



Staff Report for PLSUP-2603-0006

Application Information:

Application Type: Special Use Permit for Office

Location of Subject: 1201 101st Ave W

Legal Description: 010-0174-00001

Applicant: KornerStore LLC

Applicant Contact: n/a

Agent: Fryberger Law Firm

Agent Contact: Robert Kanuit

Staff Contact: Chris Lee, clee@duluthmn.gov

Deadline for Action:

Application Date: March 17, 2026

Date Extension Letter Mailed: April 7, 2026

60 Days: May 16, 2026

120 Days: July 15, 2026

Site Visit Date: April 28, 2026

Sign Notice Date: April 24, 2026

Neighbor Letter Date: April 22, 2026

Number of Letters Sent: 50

Proposal:

Applicant is seeking special use permit to expand an existing office use within the existing structure.

Recommended Action:

Staff recommends approval.

Zoning and Land Use:

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	R-2	Office	Traditional N'hood /Neighborhood Commercial
North	R-1	Residential	Traditional N'hood /Neighborhood Commercial
South	R-1	Residential	Traditional N'hood /Neighborhood Commercial
East	R-1	Residential	Traditional Neighborhood
West	MU-N	Residential	Neighborhood Commercial

Summary of Code Requirements:

50-20.3.M. Office use specific standards.

UDC Section 50-37.10. Special Use Permits. The Planning Commission shall approve the application or approve it with modifications if the commission determines that the application meets the following criteria: 1. The application is consistent with the Comprehensive Land Use Plan; 2. The application complies with all applicable provisions of this Chapter, including without limitation any use-specific standards applicable to the proposed use, development or redevelopment, and is consistent with any approved district plan for the area; 3. Without limiting the previous criteria, the commission may deny any application that would result in a random pattern of development with little contiguity to existing or programmed development or would cause anticipated negative fiscal or environmental impacts on the community.

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

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.

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.

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.

Neighborhood Commercial: Small- to moderate-scale commercial, serving primarily the adjacent neighborhood(s)...Typically situated in or adjacent to residential neighborhoods.

History: The property was approved for an office on the first floor in 2023 with Special Use Permit PL23-086. The building is approximately 4,500 square feet and was a former Bell Telephone facility built in 1920. The building and property are a Common Interest Community Plat (CIC) created in 2022 and consists of a two-story structure with two units and garage space on the basement level.

Review and Discussion Items:

Staff finds:

1. The applicant is seeking a special use permit to expand an office use in the R-2 zone district. The applicant is proposing to utilize the remaining approximately 2,200 square feet of the second floor of the building for office space.
2. An office use is a reasonable use in the R-2 district. Office use requires a special use permit to operate in an R-2 district.
3. The office hours of operation would be from 8 a.m. to 5:30 p.m. The office space will be occupied by 4-5 employees. The applicant has stated that no noise or traffic congestion will be created by the office use.
4. UDC Sec. 50-20.3.M. (Use Specific Standards - Office). Not applicable for this zone district. The proposed location in the building and configuration of the parking for the use demonstrate that the site provides adequate support for an office.
5. UDC Sec. 50-24 (Parking and loading). Parking maximums are 4 stalls per 1,000 square feet of gross floor area. The office space will occupy 4,500 square feet and will allow a maximum of 18 stalls. The site currently has 6 total parking stalls with 4 inside the building and 2 outside.
6. UDC Sec. 50-25 (Landscaping and Tree Preservation). Requires landscaping between differing land uses. The office is considered a commercial use and abuts residential to the north. A landscape buffer with plantings of trees and shrubs or an opaque wall, berm, fence or dense (at least 75 percent opacity) vegetative screen at least six tall is required along the boundary lot line. In 2023, the Land Use Supervisor granted an alternative landscape plan to include two trees to be planted between the office property and the residential property. Staff has found that these trees are not yet present and will require the conditions of the 2023 permit be met prior to receiving any building permit or change of use permit for this project.

7. UDC Sec. 50-26 (Screening, Walls and Fences). Not applicable; applicant has stated no mechanicals will be installed and no dumpsters will be located on site. Garbage and recycling container will be stored within the underground garage space and placed on curb during regular pick-up days.
8. UDC Sec. 50-29 (Sustainability Standards) and 50-30 (Building Design Standards). These requirements do not apply to this project.
9. UDC Sec. 50-31 (Exterior Lighting). No additional lighting is being planned for the use.
10. No public, agency, or City comments have been received as of the drafting of this report.

