

## City of Duluth

411 West First Street Duluth, Minnesota 55802

## Meeting Agenda

## Planning Commission.

Tuesday, June 8, 2021	5:00 PM Council Chamber, Third Floor, City Hall, 41 West First Stree
To vi	iew the meeting, visit http://www.duluthmn.gov/live-meeting
	Call to Order and Roll Call
	Approval of Planning Commission Minutes
<u>PL 21-0511</u>	Planning Commission Minutes 5/11/21
Attachments:	05-11-21 PC Minutes (not approved yet)
	Public Comment on Items Not on Agenda
	Consent Agenda
<u>PL 21-059</u>	Special Use Permit for Child Care at 1500 Swan Lake Road by Melissa Reisdorf
Attachments:	PL 21-059 Staff Report and Attachments
<u>PL 21-066</u>	Interim Use Permit for Vacation Dwelling Unit at 2301 E 4th Street by Michelle and Jim Lelwica
<u>Attachments:</u>	PL 21-066 Staff Report and Attachments
<u>PL 21-067</u>	Vacation of Portions of Right of Way at 3801 W Superior Street by Jorey Olson
Attachments:	PL 21-067 Staff Report final with attachments
	Public Hearings
<u>PL 21-069</u>	MU-P Concept Plan Amendment at 800 E Central Entrance by ISD 709
Attachments:	PL 21-069 Final Staff Report and Attachments Optimized
<u>PL 21-063</u>	Special Use Permit for Cottage Home Park at 4319 Decker Rd by Northland Homes
<u>Attachments:</u>	PL 21-063 Staff Report final with attachments
<u>Attachments:</u>	

<u>PL 21-064</u>	UDC Map Amendment from RR-1 to R-1 on Vassar Street in the Woodland Neighborhood by Kevin Christianson
<u>Attachments:</u>	PL 21-064 Staff Report and Attachments
<u>PL 21-068</u>	UDC Map Amendment from R-1 to MU-N at 6920 Grand Avenue by Peter Cpin
<u>Attachments:</u>	PL 21-068 Staff Report and Attachments
	Other Business
<u>PL 21-070</u>	Tax Increment Financing Comprehensive Plan Compliance for Burnham Project at 521 W 2nd Street
<u>Attachments:</u>	PL21-070 Staff Report and Attachments
<u>PL 21-073</u>	Tax Increment Financing Comprehensive Plan Compliance for the Brewery Creek Project at 619 E 4th Street
<u>Attachments:</u>	PL21-073 Staff Report and Attachments

## Communications

Land Use Supervisor Report

Historic Preservation Commission Report

Joint Airport Zoning Board Report

Duluth Midway Joint Powers Zoning Board Report

NOTICE: The Duluth Planning Commission will be holding its June 8, 2021 Regular Meeting by other electronic means pursuant to Minnesota Statutes Section 13D.021 in response to the COVID-19 emergency. Some members of the Commission will be participating through video conference. Due to the COVID-19 emergency and the closure of City facilities, public comment will not be taken in person. However, members of the public can monitor the meeting and provide public comment on agenda items through WebEx Events. Visit https://duluthmn.gov/live-meeting to access the meeting. The public is also encouraged to submit written comment to planning@duluthmn.gov prior to the meeting. Please include "Planning Commission Agenda" in the subject line, and include your name and address and the agenda item you are speaking to. Please note that all public comment is considered Public Data. The public is also encouraged to watch the meeting by tuning into Public Access Television, Channel 180. City

## City of Duluth Planning Commission

## May 11, 2021 **Meeting Minutes**

Due to the COVID-19 emergency, many planning commission members participated through video conference from home. The meeting was held as a Special Meeting pursuant to Minnesota Statute 13D.021 in response to the Covid-19 emergency. Public comment was taken at planning@duluthmn.gov prior to and during the meeting, and via verbal comment through public attendance in the WebEx video conference during the meeting.

## Call to Order

Vice-President Sarah Wisdorf called to order the meeting of the city planning commission at 5:00 p.m. on Tuesday, May 11th, 2021.

## Roll Call

Attendance: (\* Via WebEx video conferencing – all votes conducted via roll call)

Members Present: Jason Crawford\*, Gary Eckenberg\*, Jason Hollinday\*, Michael Schaepfer\*, Sarah Wisdorf\*, and Zandra Zwiebel\*

Members Absent: Margie Nelson, Eddie Ratnam, and Andrea Wedul

Staff Present: Adam Fulton\*, Robert Asleson\*, Steven Robertson\*, Kyle Deming\*, Chris Lee\*, Theresa Bajda\*, and Cindy Stafford\*

Welcome to New Planning Commissioner Jason Hollinday Introductions were made.

Public Comment on Items Not on Agenda

No speakers.

## Approval of Planning Commission Minutes -

Planning Commission Meeting – April 13, 2021 MOTION/Second: Schraepfer/Crawford approved

**VOTE: (6-0)** 

## **Consent Agenda**

- PL 21-039 Concurrent Use Permit for Underground Utilities near Bayview Avenue and Gold Street by Regents of the University of Minnesota
- PL 21-044 Minor Subdivision to create Four Lots at Swan Lake Place and Arrowhead Road by Jesse Stokke
- PL 21-046 Special Use Permit for a Residential Care Facility at 2010 E 7th Street
- PL 21-058 Special Use Permit for a Tattoo Parlor at 217 N 59<sup>th</sup> Avenue West by Black Label Tattoo

VOTE: (6-0)

## Public Hearings

PL 21-038 Interim Use Permit for a Vacation Dwelling Unit at 318 N 17  $^{1\!\!/_2}$  Avenue West by Scott Scheirbeck

**Staff:** Chris Lee introduced the applicant's proposal to use a three-bedroom home as a vacation dwelling. Up to seven people will be allowed to stay in the home. The applicant was on the waitlist for available IUPs for vacation rentals, which is within the 60-limit cap. Staff recommends approval subject to the conditions listed in the staff report.

**Applicant:** Scott Scheirbeck addressed the commission and noted the home is in a good location, and is well screened. Zandra Zwiebel noted the aerial photo in the staff report showing the neighbor's cluttered yard. Scheirbeck noted the vegetation helps block view. Gary Eckenberg asked if the applicant lived in the house. Scheirbeck noted he plans to live in the home, but rent it out for a few weekends in the summer. Eckenberg asked how close was the property manager. Scheirbeck stated approximately five miles away. Eckenberg asked if the neighbor had concerns. Scheirbeck stated no.

Public: No speakers.

**Commissioners:** Eckenberg noted the neighbor was cited for debris. Can the commissioners get an update on the citation situation? Deputy Director Fulton asked Lee to check into the matter. (Later during the manager update, it was noted there was a solid waste enforcement in 2002. More recently a letter noting rental expiration was sent.)

**MOTION/Second:** Eckenberg/Zwiebel recommended approval as per staff recommendations

## VOTE: (6-0)

PL 21-047 Special Use Permit for a Restaurant at Jigsaw Development at the Southwest Corner of Anderson Road and Central Entrance by Ed Baksh

**Staff:** Kyle Deming introduced the applicant's proposal for a 2,287 square foot restaurant with a drive-through and 24 parking spaces located in the Jigsaw Division, which is an MU-N zoned district. The applicant is the leaseholder. The proposed restaurant is the first building to be built in the Jigsaw Division. Staff recommends Launch Properties (the developer) clarify storm water facilities to be developed as well as a complete pedestrian pathway from Anderson Road to the restaurant. The applicant was proposing a drive through window that has two lanes for ordering. The applicant will need to modify the site plan to comply with UDC requirements limiting to a single drive through land and speaker box. Staff recommends the applicant reduce parking to 22 spaces, which is the maximum allowed. Also, the applicant must submit a landscaping plan that shows the calculation of the required 30% tree canopy coverage. The HVAC mechanical unit and trash area will need to be screened, and will be verified for compliance at the time of the building permit issuance. A master sign plan will need to be approved by the planning commission before the building and free-standing sign permits can be issued. There were no comments received. Staff recommends approval with the conditions listed in the staff report. Eckenberg asked if two more restaurants could go next to the applicant's area. Deming stated he can't speak to the developer's layout, which is subject to change. Zwiebel noted the future car wash area. Could more parking spaces be allotted to the restaurant? Deming noted they will consider it when the car wash materializes. Zwiebel asked why only one drive through is allowed. Deming noted it is in the rules of the UDC pertaining to MU-N districts. It reduces the

intensity of the drive-thru area close to residential area, which minimizes the impact to surrounding residential uses. This rule also applies to banks.

