CITY OF DULUTH
Planning Division

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STAFF REPORT

File Number	PL 15-102		**Contact**	Steven Robertson, 218 730 5295	
Application Type	Interim Use Permit, Vacation Rental		**Planning Commission Date**	August 11, 2015	
Deadline for Action	**Application Date**	July 2, 2015	**60 Days**	September 1, 2015	
	Date Extension Letter Mailed	July 22, 2015	**120 Days**	October 31, 2015	
Location of Subject	728 Lake Avenue South				
Applicant	Douglas and Kathleen Baker		**Contact**	kbaker315@msn.com	
Agent			**Contact**		
Legal Description	010-4380-01150				
Site Visit Date	July 30, 2015		**Sign Notice Date**	July 28, 2015	
Neighbor Letter Date	July 29, 2015		**Number of Letters Sent**	21	

Proposal

The applicants would like to use their home as a vacation rental property. A vacation dwelling unit allows rentals for 3 to 21 days, with a minimum of 2 nights, with the exception of a minimum of 5 nights from June 15 to September 15 for properties zoned RR-1, RR-2, R-1, and R-P.

	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	Beach/Lake	Preservation
West	MU-N/I-W	Residential	Traditional Neighborhood/Waterfront Comm.

Summary of Code Requirements (reference section with a brief description):

UDC Section 50-19.8. Permitted Use Table. A Vacation Dwelling Unit is an Interim Use in an R-1 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 met.
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 Findings (Governing Principle and/or Policies) and Current History (if applicable):

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.

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 Planing Commission. Interim Use Permits expire if the project or activity authorized by the permit is not begun within 1 year.

Discussion (use numbered or bullet points; summarize and attach department, agency and citizen comments):

1) Applicant is applying for an Interim Use Permit. The minimum rental period shall not be less than 2 nights except for the period from June 15 to September 15 when the minimum rental period shall not be less than 5 nights.
2) A time limit on this Interim Use is needed to verify that the Vacation Dwelling Unit can function without negative impacts to surrounding residential uses thereby causing damage to the public's health, safety and welfare. Typically Planning Staff recommends that the City Council resolution states that approval shall expire upon change in ownership of the property or in six years, whichever occurs first.
3) The applicant owns lot 225 of Upper Duluth Lake Avenue; the lot is 40 feet wide by 100 feet long. According to St. Louis County records, the home was built in 1886 and has a main floor sq. ft. of 1,098 with a gross area of 2,196 sq. ft. There is also a 240 square foot garage, built in 1997. It has 3 bedrooms.
4) The applicant will rent out 3 bedroom, allowing a maximum of up to 7 guests at any one time; the applicant will provide two off street parking space (between home and 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 (managing agent tentaivly identified as the applicants' daughter who lives in Duluth). 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.
6) The applicant has not provided any plans showing additional buffering/screening. Based on the location (near beach), staff do not believe additional screening is required to reduce land use conflicts. There are also several existing fences between shared property lines. There is no fire pit on the property, but based on past comments and concerns from citizens related to similar applications on park point, staff recommend that the Commission consider that no fire pit be allowed on the property.
7) Applicant has completed an inspection from the Minnesota Department of Health as part of the process for obtaining a Lodging License (on 7/2/15, with one correction required), and one with the City's fire prevention officer (operational permit issued on 7/8/15). Applicant has provided tax identification number. Applicant will apply for a Hotel/Motel License and a Tourism Tax permit if approved by the City Council.
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, agency, or City comments were received.

Staff Recommendation (include Planning Commission findings, i.e., recommend to approve):

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 to the City Council (guest record book including name, address, phone number and vehicle license plate; name, address, and phone number of local contact/managing agent to property owners within a 100 feet; rules of how the property can be used must be provided to guests including selected city ordinances on parking, parks, pets and noise; and acknowledge that interim use permit may be suspended in the event of multiple nuisance calls).
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 review; however, no such administrative approval shall constitute a variance from the provisions of Chapter 50.