Staff Recommendation:

Based on the above findings, Staff recommends that Planning Commission approve the special use permit with the following conditions:

1. The project must be constructed and limited to the plans submitted with the application.
2. The permit is conditional upon Applicant providing evidence of landscaping buffer in accordance with permit PL-23-086.
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 approval; however, no such administrative approval shall constitute a variance from the provisions of Chapter 50.

Map for PLSUP-2603-0006:

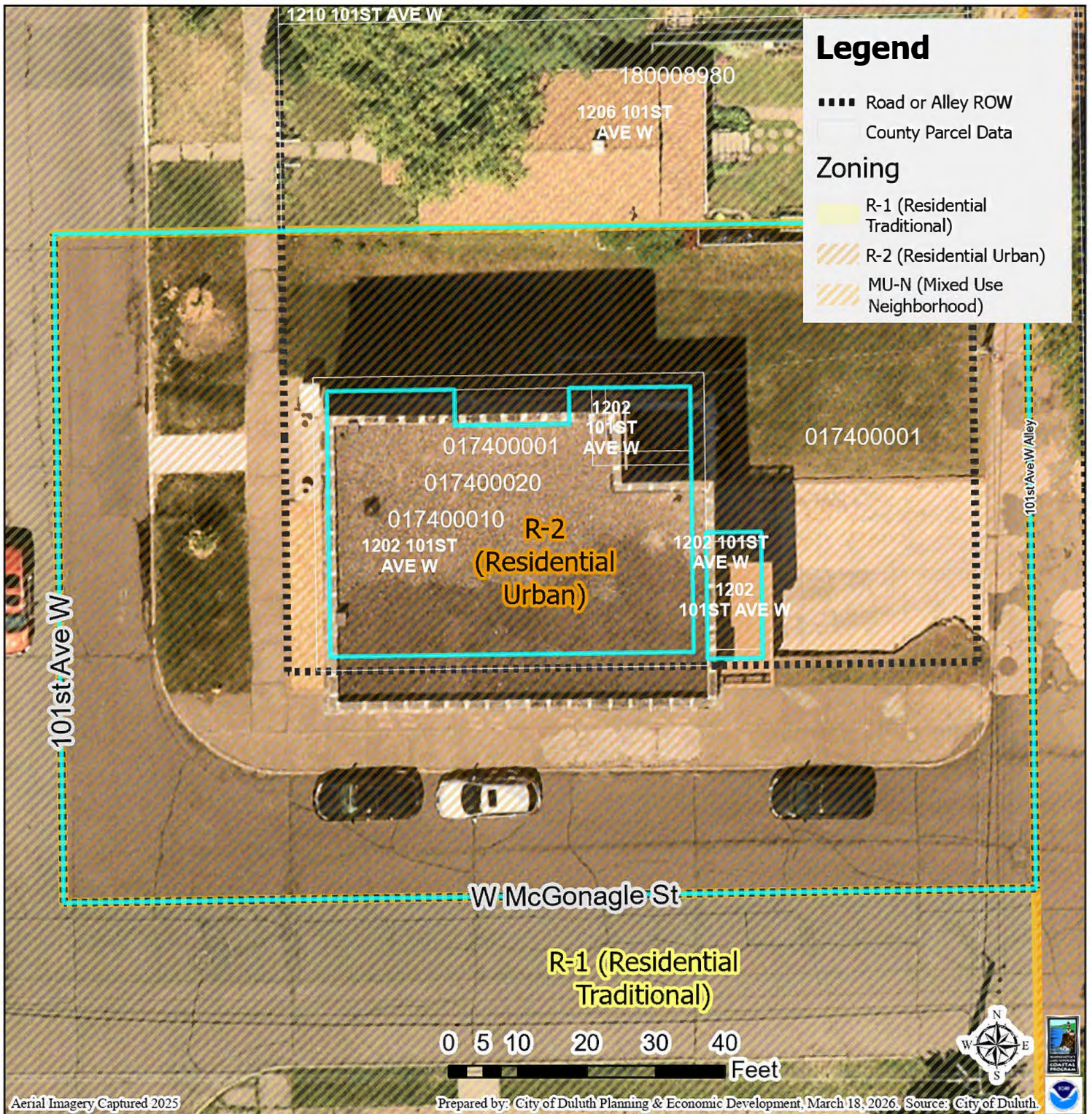


Figure 1.