**Applicant:** Jacob Cook addressed the commission. There will be a bypass lane around the drive through lane. He also noted the HVAC units will be in top of the building, and will be screened. Zwiebel is in support of a bypass lane. Lawrence of Popeye's (applicant) addressed the commission. They are requesting a dual order point drive-through, which then merges into one pick-up window. This method helps reduce stacking and speeds up service. 80% of their current business is drive-through service. It concerns him to have only one lane. Eckenberg asked if the applicant is unwilling to reduce lanes from two to one. The applicant stated they are not unwilling, but it would not be good for business and prefers the two lane method as proposed. Zwiebel agrees with restaurant owner. Is the planning commission allowed to remove that criteria? Deming noted the city council adopted the ordinance, which establishes the guidelines. If the planning commission deviates, there should be a strong reason to do so, and defers to the city attorney. City Attorney Robert Asleson noted it is beyond the power of the planning commission to override code provisions. A recommendation would need to be made to the city council to adjust the UDC. Deputy Director Fulton noted MU-N standards are more neighborhood focused. This is a transitional area between a commercial district, and the neighborhood. Applicant Richard Gerdemen noted having double lanes is safer, and ensures vehicles don't back up.

## Public: No speakers.

**Commissioners:** Eckenberg is frustrated that when they looked at the development in October of 2018, he didn't envision a car-wash or a Popeyes. How many more fast food restaurants does Duluth need? He was hoping for so much more. Zwiebel would like to support a dual drive-through, but if not an option, can support as is. Vice President Wisdorf verified this needs to be a city council decision. Asleson affirmed. They would need to change the code, or if rezoned could be another alternative. Wisdorf is excited to see a new chain enter the area, and is in support **MOTION/Second:** Schraepfer/Zwiebel approved as per staff recommendations

VOTE: (6-0)

(Zwiebel noted the applicants could talk to the planning department about a possible rezoning, which would allow a dual drive-through lane.)

PL 21-053 Variance for a Deck in the Rear Yard Setback at 3034 Bald Eagle Circle by Nick Patterson

**Staff:** Chris Lee introduced the applicant's proposal for a variance to add a deck to the rear of the home. The deck will encroach no more than 15 feet into the rear yard, reducing the rear yard setback from 25 feet to 10 feet. Staff received three letters from the public, which were all in support of the variance. Staff recommended approval with the conditions listed in the staff report. Zwiebel noted the proximity to Amity Park. She noted the possibility of adding a stipulation, which stated no mowing done past the boundary. It is important to keep the park boundaries noted, and to not encroach upon it.

**Applicant:** Nick Patterson addressed the commission. He stated he is not interested in creating more mowing for himself and the commissioners don't need to worry about park boundary encroachment.

Public: No speakers.

**MOTION/Second:** Eckenberg/Hollinday approved as per staff recommendations.

VOTE: (6-0)

## <u>Other</u>

PL21-052 Tax Increment Financing (TIF) – Comprehensive Plan Compliance for Zenith Old Historic Central High School at 200-298 N 1<sup>st</sup> Avenue East for Approximately 125 Housing Units Staff: Theresa Bajda provided a project overview and explained the role of the Planning Commission to confirm proposed developments are consistent with the Comprehensive Plan and Unified Development Code (UDC). Stated the project implements the Comprehensive Plan principles as listed in the staff report. Staff believe that the proposed development conforms to and implements the Comprehensive Plan, and asks the Planning Commission to review, discuss and make a determination. The determination will be brought to the Duluth Economic Development Authority (DEDA) and then to the City Council for final approval of TIF assistance. **Commissioners:** Eckenberg noted the 125 units and guestioned what the unit breakdown would be. Bajda provided a chart which lists sizes ranging from studio to a two-bedroom suite. Zwiebel noted 10% of occupancy will be comprised of individuals with a mean/average income of 60% or less than the average and guestioned what area this was referring to. Deputy Director Fulton confirmed the average is based on the City of Duluth's mean income. Zwiebel is wholeheartedly in support and questioned where surface parking would be placed? Deputy Director Fulton confirmed the surface lots would be on the east and west sides of the building. Zwiebel asked about handicap accessibility. Baida noted the access on the first floor by the loading dock with a ramp as well as elevators to meet ADA requirements. Eckenberg asked about required parking spaces. Per Deputy Director Fulton there is no parking required in a form district, but the developer is adding 150 parking stalls.

MOTION/Second: Zwiebel/Schraepfer TIF is in conformity with the Comprehensive Plan

VOTE: (6-0)

## **Communications**

Land Use Supervisor (LUS) Report – Deputy Director Fulton gave an overview. He congratulated Vice-President Wisdorf on conducting her first full meeting. There will be two more TIF proposals and the next planning commission meeting: Brewery Creek, and the St. Louis County Jail site. Lumber prices are high, but projects are moving forward. UDC text changes regarding personal use services was passed by the city council. There will be an upcoming brown bag meeting regarding the central high school site. There is a complicated rezoning coming up in June. The school district is proposing a supplement administrative building and bus garage. Vacation rentals changes are progressing, and he appreciates the city council's clear direction.

Heritage Preservation Commission – Vice-President Wisdorf gave an overview. They met yesterday and looked at the plans for the jail renovation. Staff is working on contracting out for design guidelines for downtown. This will be a joint venture between the HPC and the PC. Zwiebel asked about the city hall mechanical screening the Old Main University, which were noted at the planning commission's last meeting as areas of interest. Per Wisdorf, bushes were planted around the mechanical equipment at city hall, which is in compliance. They will look more into the Old Main item at their June meeting.

Joint Airport Zoning Board – Commissioner Eckenberg did not attend, but will give an update next month.

Duluth Midway Joint Powers Zoning Board – No updates.

Other – Deputy Director Fulton gave an update on the ongoing Cody Street item. Fines have been issued, and they are at the maximum threshold of fines. There has been no success with the owner's compliance.

Deputy Director Fulton thanked new commissioner Hollinday for attending his first meeting.

Vice-President Wisdorf asked when the commission will be meeting in person. Deputy Director noted they are awaiting guidance, and to please let him know if anyone has concerns.

## Adjournment

Meeting adjourned at 6:46 p.m.

Respectfully,

Adam Fulton – Deputy Director Planning & Economic Development



## Planning & Development Division

Planning & Economic Development Department

218-730-5580

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 21-059		Contact Chris L		Chris Lee	ee, clee@duluthmn.gov	
Туре	Special Use Permit – Child Care Facility		Planning Commission Date			June 8, 2021	
Deadline	Application Date		April 20, 2021 60 Days			June 19, 2021	
for Action	Date Ext	ate Extension Letter Mailed		May 12, 2021 120 Days		'S	August 18, 2021
Location of Subject 1500 Swan Lake Road		1500 Swan Lake Road					
Applicant	Melissa R	eisdorf, Administrative Director	Contact Little Hearts Preschool				
Agent			Contact				
Legal Description         PID 010-2710-04270							
Site Visit Date		May26, 2021	Sign Notice Date			May 2	25, 2021
Neighbor Letter Date May 26, 2021		Number of Letters Sent		63			

#### Proposal

Applicant would like to open a new childcare center in the Mt. of Olives Baptist Church in the Duluth Heights neighborhood. The daycare will consist of 6 classrooms of 20 children each for a total of 120 children.

Recommended Action: Approve with conditions.

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	R-1	Religious Institution	Low-Density Neighborhood
North	R-1	Residential	Low-Density Neighborhood
South	R-1	Residential	Low-Density Neighborhood
East	R-1	Residential	Low-Density Neighborhood
West	R-1	Residential	Low-Density Neighborhood

### **Summary of Code Requirements**

Sec. 50-37.10 – Special Use Permits: Planning Commission shall approve the application or approve it with modifications, if it is determined 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 limitations to 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. Page 9 of 134

**Comprehensive Plan Governing Principles and/or Policies and Current History (if applicable):** Governing Principle #1 – Reuse previously developed lands. Supporting expansion in an existing location is preferable to choosing greenfield sites.