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Attachments (aerial photo with zoning; future land use map; site plan; copies of correspondence)

City Planning

PL 15-102

728 Lake Avenue S

Legend

- Trout Stream (GPS)
- Other Stream (GPS)

Zoning Boundaries

- Zoning Boundaries

Water Distribution System

- 30 - 60" Water Pipe
- 16 - 24" Water Pipe
- 4 - 6" Water Pipe

Sanitary Sewer Collection System

- Sanitary Sewer Collector
- Sanitary Sewer Interceptor
- Sanitary Sewer Forced Main
- Storage Basin
- Pump Station

Gas Distribution Main

- 8" - 16" Gas Pipes
- 4" - 6" Gas Pipes
- 0" - 4" Gas Pipes

Storm Sewer Collection System

- Storm Sewer Pipe
- Storm Sewer Catch Basin

Right-of-Way Type

- Road or Alley ROW
- Vacated ROW

Easement Type

- Utility Easement
- Other Easement

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City Planning
PL 15-102
728 Lake Avenue S

Legend

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Intermediate
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July 1, 2015

My husband Doug and I decided to pursue using our home for a vacation rental when we both retired. We purchased our home at 728 Lake Avenue South for our daughter to use while she attended UMD. She stayed there a few years and is now married and lives in Duluth. She would be our manager. We come to Duluth a lot-especially in the summer and fall. Our plan is not to rent it out that much-just during special events when we don't use it, i.e. Grandma's Marathon or if a student doing a clinical rotation at one of the hospitals needed a place to stay for a few weeks. Our taxes have gotten high since we purchased the home and the added income would help. We would do the following:

- Not rent to more than six people at a time.
- We would obtain all licenses and permits from the city and state required for guest occupancy up to 21 days.
- We would keep a guest record designating and disclosing a local contact (our daughter,) property use rules, taxation and interim use permit violations procedures.
- We will record the names of our guests and the following: their address, phone number and vehicle license plate information and provide a report to the city upon 48 hours notice
- We will provide the name, address and phone of our managing agent to all property owners within 100 feet of our property boundary. We will notify them within 10 days if we changes agents.
- We would disclose in writing to our guests the following: managing agent's name, address and phone-the number of guests allowed on the property, the maximum number of vehicles allowed on the property and where they are to be parked. We would remove our backyard fire pit and give rules regarding fires on the beach. We would show city ordinances regarding noise, parking and pets.
- We will post our permit number on all print or web advertisements.
- Our home was inspected on July 2, 2015 by the Fire Prevention Office.
- We will apply for sate and local sales tax numbers including hotel and motel use sales tax.

- Our tax identification number is 4096054
- Health Inspection was done July 2 by SARA Schaffer.
- The hotel/motel license will be filled out if we are approved. We were told we to wait to fill out.
- We will also do tourism tax permit if we are approved.

