unit	Planning Commission Date		June 11, 2019
Deadline for Action	Application Date	April 29, 2019	60 Days	June 28, 2019
	Date Extension Letter Mailed	May 15, 2019	120 Days	August 27, 2018
Location of Subject		702 North 7 th Avenue East		
Applicant	Charles D. Sill & Linda M. Simmons	Contact		
Agent	Joanna Hopkins	Contact		
Legal Description		SLY 45 FT of LOTS 1 and 2, , Block 10, Nortons Division (Parcel I.D. #010-3490-01450)		
Site Visit Date		June 5, 2019	Sign Notice Date	Tuesday May 28, 2019
Neighbor Letter Date		May 31, 2019	Number of Letters Sent	84

Proposal

The applicant has applied for renewal of Interim Use Permit PL 13-056. The applicant proposes use of the dwelling unit with three bedrooms 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.

Recommended Action: Recommend to City Council approval of an Interim Use Permit – Vacation Dwelling Unit

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	R-1	Residential	Traditional Neighborhood
North	R-1	Residential	Traditional Neighborhood
South	R-1	Residential	Traditional Neighborhood
East	R-1	Residential	Traditional Neighborhood
West	R-1	Residential	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

- 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

Future Land Use – Traditional Neighborhood:

Characterized by grid or connected street pattern, houses oriented with shorter dimension to the street and detached garages, some with alleys. Limited commercial, schools, churches, and home-businesses. Parks and open space areas are scattered through or adjacent to the neighborhood. Includes many of Duluth's older neighborhoods, infill projects and neighborhood extensions, and new traditional neighborhood areas.

Current History:

- The owner of the property was approved for an Interim Use Permit to operate a Vacation Dwelling Unit in 2013 (PL 13-056).
- The owner was approved for a variance to the off-street parking requirement for a Vacation Dwelling Unit in 2013 (PL 13-055).

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

Review and Discussion Items:

- 1) The principle dwelling unit has three bedrooms, which would allow for a maximum of 7 people.
- 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. Applicant's agent will serve as the managing agent.
- 3) The required parking for a 3-bedroom vacation dwelling unit in 2 off-street spaces. However, the applicant was approved for a variance from the required off-street parking. Variances do not require renewal and run with the land – that is, they do not expire. Parking for the house is provided on street.
- 4) The applicant has provided a site plan showing a porch, fire pit, picnic table and swing for backyard amenities. The site plan shows existing buffering/screening between adjacent properties.
- 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 has all of the required permits and licenses.
- 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 document and provide evidence of compliance, which will be included in the resolution.
- 3) The applicant must provide a written disclosure to all guests, in writing, stating that quiet hours shall be observed between the hours of 10 p.m. and 8 a.m.

Vacation Dwelling Unit Worksheet (April 2018)

1. The minimum rental period shall be not less than two consecutive nights. What will be your minimum rental period? Two nights

2. The total number of persons that may occupy the vacation dwelling unit is one person plus the number of bedrooms multiplied by two.

How many legal bedrooms are in the dwelling? What will be your maximum occupancy?

Three Seven

3. Off-street parking shall be provided at the following rate:

- a. 1-2 bedroom unit, 1 space
- b. 3 bedroom unit, 2 spaces
- c. 4+ bedroom unit, number of spaces equal to the number of bedrooms minus one.
- d. Vacation dwelling units licensed on May 15, 2016, are entitled to continue operating under the former off-street parking requirement. The parking exemption for vacation dwelling units licensed on May 15, 2016, expires upon transfer of any ownership interest in the permitted property.

How many off-street parking spaces will your unit provide? Zero - we have a variance
file # PL-055 - see attached action letter.

4. Only one motorhome (or pickup-mounted camper) and/or one trailer either for inhabiting or for transporting recreational vehicles (ATVs, boat, personal watercraft, snowmobiles, etc.) may be parked at the site, on or off the street. Will you allow motorhome or trailer parking? If so, where?

No

5. The property owner must obtain all licenses and permits from the City of Duluth and State of Minnesota required for guest occupancy on the property for 2 to 29 days. Provide copies of the lodging and fire inspection reports with your initial application.

☒ Mn Department of Health Lodging License (Requires Inspection)

☒ City of Duluth Fire Operational Permit (Requires Inspection)

☒ City of Duluth Hotel/Motel License

☒ City of Duluth Tourism Tax Number 1231

☒ State of Mn Tax Identification Number 2055752

6. The property owner must provide required documents and adhere to 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 violations procedures.