Governing Principle #8 – Encourage a mix of activities, uses, and densities. Cities have evolved as a mix of land use, building types, and housing types. Supporting this existing residential care facilities contributes to this mix in

Zoning – Residential-Traditional (R-1): Established to accommodate traditional neighborhoods of single-family residences, duplexes and townhouses on moderately sized lots. Intended to be used primarily in established neighborhoods.

Future Land Use – Traditional Neighborhood: Characterized by grid or connected street pattern. Limited commercial, schools, churches, and home businesses. Parks and open space areas are scattered through or adjacent to the neighborhood.

History: The facility is currently used as a church. The building previously used as Birchwood Elementary School and converted to the church in 2008, leaving the classrooms unused at this time.

## **Review and Discussion Items**

Staff finds that:

- This proposal would use six internal classrooms to the existing church. The facility will be licensed to provide care for 120 children. The proposal indicates that there will be outdoor play spaces for children; the site is of ample size and this can be provided on existing green space to the rear of the building.
- 2. 50-24 Parking and Loading: The UDC requires 1 parking space for every 5 children in care capacity. For this site, the minimum is 24 parking spaces, and the applicant is providing the required 24 parking spaces with room for more parking if necessary. The drop off/pick up area can be safety accommodated in the existing parking lot.
- 3. 50-25 Landscaping and Tree Preservation: This proposal would not increase the building square footage, exempting it from landscaping requirements. Staff finds that existing landscaping and natural vegetation on site will suffice.
- 4. 50-26 Screening, Walls, and Fences: Trash will be contained to the interior of the building and shared with the churches' dumpsters. The applicant is proposing to fence in two different areas for the safety of the children on the site. The new fences will require a separate fence permit prior to installation.
- 5. 50-31 Exterior Lighting: The applicant is not proposing any exterior lighting for the site.
- 6. Staff received comments from Construction Services indicating the applicant will need a change of use permit but as of the writing of this report have not received any additional agency or public comments.

## **Staff Recommendation**

Based on the above findings, staff recommends that Planning Commission adopt the findings of fact in the staff report and approve the special use permit with the following conditions:

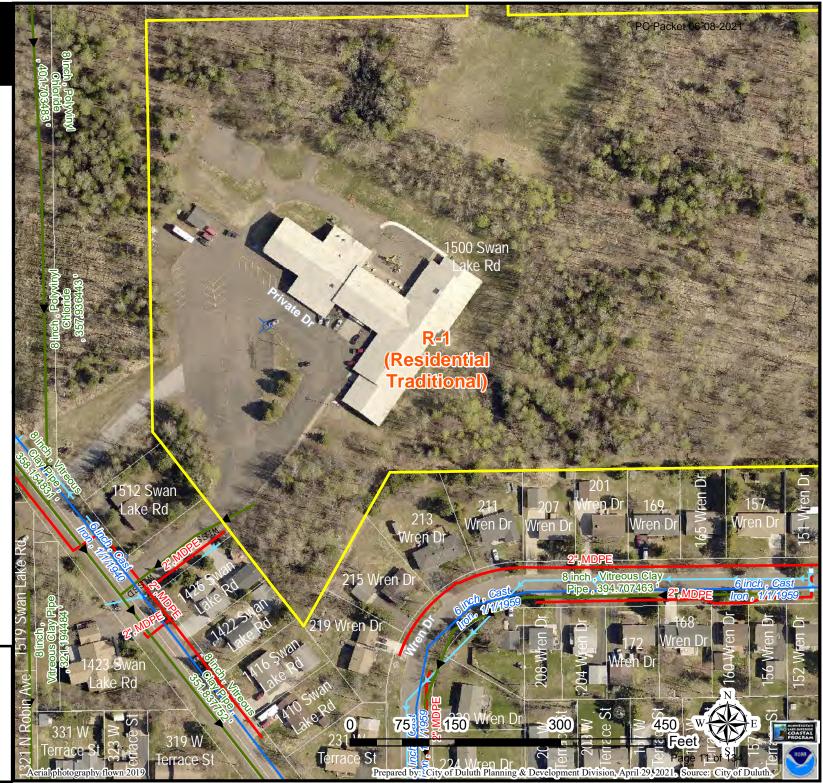
- 1) The project be limited, constructed, and maintained consistent with the sketch plan submitted with this application.
- 2) Any alterations to the approved plans that do not alter major elements of the plan may be approved by the Land Use Supervisor without further Planning Commission; however, no such administration approval shall constitute a variance from the provisions of Chapter 50.

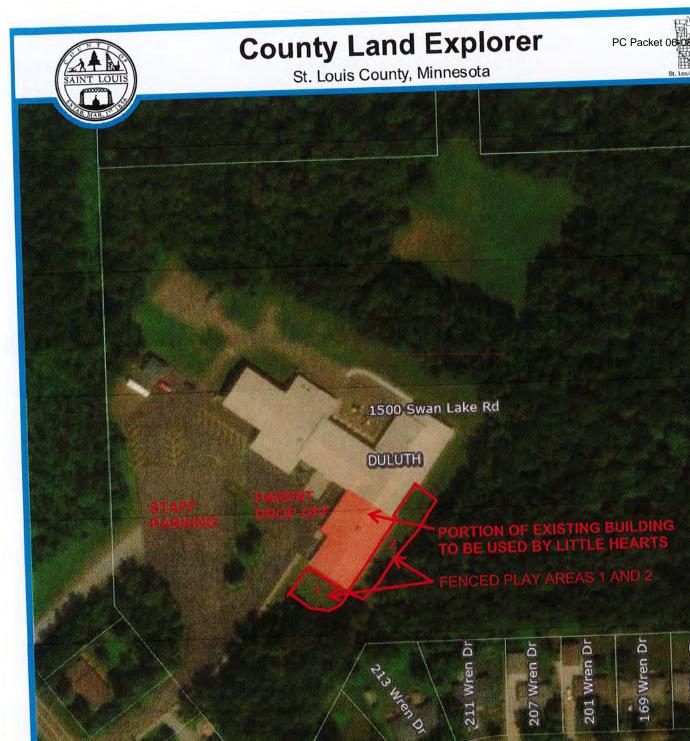


## PL 21-059 Special Use Permit



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.





215 Wren Dr

219 Wren Dr

Wren Dr

mi

**County Land Explorer** www.stlouiscountymn.gov/explorer

Disclaimer This is a compilation of records as they appear in the Saint Louis County Offices affecting the area shown. This drawing is to be used only for reference purposes and the County is not responsible for any inaccuracies herein





ō

Wren

57

à

Wren

65

0.075

聯

V MN

St. Lo

Map created using County Land Explorer www.stlouiscountymn.gov/explorer

Sugn Lake Rd.

default author

Title...1500 swan lake rd

Copyright St. Louis County Minnesota | All Rights Reserved Printed: 4/13/2021

St. Louis County

0.0125 0.025

Special Use Permit- Statements and Justification-April 14<sup>th</sup>, 2021

Little Hearts Preschool and Child Care

1500 Swan Lake Road

## Benefits of the proposed project based on the 12 Governing Principles:

**Principle 1: Reuse previously developed land-** Little Hearts Preschool and Child Care proposes to reuse 6 classrooms in a current church building which was once an elementary school. The building has several classrooms that are not being used. This space is perfect for a child care center.

**Principle 3 and 4: Support traditional and emerging economic bases**- The proposed site will provide workers with a service that they need to stay in the work force.

**Principle 5: Strengthen neighborhoods**- Little Hearts Preschool will provide much needed child care to the Duluth Heights and surrounding neighborhoods. Our current location is 1.1 miles from this proposed site which will benefit families if they need to use both locations for care. The proposed site is located just off the main bus line on Swan Lake Road. It's tucked back far enough from traffic to create a safe environment for children.

**Principle 6: Reinforce the place, specific**- The location proposed is the perfect location to have a child care center as the building was previously an elementary school and is set up internally with separate classrooms to be used as a preschool setting.

**Principle 8: Encourage mix of activities, uses and densities**- the proposed location is ideal to service the working neighborhood, adding the use of child care into this neighborhood setting will add a new use that will be an asset to the neighborhood.