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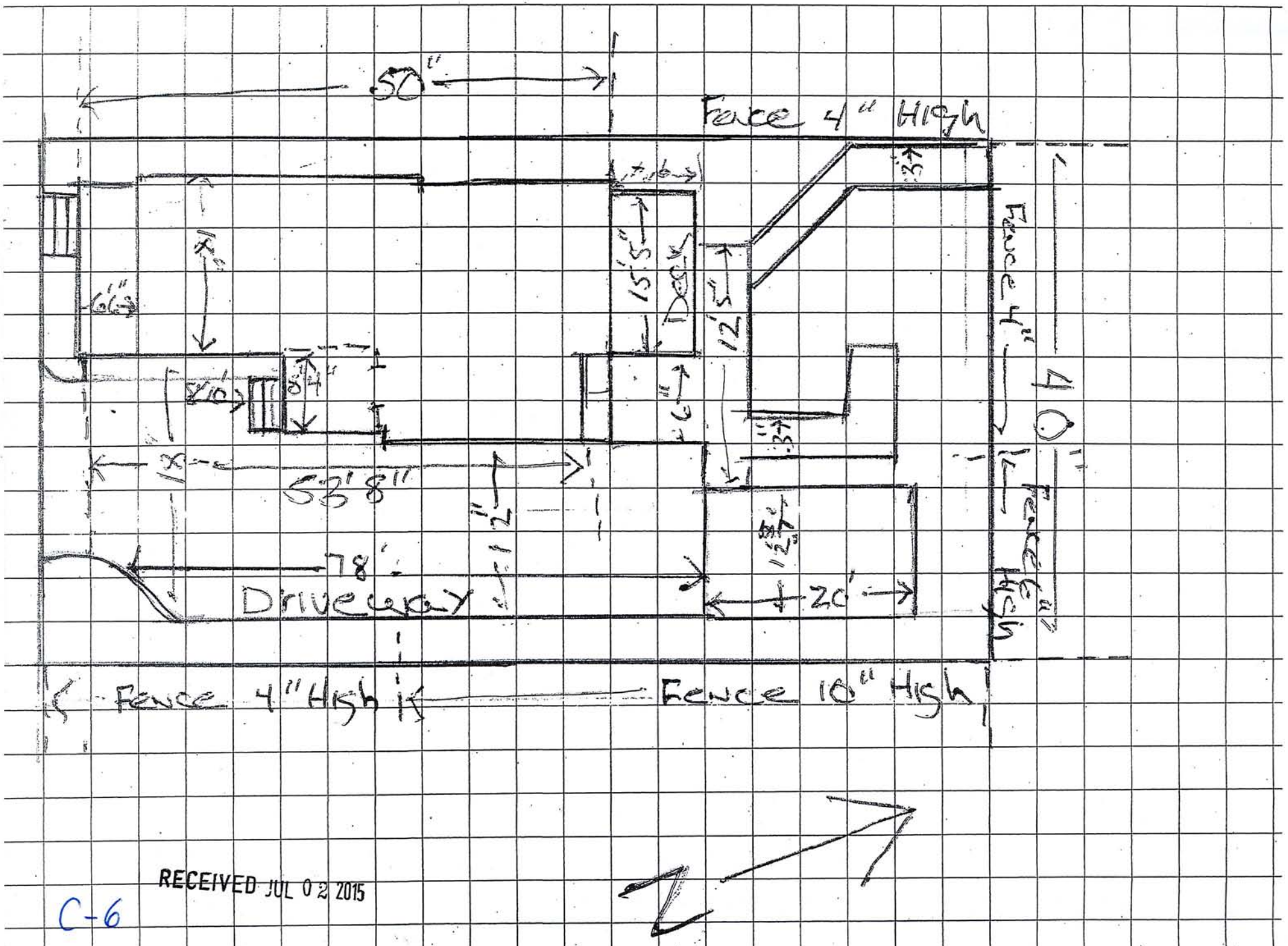

