

**Town of Duluth  
Planning Commission  
Meeting Minutes  
January 21, 2021**

The meeting was called to order at 6:30 pm by Liz Strohmayer. The meeting was held primarily via Zoom.

In attendance: Liz Strohmayer, Jerry Hauge, Larry Zanko, Dave Edblom, Pam West, and Blane Tetreault.

Absent: Angela Wilson.

Also attending: Sue Lawson, Planning Director and Nicole Chatterson, Deputy Clerk.

The agenda was approved without change.

Ray Sundberg was present to outline a proposal he had for a fourplex on Scenic 61 near the Lake County border to be used as a short-term rental. The location is a parcel consisting of three lots above the Scenic Highway. It is a wooded parcel that does not appear to have ever been developed. The fourplex would be well off the road and close to the rear setback.

Sue said that the lot is about 1.8 acres and is in SMU-6. It would meet all setbacks except the lot size. The minimum lot size for SMU-6 is 2 acres. So, a variance would be needed for lot size. Quadplexes are allowed in Table 5.3 of the Ordinance in SMU-6 with a conditional use. The Ordinance has performance standards for duplexes, but it does not specify anything for fourplexes. The lot for a duplex must be 1.5 times the minimum lot size for the zone district. High-frequency short-term rentals are defined in the Ordinance as “A rental of a single-family dwelling for less than or equal to thirty (30) days at a frequency greater than four times per calendar year.” The Commission recently had a discussion regarding renting two dwellings on a property as high-frequency short-term rentals and at that time the Commission determined that only one of the two could be rented. Can a quadplex be considered a single-family dwelling?

Liz said that the subject of the previous discussion wasn't a single structure – one of the structures was a camper or RV and the Ordinance specifically does not allow those types of structures to be used as short-term rentals. She thought that each of the quad units could be considered a single-family dwelling and the definition is for rental of a single-family dwelling. If it were four different structures on the property with the intention of renting them it would be different – more like cabins. But this is a single building. If the rental were to not work out, it would provide four separate residences. Her interpretation is that it would be an allowed use.

Larry said that a duplex must have 1.5 times the minimum lot size, which would be three acres in this instance. It is ambiguous because there are no specified requirements for a fourplex in the Ordinance.

Sue noted that duplexes are allowed with performance standards, whereas a conditional use is required for a fourplex.

Liz said that the Town's Comprehensive Land Use Plan encourages consolidated density as opposed to development that is more spread out.

Sue asked what the difference would be between a motel and a fourplex short-term rental.

Larry read the definition for motel from the Ordinance, “A building or series of buildings operated as a commercial establishment providing accommodations to the transient traveling public in habitable units for compensation, and including both short stay and extended stay facilities, and that may offer customarily incidental services.”

Ray said his intention would be to have a two night minimum for his rentals, whereas a motel is rented on a night-to-night basis.

Looking to see what else might fit, Sue showed the definition for Neighborhood Commercial Uses, “Those uses that provide neighborhood level convenience services to communities such as small grocery stores, small sundry and convenience item stores, and small professional office buildings, such as doctor and dental clinics, which uses are of such size and nature as to blend well with the existing and intended development pattern of the neighborhood.” She looked at the definition for Highway Commercial Uses but they are not allowed in SMU-6.

Larry said that he recalls from a previous conversation about high-frequency short-term rentals that rental of a single-family dwelling can include a single-family dwelling, duplex, triplex or quad dwelling.

Sue said the structure would need a variance and a conditional use and then another conditional use would be required to use the structure as a short-term rental.

Jerry thought that the lot size requirement should be at least the same for a quadplex as it is for a duplex. It meets the 50 ft setback requirements. But the required lot size should be 1.5 times the minimum lot size for SMU-6.

Sue said that because it’s not in the Ordinance, it would be difficult to impose.

Jerry said that triplex and quad are included in the definition for duplex. He thinks it would be difficult to justify allowing a quad on a smaller lot than a duplex is allowed on. They are all under the same definition.