**No negative impact on the community**- Little Hearts Preschool and Child Care will be using an existing structure without any major modifications. Site lines will not be altered, even with setting up a fenced in play area. Hours of operation are during the day, therefore not adding extra noise and light during the evening and overnight hours. The presence of children during the day will once again add positive activity to the neighborhood. The site already has a large parking lot which allows for drop off and pick up areas to remain in the parking lot and not the residential streets. The site is located in an area where at least some of the families utilizing our services are located.

ng Change

My name is Thomas Szukis. I live at 1722 Swan Lake Road which is near the proposed daycare center. I write to you in support of the requested zoning change. Mount of Olives Baptist Church has been an extraordinarily good neighbor since they purchased the former Birchwood School property and I am confident they will manage the daycare operator in an appropriate manner. The immediate neighborhood has many new families with young children so the addition of quality daycare will be a welcome resource. Please approve this request.

Thomas Szukis



## Planning & Development Division

Planning & Economic Development Department

218-730-5580

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 21-066		Contact	John Kelle	ley, jkelley@duluthmn.gov	
Туре	Interim Use Permit – Vacation Dwelling Unit		Planning Commission Date		June 8, 2021	
Deadline	Applicat	ion Date	May 4, 2021	60 Days	July 3, 2021	
for Action	Date Ext	ension Letter Mailed	May 18, 2021	120 Days	September 1, 2021	
Location of Sul	oject	2301 East 4 <sup>th</sup> Street		·		
Applicant	Michelle	& Jim Lelwica, Owner	Contact			
Agent			Contact			
Legal Descripti	on	PID # 010-1380-03680				
Site Visit Date May 28, 2021		May 28, 2021	Sign Notice Date		May 25, 2021	
Neighbor Lette	r Date	May 25, 2021	Number of Letters Sent 32		32	

## **Proposal**

Applicant proposes to use a three-bedroom home as a vacation dwelling unit. Up to 6 people will be allowed to stay in the home.

The applicant was on the list as an applicant eligible to apply for an IUP for a vacation rental permit.

Recommended Action: Staff recommends that Planning Commission recommend approval.

	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	Church	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 the R-1 zone district.

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 ....; 2. The applicant agrees to sign a development agreement with the city. 3. No more than 60 permits may be issued for either vacation dwelling units or accessory vacation dwelling units. Permits 95 ded for



Planning & Development Division Planning & Economic Development Department

> Room 160 411 West First Street Duluth, Minnesota 55802

218-730-5580

planning@duluthmn.gov

vacation dwelling units or accessory vacation dwelling units in any form district shall not be counted against the maximum number of permits that may be issued, 4. Except for properties within the Higher Education Overlay District as identified in 50-18.5, the minimum rental period and off-street parking requirements of 50-20.3.U and 50-20.5.M shall not apply for vacation dwelling units or accessory vacation dwelling units in form districts.

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

Governing Principle #8 - Encourage mix of activities, uses, and densities. A short-term rental allows property owners to generate income from otherwise vacant properties and provide a service for tourists.

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, neighborhood extensions, and new traditional neighborhood areas.

History: This 2,211 sq ft home was built in 1925 and contains 3 bedrooms.

## **Review and Discussion Items:**

1) Applicant's property is located at 2301 East 4<sup>th</sup> Street. The proposed vacation dwelling unit contains 3 bedrooms, which would allow for a maximum of 7 guests.

2) The applicant is proposing 2 off street parking spaces on a graveled parking area east of the existing garage and accessed from the East 5<sup>th</sup> Street Alley.

3) The applicant has indicated there will not be a space for camper or trailer storage by VDU guests.

4) The applicant has indicated a sun deck and a fire pit as an outdoor amenities. The sun deck is located above a rear portion of the home. The fire pit is screened by the existing vegetation and the garage on the northeast corner of the backyard area.

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. The applicant has listed Janelle Jones with North Shore Management to serve as the managing agent.

7) 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



Planning & Development Division Planning & Economic Development Department

> Room 160 411 West First Street Duluth, Minnesota 55802

218-730-5580



) planning@duluthmn.gov

change in ownership of the property or in six years, whichever occurs first.

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) Construction Services commented that the applicant must check with their office for Building Code requirements prior to permit approval. No other comments from citizens, City staff, or any other entity were received regarding the application.

10) At the time this report was drafted no additional comments have been received.

### Staff Recommendation:

Based on the above findings, Staff recommends that Planning Commission recommend approval subject to the following

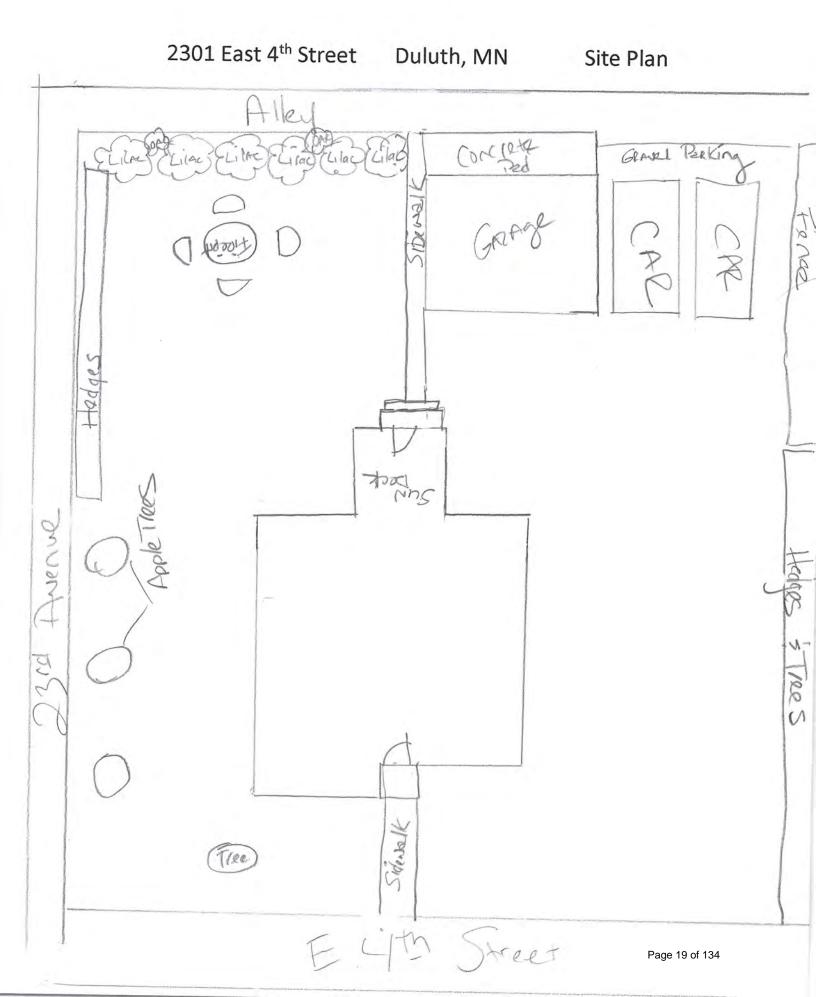
- 1) The Interim Use Permit shall not be effective until the applicant has received all required licenses and permits for operation.
- 2) The applicant shall adhere to the terms and conditions listed in the Interim Use Permit.
- 3) Any alterations to the approved plans that do not alter major elements of the plan may be approved by the Land Use Supervisor without further Planning Commission review; however, no such administration approval shall constitute a variance from the provisions of Chapter 50.



PL 21-066 Interim Use Permit Zoning Map

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.





May 29, 2021

To The Duluth Planning and Development Division

We received the notice of the Interim Uses Permit for a Vacation Dwelling Unit at 2301 East 4<sup>th</sup> Street and we are opposed to the permit for a Vacation Rental Unit at that address.

We own a bed and breakfast at our historic home at the above address and we abide by rules and regulations set forth by the city, county, state, fire marshal and health department. We are regularly inspected by those agencies and have continuously exceeded their regulations for over 23 years. In the City of Duluth, owners of a bed and breakfast are required to live on sight while operating their businesses in a R1 zone. We live on the premises and are hands on innkeepers to the guests who choose to stay with us. We believe allowing a vacation rental in a R1 zone without owner full-time occupancy would be an unfair advantage to us and other bed and breakfast owners of the Historic Bed and Breakfast Inns of Duluth association. Allowing this vacation dwelling permit would create an unlevel playing field for operating a residential business in our neighborhood.

It seems that the rules and regulations for a vacation rental unit are not regulated in the same manner as a bed and breakfast and those units are often the place where guests cause noise and problems because the owners are not present.