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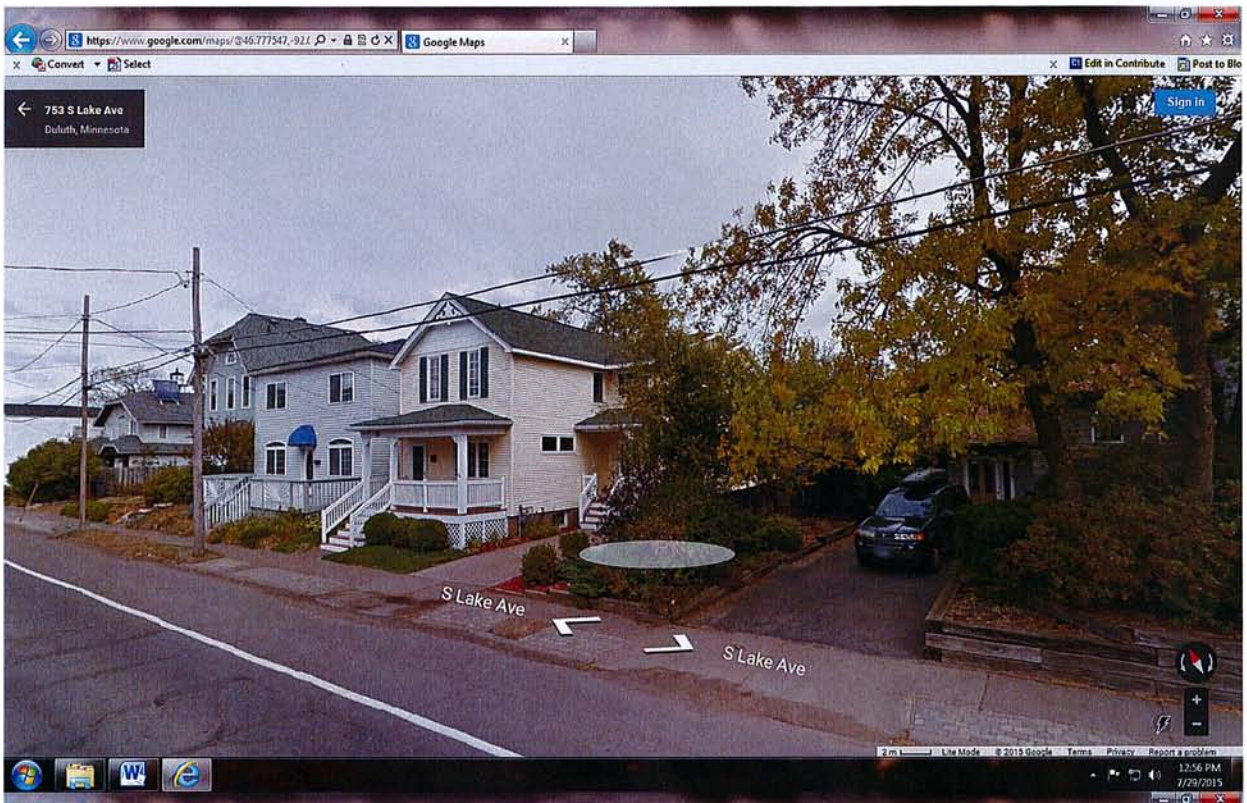
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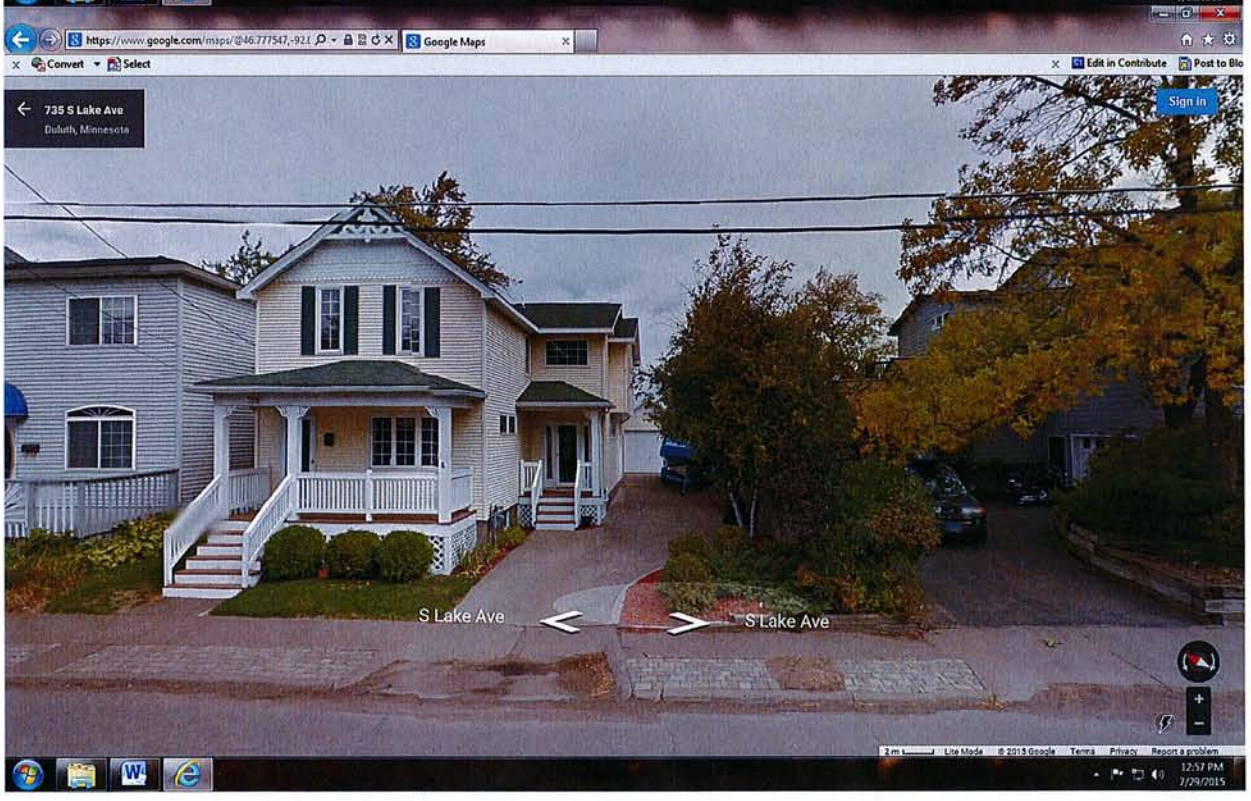