Aerial imagery captured in 2025, showing the property at 1202 101st Ave W outlined along the north side of W McGonagle St and east side of 101st Ave W.

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.

Disclaimer for Externally Sourced Application Files

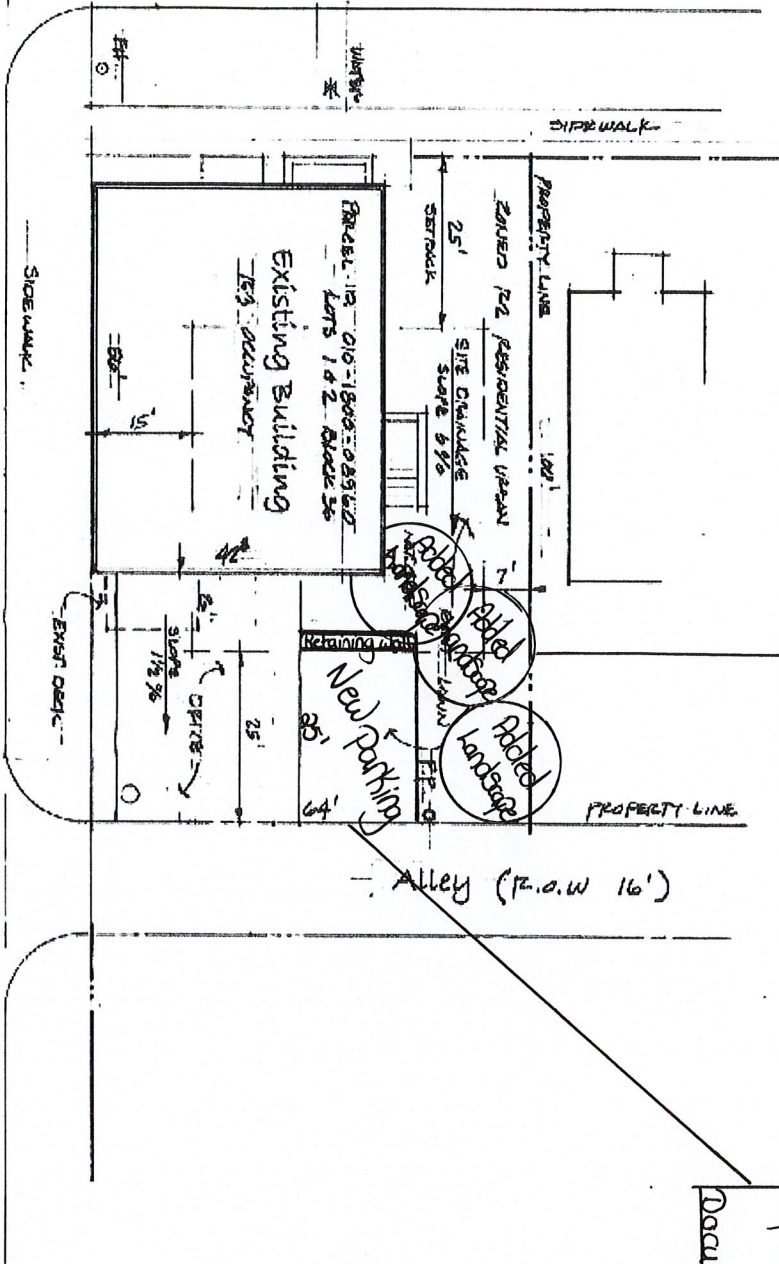
We strive to ensure digital accessibility for all users and comply with the Americans with Disabilities Act (ADA) and Web Content Accessibility Guidelines (WCAG) standards. The following documents are provided in the original format in which they were submitted. If you require an accessible version or alternative format, please contact us at info@duluthmn.gov.

101st Avenue West (R.O.W 66')

Site Plan

Scale 1" = 20'-0"

McGonagle St. (66' R.O.W.)



Trees, Plants (Added landscape) 5-4-03

(New parking) 2-3 additional spaced to accommodate new parking formula.

Document updated 5-4-03
Deck raised

DM 5-4-03

combined total amount charged

Condominium / Apartment Remodeling
8202 101st Avenue West
Duluth, MN 55805

Architect:

DESIGN ALTERNATIVE
3731 Alder Avenue
Hennepin County, Minnesota 55810
218-729-9772

Certification:

I, *Kathy H. Bergquist*, being duly sworn, depose and say that I am a duly Licensed Architect under the laws of the State of Minnesota.