7. The property owner must provide a site plan, drawn to scale, showing parking and driveways, all structures and outdoor recreational areas that guests will be allowed to use, including, but not limited to, deck/patio, barbeque grill, recreational fire, pool, hot tub, or sauna, and provide detail concerning the provision of any dense urban screen that may be required to buffer these areas from adjoining properties. Please note that this must be on 8 x 11 size paper.

8. The interim use permit shall expire upon change in ownership of the property or in six years, whichever occurs first. An owner of a vacation dwelling unit permitted prior to May 15, 2016, may request, and the land use supervisor may grant, an application for adjustment of an existing permit to conform to this section, as amended, for the remainder of the permit term.

9. Permit holder must keep a guest record including the name, address, phone number, and vehicle (and trailer) license plate information for all guests and must provide a report to the City upon 48 hours' notice. **Please explain how and where you will keep your guest record (log book, excel spreadsheet, etc):**

We keep copies of all rental agreements on our home computer, and can also access records of all guests on the VRBO website.

10. Permit holder 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 any complaints from neighbors or the City. The permit holder must notify the Land Use Supervisor within 10 days of a change in the managing agent or local contact's contact information. **Please provide the name and contact information for your local contact:**

Jeanna Hopkins, 711 E. 7th St Duluth MN 55805, Phone# 218-391-7106

11. Permit holder must disclose in writing to their guests the following rules and regulations:

- a. The managing agent or local contact's name, address, and phone number;
- b. The maximum number of guests allowed at the property;
- c. The maximum number of vehicles, recreational vehicles, and trailers allowed at the property and where they are to be parked;
- d. Property rules related to use of exterior features of the property, such as decks, patios, grills, recreational fires, pools, hot tubs, saunas and other outdoor recreational facilities;
- e. Applicable sections of City ordinances governing noise, parks, parking and pets;

Please state where and how this information will be provided to your guests:

In our rental agreement, in the entry information email that we send 1 week prior to the rental period, and through information posted at the house.

12. Permit holder must post their permit number on all print, poster or web advertisements. **Do you agree to include the permit number on all advertisements?** yes

13. **Prior to rental**, permit holder must provide the name, address, and phone number for the managing agent or local contact to all property owners within 100' of the property boundary; submit a copy of this letter to the Planning and Community Development office. In addition, note that permit holder must notify neighboring properties within 10 days of a change in the managing agent or local contact's contact information.

14. **Prior to rental**, the building must be inspected and an Operational Permit issued by the Fire Prevention office. Permit holder must apply for and be granted State and local sales tax numbers, including Hotel and Motel Use Sales Tax, as discussed in item number 5 above; submit a copy of these approvals to the Planning and Community Development office.

APPLICATION NOTES

We do not have a copy of our Pre-App Verification, since we did our pre-application meeting over the phone. This was done with Kyle Deming and Chris Lee, on Monday, April 22nd at 2:00 PM.

We feel that we have always operated in a way that has been respectful of the city and our neighbors, and that our business is an asset to Duluth. We have always paid all of our sales and lodging taxes from the first day we started this in 2011, long before the city started any enforcement efforts. Our next door neighbor in Duluth, Joanna Hopkins, is our house manager and housekeeper, for which we pay her \$30 per hour for housekeeping and \$35 per hour for yard maintenance, which is a significant part of her income. We emphasize to our guests that respect for our neighbors peace and quiet is required, and have never had any complaints or problems in this regard. Our guests give us great reviews on VRBO. Many are families or groups of friends, who prefer staying in a home over staying in hotel rooms. Several of our guests have been in Duluth on business, including one of the families that started Bent Paddle Brewing, back in 2012, when they were still in the planning stages of the business.

If you'd like to check out our place and our reviews on VRBO, here's a link:
<https://www.vrbo.com/352621>



PL 19-051
702 N. 7th Avenue East
Zoning 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.





PL 19-051
702 N. 7th Avenue East
FLU Map

Legend

- Open Space
- Open Space/Outside Duluth
- Rural Residential
- Low-density Neighborhood
- Traditional Neighborhood
- Urban Residential
- Neighborhood Commercial
- Central Business Secondary
- Central Business Primary
- Large-scale commercial
- Tourism/Entertainment District
- Commercial Waterfront
- General Mixed Use
- Neighborhood Mixed Use
- Light Industrial
- General Industrial
- Industrial Waterfront
- Business Park
- Transportation and Utilities
- Transportation and Utilities/Outside Duluth
- Medical District
- Institutional

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