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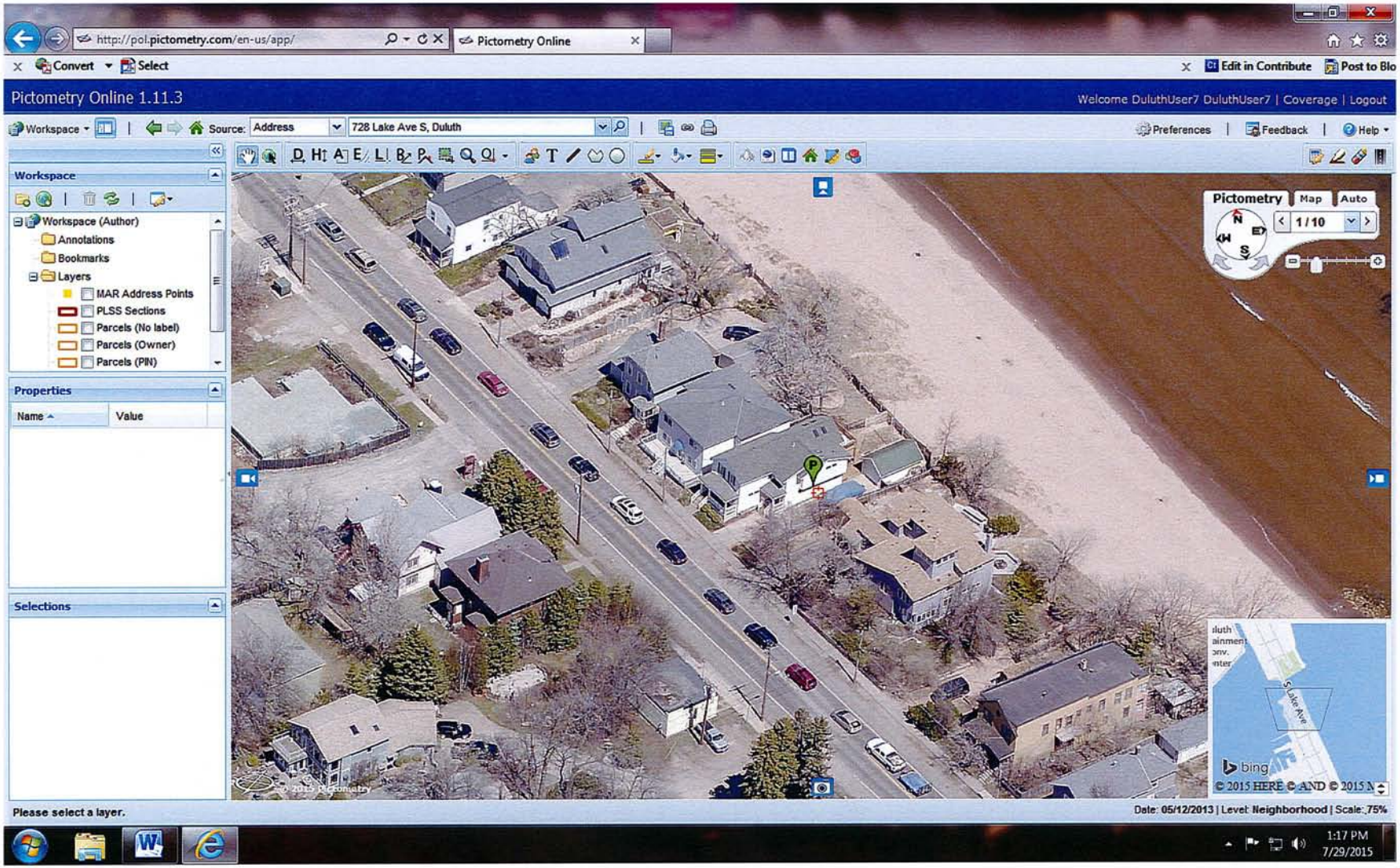
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