Kathy H. Bergquist
Registered Professional Architect

Date: 9-15-11 Exp. No. 14122

Consultant:

Drawing Title:

SITE PLAN

Scale:

1" = 20'

North

Project No:

1109

Date:

9/15/11

Revised:

Drawn By:

Kathy S.

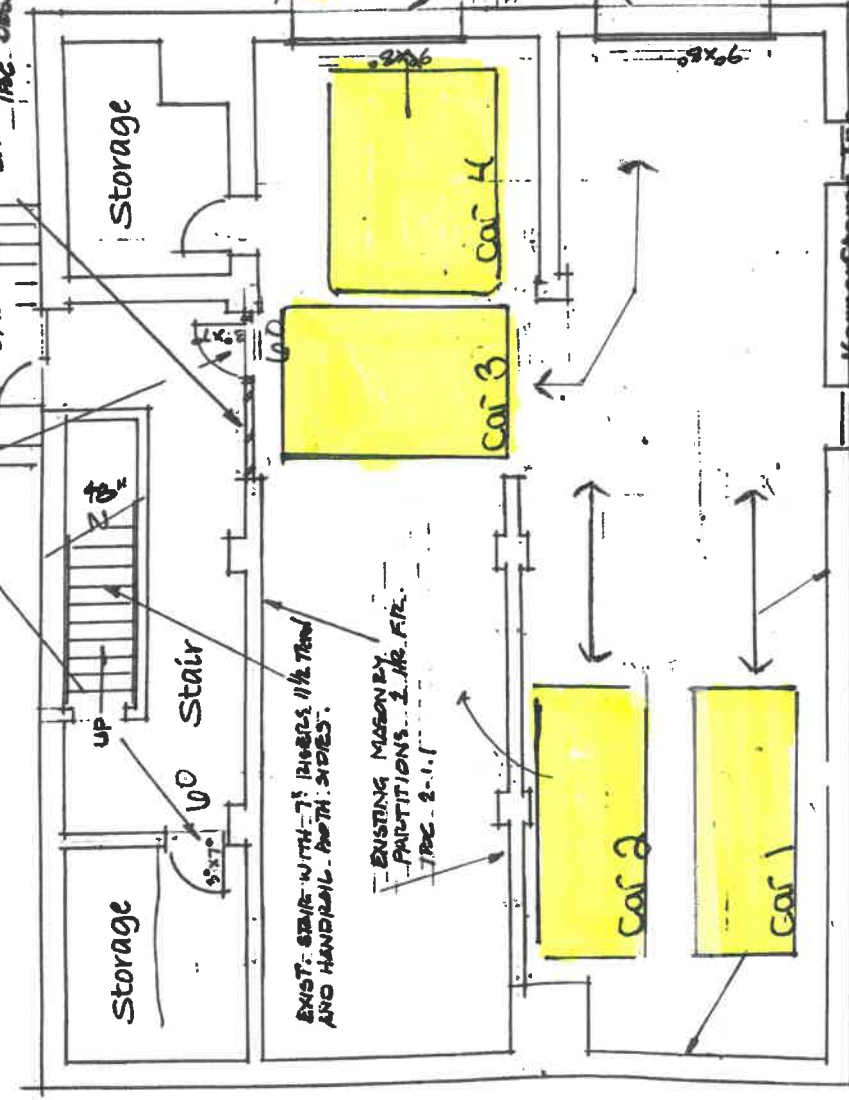
Drawing No:

S1

EXISTING EXIT DOOR.

NEW 1 HR. FIRE RESISTIVE DOOR AND FRAME ASSEMBLY WITH LATCHING HARDWARE, CLOSURE & SMOKE GASKETS.

NEW 1 HR. FIRE RESISTIVE CRYSTALLINE PARTITION: 5/8" STUCCO 1/2" G.C. WITH 5/8" CRYSTALLINE PARTITION SIGNS. IRC DESIGN M-1.3



Architect

DESIGN ALTERNATIVE
3791 Alder Avenue
Hermantown, Minnesota 55910
218-729-9772

Certification:

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Architect under the laws of Minnesota.

Date 9-15-11 Reg. No. 14180
Consultant
Randall M. Stenquist

Drawing Title:

Floor Plans
Scale: 1/8" = 1'-0"
North

KornerStores, Inc.
1331 Commonwealth Avenue
Duluth, MN 55808
YourKornerStore.com

Deck Moved

Basement Floor Plan

Scale 1/8" = 1'-0"
Floor To Floor Above 9'-2"

Project No: 1109
Date: SEPT. 15, 2011
Revised:
Drawn By: Randy D.