Blane felt that the concept of a quadplex as a short-term rental is reasonable. Setting a precedent could be a concern though. His primary concern is the neighbors. Would this fit with the neighborhood?

Sue said that no conditional use is a precedent for another unless they are the exact same thing.

Pam agreed with Blane about the neighbors. Who would be living right next to this structure? What are their and other neighbors’ feelings?

Liz said that community input would be part of the hearing. The Commission needs to first decide whether or not it would be allowable under the Ordinance.

Dave said he felt like it could be heard as a conditional use.

Sue said that the quadplex would then be considered as a single dwelling structure with four short-term rentals in it. Would the short-term rental then be for the structure or for each unit?

Liz said it would be for each unit up to four units.

Sue said, so the structure would be considered a single-family dwelling with four units in it?

Liz said yes, that is what she thinks is the intent of the Ordinance.

Jerry said it should be four short-term rentals. Each unit has cooking, living, sanitation, etc.

Larry made a motion to hear the proposal as a conditional use for a high-frequency short-term rental in a dwelling structure comprised of four separate units, each with separate cooking, living and sanitation. The hearing for the proposal will include the variances for lot size for the structure and for the short-term rental use and the conditional uses for the quadplex structure and for the high-frequency short-term rental.

Liz seconded.

The motion was approved unanimously.

It was agreed that Ray could submit one application that would cover all of the factors. The application fee was set at the fee for a single conditional use since it would be a single hearing.

Liz said the requests would still be heard separately. That means that the Commission could approve the conditional use for the building but potentially not approve the conditional use for the short-term rental.

The Commission set the notification area at one-quarter mile. It was agreed to hear it at the regular March Commission meeting.

Ray asked about the lot across the road. He is considering building a single-family home on it. The combination of setbacks limits the building envelope. What is the standard being used for setbacks from the shoreline and from the road? Could a variance be applied for if necessary? The lot is about .9 acres and the minimum lot size is 2 acres.

Sue said that the lot width is adequate. So, he would need a variance for the lot size and variances from the shoreline and the road.

Next on the agenda was to determine the area of notification for a hearing for a proposed commercial kitchen. Sue said that Justin Osjadin, on App Road, has a large garden and sells a lot of his produce. There are no commercial kitchens in the area and he is considering building one for his own use and for renting out to others, as well. It would fit under home-based business. He has not submitted an application yet.

The Commission agreed on a one-quarter mile notification area.

The minutes from October 22, 2020 were approved without changes.

Sue talked about the process for updating the Ordinance. There will be no formal approval on changes until the end of the process. Draft changes will be informally agreed on for the time being. Blane agreed to look at driveways to see if there was any mechanism to better control the process. St Louis County has a requirement that any new driveway has to conform to structure setbacks. She will forward that information to him.

It was agreed that the next Ordinance working meeting would be Tuesday, February 23<sup>rd</sup> at 6:30. The Commission agreed to change the meeting to the 4<sup>th</sup> Tuesday of every month to allow more Commission members to attend.

Sue said that Jerry's and Larry's terms are up after the March meeting. They have both served the maximum time for consecutive terms. If anyone knows someone who might be interested in serving on the Commission, please encourage them to apply.

Sue said that there would be printed materials for the next Ordinance working meeting. Members agreed to pick the materials up at the Town Hall. Clint is helping put together a draft zoning map that might better address the platted areas on the shore.

Sue said that the Bille lawsuit was heard on Monday the 25<sup>th</sup>. The court has 90 days to make a decision.

The annual meeting is March 9. Nicole said that it will be held, but on the recommendation of Minnesota Association of Townships, a motion will be put forward to continue the meeting on a later date. The Board will make a final decision regarding this at their February meeting.

Sue said that the Town budget meeting will be held on February 2. She put together a budget for Planning. It will be similar to what it is for this year.

There were no concerns from the audience.

The meeting adjourned at 8:03.