We respectfully request that the Planning Commission not approve the vacation rental unit at 2301 East 4<sup>th</sup> Street.

Jim and Joy Fischer, Owners/Innkeepers

The Firelight Inn on Oregon Creek Bed and Breakfast



## Planning & Development Division

Planning & Economic Development Department

218-730-5580

🖸 plar

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 21-067		Contact	Contact Kyle Dem		ling	
Туре	Vacation of platted alley		Planning C	Planning Commission Date		June 8, 2021	
Deadline	Application Date		May 4, 202	1	60 Days	July 3, 2021	
for Action	Date Ext	ension Letter Mailed	May 21, 2021		120 Days	September 1, 2021	
Location of Sul	bject	Alley north of Superior St. a	and east of 39 <sup>th</sup> Av	e. W. (Oneot	ta)		
Applicant	Minneap	olis Oxygen Company	ompany Contact Jorey C		on		
Agent			Contact	Contact			
Legal Descripti	ion	Platted alley between Block	s 2 and 3, Harringt	on's Divisior	n – see atta	ched	
Site Visit Date May 26, 2021		Sign Notice	Sign Notice Date		lay 25, 2021		
Neighbor Lette	er Date	March 25, 2021	Number of Letters Sent		it 1	2	

## Proposal

Applicant requests vacation of a platted unimproved alley in Harrington's Division located east of 39<sup>th</sup> Ave. W. and north of Superior St.

Staff recommends approval with conditions.

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	MU-B	Vacant/Undeveloped	General Mixed Use
North	MU-B	Warehouse/business	General Mixed Use
South	MU-B	Vacant/Undeveloped	General Mixed Use
East	MU-B	Industrial/distribution	General Mixed Use
West	MU-B	Commercial	General Mixed Use

### Summary of Code Requirements:

Vacation of public rights of way and/or easements require a Planning Commission public hearing with a Recommendation to City Council. City Council action is to approve or deny by resolution. Resolutions approving either a full or partial vacation require a 6/9's vote of the council.

UCD Sec. 50-37.6.C – The Planning Commission shall review the proposed vacation, and Council shall approve the proposed vacation, or approve it with modifications, if it determines that the street, highway, or easement proposed for vacation:

- 1. Is not and will not be needed for the safe and efficient circulation of automobiles, trucks, bicycles, or pedestrians or the efficient supply of utilities or public services in the city;
- 2. Is not otherwise needed to promote the public health, safety, or welfare of the citizens of Duluth.

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

Governing Principle #3 – Support existing economic base. Vacating this alley will facilitate additional business development on the property.

Governing Principle #5 – Promote reinvestment in neighborhoods. Vacating this alley will allow previously unused property to be improved which increases the City's tax base.

Governing Principle #7 – Create and maintain connectivity. Vacating this alley will not reduce connectivity since the rest of the alley was vacated previously.

Governing Principle #12 – Create efficiencies in delivery of public services. Vacating the alley will reduce future costs to the City because it won't need to be maintained by the City.

Zoning – Mixed Use-Business Park (MU-B) - intended to accommodate modern light industrial and technology-based developments of attractive integrated design and function.

Future Land Use – General Mixed Use - The broadest mix of uses, including light industrial, office, commercial, and residential use, with performance standards to ensure compatibility. Includes areas that are in transition from industrial uses and large redevelopments that require master plans and phased development. General or heavy industrial can be included when a large site is master planned to allow appropriate separation of uses.

History: The alley was part of the original plat in the area. Portions of the alley to the east in Sutphin's Addition were vacated 5/11/1927.

## **Review and Discussion Items:**

Staff finds that:

- The applicant is requesting to vacate the 16-foot-wide alley east of 39<sup>th</sup> Ave. W. The alley was platted in the Harrington's Division but never utilized for its intended purpose as there are no pavement or utilities installed.
- 2. The part of the alley to the east of Harrington's Division (in Sutphin's Addition) was vacated in 1927, and so granting this vacation request will complete vacation of the alley all the way to 39<sup>th</sup> Ave. W.
- 3. The purpose of vacating the alley is in preparation for development on the site.
- 4. The alley will not be needed by the City for the efficient supply of utilities or public services in the City, nor for the promotion of public health, safety, or welfare of the citizens of Duluth since the alley is currently unimproved and City Engineering does not expect to need it in the future.
- 5. Adjacent to the applicant's property is a 40-foot by 50-foot portion of the Superior St. easement that was vacated in 1889 for an unknown reason. It is currently developed with Superior St. and contains utilities as well. The applicant is willing to provide the City with an easement for this 40-foot by 50-foot area in order to rectify this situation. Staff recommends this be a condition of approval of the vacation resolution by City Council.
- 6. No other public or City comments have been received at the time of drafting this report.
- 7. Vacations of rights of way and easements lapse unless the vacation is recorded with the county recorder within 90 days after final approval. The vacation recording is facilitated by the City of Duluth.

## Staff Recommendation:

Based on the above findings, staff recommends that Planning Commission recommend to City Council approval of the petitioned alley vacation with the following conditions:

- 1. The vacation must be recorded within 90 days of final approval by City Council, or such approval will lapse.
- Before the alley vacation is recorded, the applicant shall grant the City a street and utility easement, in a form acceptable to the City, for the previously-vacated portion of Superior St. that is currently being used and maintained as a street. The City can prepare the easement, but the applicant shall be responsible to provide the legal description and exhibit of the area to be included in the street and utility easement.
- 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.

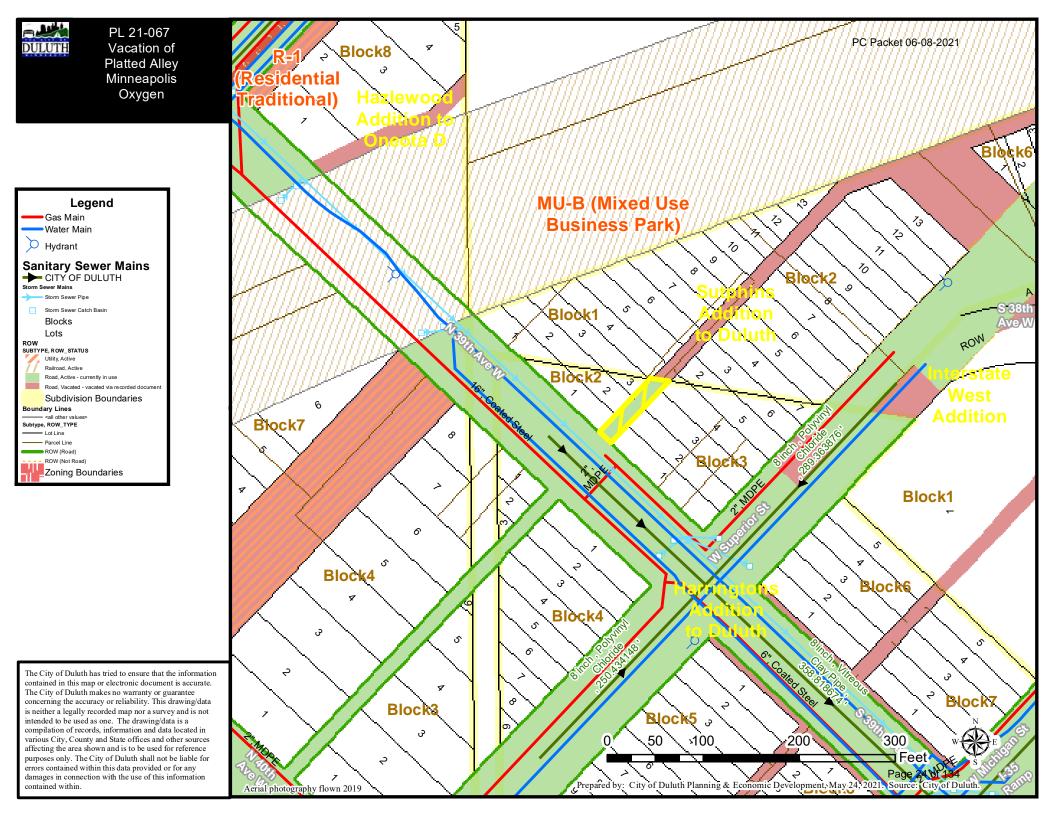


PL 21-067 Vacation of Platted Alley Minneapolis Oxygen



The City of Duluth has tried to ensure that the information 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. contained within.