Drawing No:

A

NARRATIVE

The property located at 1202 101st Avenue West has long served as a recognizable structure within the Gary neighborhood. Constructed in approximately 1918 as a Bell Telephone facility, the building historically supported communications infrastructure serving residents and businesses throughout the surrounding community. Its design and orientation are notably forward facing toward the neighborhood, reflecting the role it once played as a community serving utility facility.

Following decades of service, the building was later converted from its original operational use and renovated into residential condominium units around 2013, removing the structure from any active business or institutional use.

In 2023, KornerStore Holdings, LLC, a locally owned Duluth based company, purchased the property for office use following approval of a Special Use Permit by the City of Duluth Planning Commission. This approval allowed the building to once again function in a professional capacity while maintaining the character and integrity of the surrounding neighborhood.

KornerStore Holdings, LLC, and its operating affiliate, Kornerstores, Inc., were founded in the Gary neighborhood and continue to maintain deep roots in the community, currently operating two convenience stores within approximately two blocks of the property. As the companies have grown, their leadership has remained committed to maintaining its primary headquarters in Duluth, specifically within the Gary neighborhood where the business began.

The purpose of this application is to update the existing Special Use Permit to allow office and administrative operations to encompass the entire property, including all interior floors of the building, the existing underground parking garage, and associated exterior areas of the site. The building will serve as the principal administrative headquarters and operational campus for both companies, supporting functions including accounting, administration, human resources, technology systems, and corporate operations.

The proposed use remains low intensity office activity consistent with the surrounding neighborhood. The facility will primarily accommodate administrative employees and will not generate significant traffic, noise, or operational impacts beyond normal daytime office activity. Reactivating the building in this manner represents an adaptive reuse of an existing historic structure, consistent with the goals of the City of Duluth Comprehensive Plan, which encourages reinvestment in existing buildings and thoughtful neighborhood serving development.


Both companies value their role as long term members of the Gary community and remain committed to being responsible and respectful neighbors. The companies intend for this property to remain their headquarters at 1202 101st Avenue West for decades to come as the business continues to grow while maintaining its roots in the neighborhood where it began.

Should the Planning Commission or City staff have any questions regarding this request, the applicant would welcome the opportunity to provide any additional information necessary to assist in the review of this application.



Planning & Development Division
Planning & Economic Development Department

Room 160
411 West First Street
Duluth, Minnesota 55802

 218-730-5580

 planning@duluthmn.gov

ACTION OF THE CITY OF DULUTH PLANNING COMMISSION

Date: September 11, 2023

Subject Location: 1202 101st Avenue West

Applicant:

Kornerstores Inc.
c/o Derek Medved
1331 Commonwealth Avenue
Duluth, MN 55808

Not Sent by U.S. Mail; sent via email to: derekmedved@ymail.com

Planning Commission File Number: PL 23-086

Background: The Planning Commission on Tuesday, June 13, 2023 approved a special use permit for office use in an R-2 District at 1202 101st Avenue West. The applicant was approved to utilize approximately 2,300 square feet of the first floor of the building for office space, to provide a new parking area on the northeast corner of the building, and to provide an alternative landscape plan for screening between the commercial use of office and the residential use to the north.

Proposal Requested: Applicant proposes to relocate the approved office use to second floor unit with the exact same square footage as approved unit on first floor and utilize existing parking garage under building to satisfy parking requirements in lieu of constructing new parking pad. Applicant will be planting two trees between the building and the residential home along the north property line to provide screening between land use of residential and office use. The first floor of the building will remain as an existing residential rental unit.

Conclusions:

- A. The request is in harmony with the purposes and intent of the UDC.
- B. The request is consistent with the comprehensive plan.
- C. The request will allow reasonable use of the land.

D. The request does not impact the health, safety, or welfare of the general public.

Decision:

The proposal requested by KornerStores, Inc. to locate the approved office use onto the second floor and provide required parking in the parking garage and existing driveway is approved, subject to the following condition:

1. Applicant shall plant two trees between the building and the residential home along the north property line to provide screening between land use of residential and office use.

BY ORDER OF THE LAND USE SUPERVISOR

DocuSigned by:
Adam Fulton
6F120D73DC4F4F5...

Adam Fulton, Deputy Director, Planning and Economic Development