## Planning & Development Division

Planning & Economic Development Department

218-730-5580

🖂 plann

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 20-069 Amend Existing MU-P Concept Plan		Contact Steven Robe Planning Commission Date		pertson		
Туре					June 8, 2021		
Deadline	Applicat	Application Date		May 5, 2021 60 E		July 4, 2021	
for Action	Date Extension Letter Mailed		May 25, 2021		120 Days	September 2, 2021	
Location of Su	bject	800 East Central Entrance					
Applicant	ISD 709		Contact	Availat	Available, on file		
Agent	John Erickson, LHB		Contact	Availab	Available, on file		
Legal Descript	ion	See Attached Map					
Site Visit Date May 25, 2021		May 25, 2021	Sign Notice Date		May 25, 2021		
Neighbor Lette	bor Letter Date May 25, 2021 Number of Letters Sent		Sent	58			

### Proposal

The applicant is requesting to amend an approved MU-P concept map and plan. Any amendment to the concept map and plan that involves changes to land use, density, or height are required to follow the rezoning process, including a public hearing by the Planning Commission and final ordinance approval from City Council. If approved, the amendment will allow for development of a bus garage and expansion of administrative office spaces on property to be retained by ISD 709, the applicant. It also provides for minimum requirements to be met prior to approval of a Regulating Plan by the Land Use Supervisor.

### **Staff Recommendation**

Staff recommends approval of the proposed amendment.

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	MU-P	Former school (vacant)	Business Park, Urban Residential, Recreation
North	MU-C, MU-N	Commercial	Central Business Secondary, General Mixed Use
South	R-1	Residential, Antenna Farm	Traditional Neighborhood
East	R-P	Residential	Urban Residential
West	R-1	Residential	Urban Residential

## **Summary of Code Requirements**

- UDC Sec. 50-37.3.B: Planning Commission shall review the application, conduct a public hearing ... with public notice ... and make a written recommendation to council. - UDC Sec. 50-37.3.C: The Planning Commission shall review the application, and Council shall approve the application or approve it with modifications, if it determines that the application: 1. Is consistent with the Comprehensive Land Use Plan; 2. Is reasonably related to the overall needs of the community, to existing land use, or to a plan for future land use; 3. Is required by public necessity, convenience, or general welfare, or good zoning practice; 4. Will not create material adverse impacts on nearby properties, or if material adverse impacts may be created they will be mitigated to the extent reasonably possible. Page 25 of 134

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

## **Governing Principles**

The following Imagine Duluth 2035 Governing Principles should be considered when reviewing the request:

## Governing 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. This strengthens neighborhoods and is preferred to a dispersed development pattern with associated alteration of natural landscapes and extensions of public services. Site preparation or building modification costs are offset by savings in existing public infrastructure such as streets and utilities, and transit, fire, and police services.

## Governing Principle 2, Declare the necessity and secure the future of undeveloped places.

Undeveloped areas are an essential part of Duluth's municipal fabric, including urban plazas, neighborhood parks, large tracts of public ownership, and private lands zoned for minimal development. These minimally developed or undeveloped areas collectively create an open space system. These areas contribute to Duluth's cultural, health, recreational, and economic value and community identity. This open space system provides vistas, encourages active recreation, supplies natural infrastructure such as storm water retention, plant and animal habitat, and water quality, and is the strongest visual element defining Duluth's sense of place.

## **Governing Principle 5, Promote reinvestment in neighborhoods.**

Duluth is strongly defined by its neighborhoods. This system should be supported through land use and transportation that foster neighborhood reinvestment. New development or redevelopment should maximize public investment that strengthens neighborhood commercial centers or diversifies residential opportunities that fit the neighborhood's character.

## Governing 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 opportunity for a diversity of activity that segregated, uniform uses do not provide.

### Future Land Use

Business Park: Primarily office and light industrial areas developed in a unified manner, with standards for site design and circulation patterns, signage, landscaping and building design.

### Site History or Previous Studies

Central High School was built in 1971 as a replacement to the Historic Old Central High School (HOCHS), and was closed in 2011.

In late 2011 the City hosted two public meetings to gather input on future reuse of the site, with approximately 100 total attendees. Several scenarios were suggested to encourage public comment (Big Box Retail, Light Manufacturing, Casino, Nursing Home/Medical Care, Warehousing, Corporate Headquarters, Higher Education, and Heavy Industry).

In 2012 (PL 11-141) the future land use designation was changed. The site rezoned twice in 2013 (PL 13-037 and PL 13-117), in accordance with the previous future land use change. In 2014 it was rezoned again (PL 14-063) to a planned development, MU-P (Mixed Use Planned). As part of a planned development, a concept plan was required showing the proposed land uses to be allowed on the site, maximum density, and maximum height of structures. At the June 2014 Planning Commission meeting, the school district's representative offered to provide a buffer setback from residential properties on Blackman, to shield them from possible noise and light conflicts that may arise from future development.

An earlier version of the amended regulating plan proposed to remove existing open space at the far western edge of the site, near Blackman, to provide for storm water ponds. That proposal has been withdrawn and stormwater will be contained elsewhere at the site.

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

1) The applicant is requesting to amend an approved MU-P concept map and plan. Specifically, the request is to change the previously approved concept plan to allow for the construction of a "district services center, transportation and bus storage and maintenance, and facilities and central storage" on the western ½ of the property, in place of previously approved uses of open space, mixed use, and residential. Any amendment to the concept map and plan that involves changes to land use, density, or height are required to follow the rezoning process and receive approval from City Council.

2) A planned development (either R-P or MU-P) is a zoning designation that provides more flexibility than a traditional zone district. Rezoning to a planned development is a two-step process. The first step involves a Concept Plan, which identifies proposed land uses (such as residential, commercial, industrial, etc.), densities (such as 10 housing units per acre, etc.), and heights for structures in these areas. Following the approval of a rezoning ordinance and concept plan by the City Council, the second step is for the applicant to submit a detailed Regulating Plan for approval by the Land Use Supervisor. Requirements of the Regulating Plan are listed in UDC Section 50-15.7.E and 50-15.7.F, and are shown in the attachment included with this staff report. The Regulating Plan must be consistent with the concept plan and must be approved before any building permits can be issued for the property. A plat is also required for the subdivision and development of the property; an approved concept or regulating plan does not preempt the subdivision review process. To amend an approved concept plan requires a new rezoning process, a new ordinance, and a new public hearing process.

3) The future land use designation of this area is Business Park. Areas with this future land use designation are typically zoned either MU-B (Mixed Use Business Park). A zone designation of a MU-P (Mixed Use Planned) is appropriate, although it is less common.

4) The Minnesota Planning Act provides that zoning (an "official control") should implement the general objectives of the Comprehensive Plan, and appellate courts have issued decisions that zoning must comply with the Comprehensive Plan or be considered arbitrary and capricious. Good zoning practice requires that zone districts be consistent with the future land use category identified for the area and the generally applicable provisions of the adopted comprehensive plan. A planned development is an appropriate zone district for a Business Park future land use, and conditions have been proposed to address conformity to the comprehensive plan.

5) This area is zoned MU-P. The purpose of the MU-P district is intended to "provide a flexible development option for mixed use projects that integrate creative site design, provide a variety of building types, provide unique on-site amenities, conserve natural features, increase pedestrian connectivity, or otherwise result in a final product that provides a greater level of public benefit than would be required under the existing zone district. Each MU-P district requires approval of a MU P regulating plan that includes the location, type, and intensity of proposed development and a description of public amenities or benefits included. A variety of residential and commercial uses are permitted, as shown in Table 50-19.8 Permitted Uses, provided projects are compatible in scale and character with the surrounding neighborhood and are included in the approved MU-P plan."

6) Concept Plans in the MU-P district must show that the development would provide a greater level of public benefit than would be required under the existing zone district. Under the approved 2014 plan, 28% of the area was to remain undeveloped and an additional 11% would be used for parks or active recreation. The 2021 amendment reduces the amount set-aside for open space, to 22.9% of common space (active and passive open space/recreation space). The applicant intends to finalize provision of public access to the site following adoption of the MU-P plan amendment, and has indicated that it concurs with proposed conditions associated with establishment of permanent trail easements and other associated public benefits identified during site review.

7) The proposed plan amendment is to reconfigure the 2014 concept plan map so as to result in a new Parcel 1, on the western ½ of the site, including portions of parcels A, B, C, F, and G, and a new Parcel 2, on the eastern ½ of the site, including portions of Parcels C, D, E, H, I, J, K, L, M, N, O, P, and Q. The existing approved uses, heights, and densities for Parcel 2 would remain as they were approved in the 2014 plan, with the understanding that when there is a new party interested in developing the eastern ½ of the site; this party will need to seek a further plan amendment age defines and

approve their new proposed uses, heights, and densities. The existing approved uses, heights, and densities in Parcel 1 would also remain, with the exception of allowing a new land use, "Public School Bus Storage and Related Activities", and reducing the amount of land that was initially established for open space and buffer.

8) Following rezoning, MU-P districts must submit a detailed Regulating Plan for approval by the Land Use Supervisor. Requirements of the Regulating Plan are listed in UDC Section 50-15.7.E and 50-15.7.F. The Regulating Plan must be consistent with the Concept Plan and must be approved before any building permits can be issued for the property. Conditions related to clarifying property boundaries and addressing other unmet pre-development and development activities to establish a sound basis for site redevelopment are included as precursors to approval of a Regulating Plan in the recommendation. The proposed conditions were evaluated to ensure redevelopment of the site proceeds in accordance with the adopted comprehensive plan, and will function to ensure blight conditions do not develop over time on the site based on the site's existing condition and the continued existence of sizable vacant structures on the site.

9) The existing land uses in the adopted concept plan are not anticipated to result in material adverse impacts to surrounding properties. Open space buffers around the periphery of the development, while reduced from the original 2014 plan, will continue to provide a buffer to adjacent properties. However, the proposed "Public School Bus Storage and Related Activities" used for the bus storage and maintenance proposed on Parcel 1 (former Parcel A, Open Space) may create noise and light disturbances that were not anticipated in the original 2014 Plan. The approved regulating plan must include standards to reduce noise, light, and other land use conflicts between this area and the adjacent R-1 residential uses along south Blackman Avenue. An EAW may be required in the future if the development in Parcel 2 applicable regulatory thresholds.

10) At the time of this report, one written response was submitted opposing elements of the amendment to the concept plan.

## Staff Recommendation:

Based on the findings identified above, and in consideration of the entirety of Planning File PL 21-069, staff recommends that the Planning Commission recommend approval of the amendment to the approved Concept Plan, with the following additional findings and conditions:

1) The proposed concept plan amendment is consistent with the Comprehensive Plan Future Land Use Map.

2) Material adverse impacts on nearby properties are not anticipated or will be mitigated through the required provisions of the Regulating Plan.

3) Prior to approving the regulating plan, the Land Use Supervisor must ensure that the following elements have been completed in order to minimize land use conflicts between this planned development and adjacent residential land uses, to ensure the Regulating Plan proceeds in a manner that is consistent with the adopted comprehensive plan, and to ensure conformity with the provisions of the UDC:

a. Applicant shall apply for and be granted approval for a final plat of the entire development by the Planning Commission, and it must be submitted for recording to St. Louis County; and

b. The plat of the development site must include dedication of public streets as required by the City Engineer; and c. A development agreement for the improvement of public streets, sidewalks, or trails on the site, meeting applicable city standards, shall be reviewed by the City Engineer, approved by the City Council, and recorded with St. Louis County; and d. Unless the entirety of the former Central High School building is demolished before completion of the Regulating Plan, the development agreement must require submittal of a financial security in the form of an automatically renewing, irrevocable Letter of Credit or cash escrow, which shall be provided to the City of Duluth and held without interest to ensure the demolition of the former Central High School within two years of the date of approval of the Regulating Plan. The financial security shall be in the amount of 125% of the estimate cost of demolition. If demolition is not undertaken by the Applicant or its assigns within a two year period, the development agreement shall provide for the City of Duluth to access the financial security, enter the site, demolish the school building, and conduct grading and seeding activities. The required demolition shall not include the Secondary Technical Center Building; and

e. Permanent easements shall be dedicated for existing and proposed city trail infrastructure on the site, if not already established.

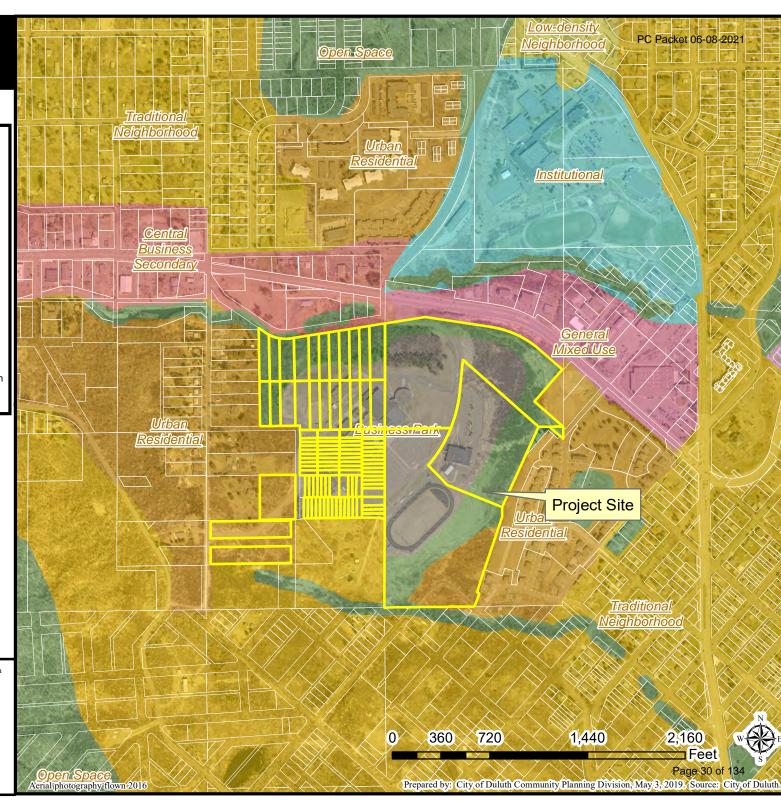
f. Open Space established in the concept plan shall be accessible to the public and preserved with an easement or similar protection.



Rezone 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

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.



-



Legend Zoning Boundaries

PL 21-069 Rezoning MUP, Concept Plan Rezone Map

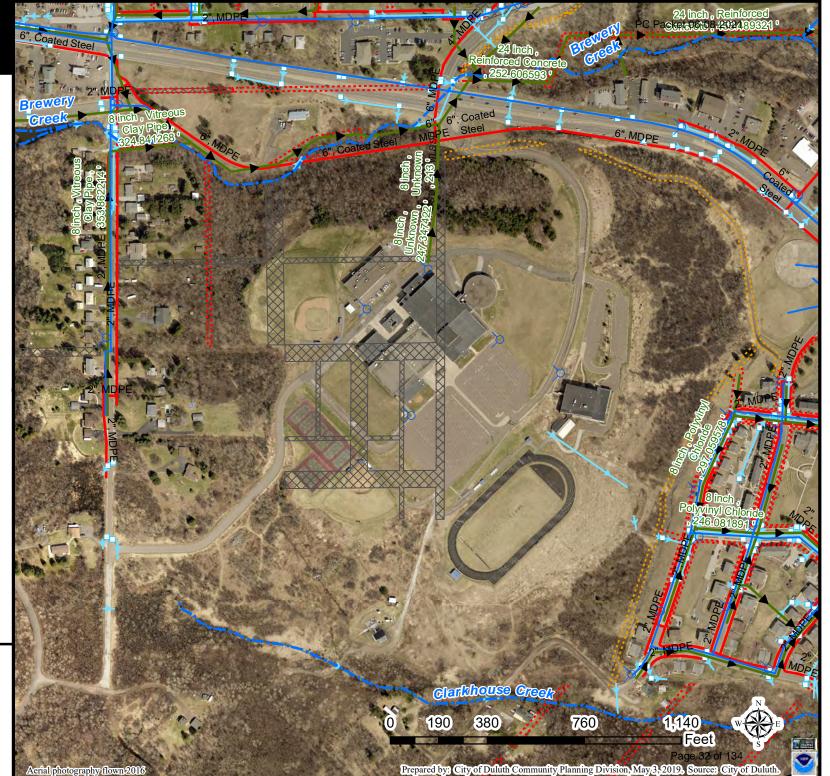


The City of Duluth has tried to ensure that the information The City of Duluth has tried to ensure that the information contained in this map or electronic document is accurate. The City of Duluth makes no warranty or guarantee concerning the accuracy or reliability. This drawing/data is neither a legally 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. contained within.



Vacated ROW Easement Type Utility Easement Other Easement Trout Stream (GPS) Other Stream (GPS)

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.



# **800 East Central Entrance**

PC Packet 06-08-2021

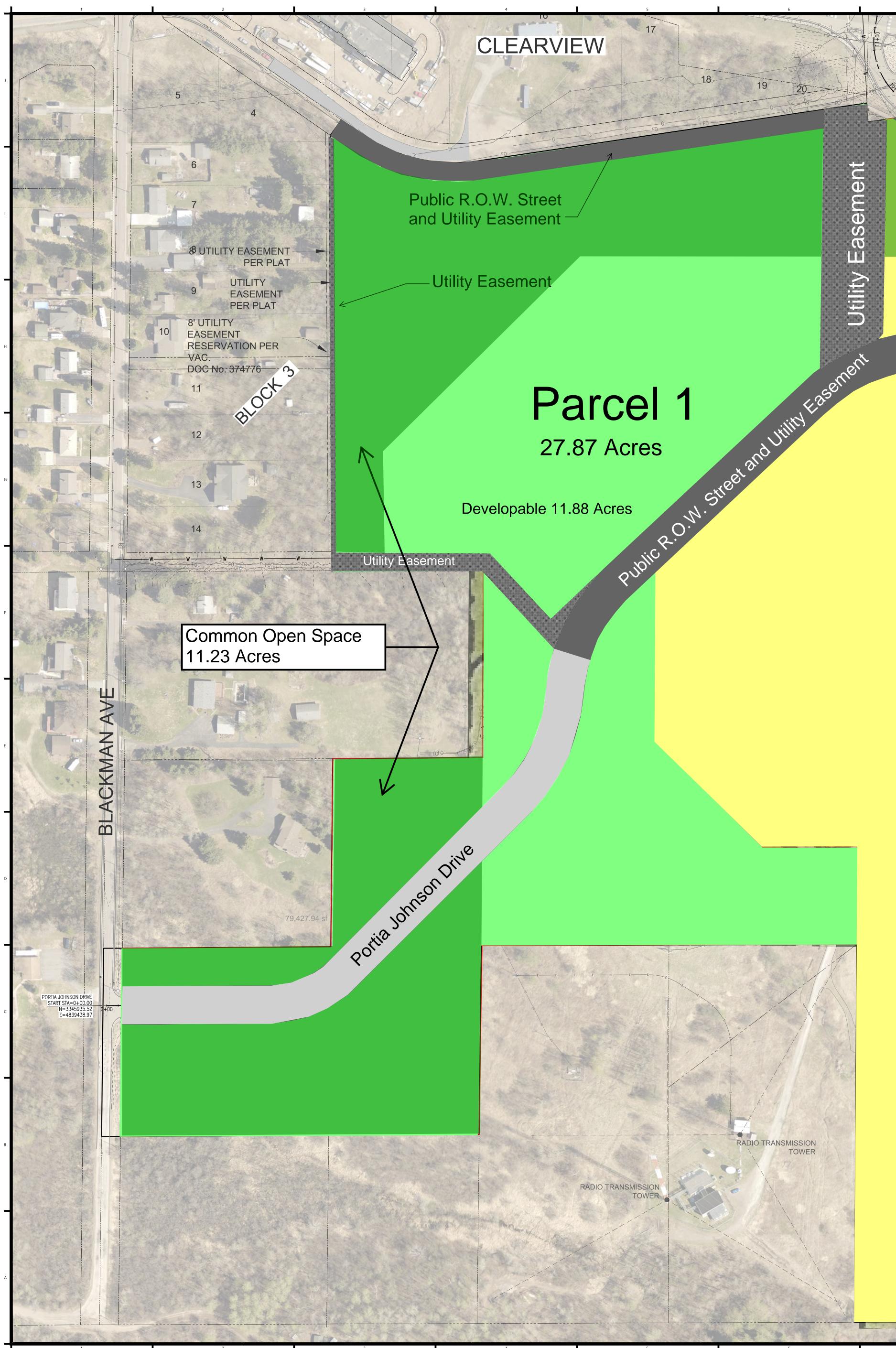


V

# **800 East Central Entrance**

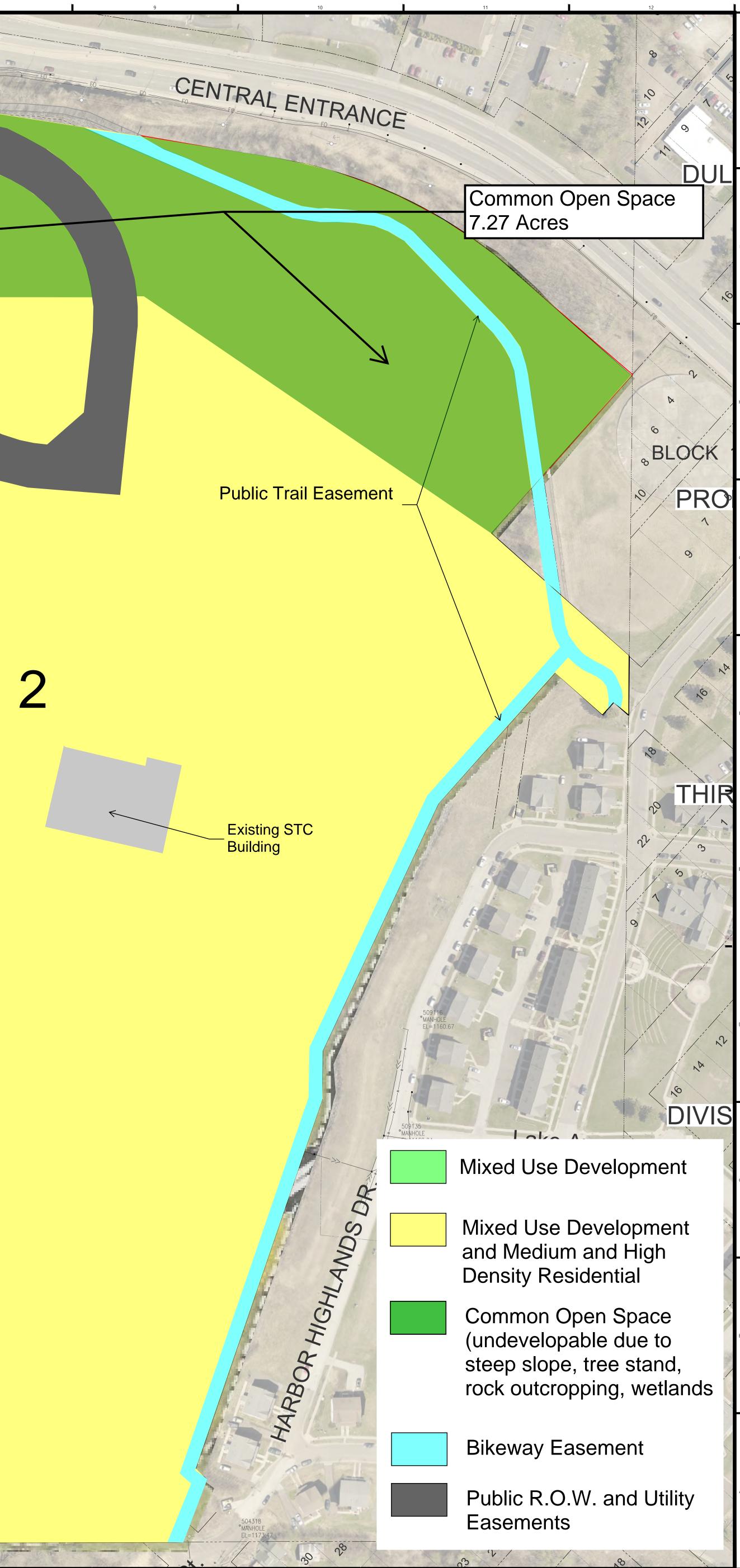
PC Packet 06-08-2021



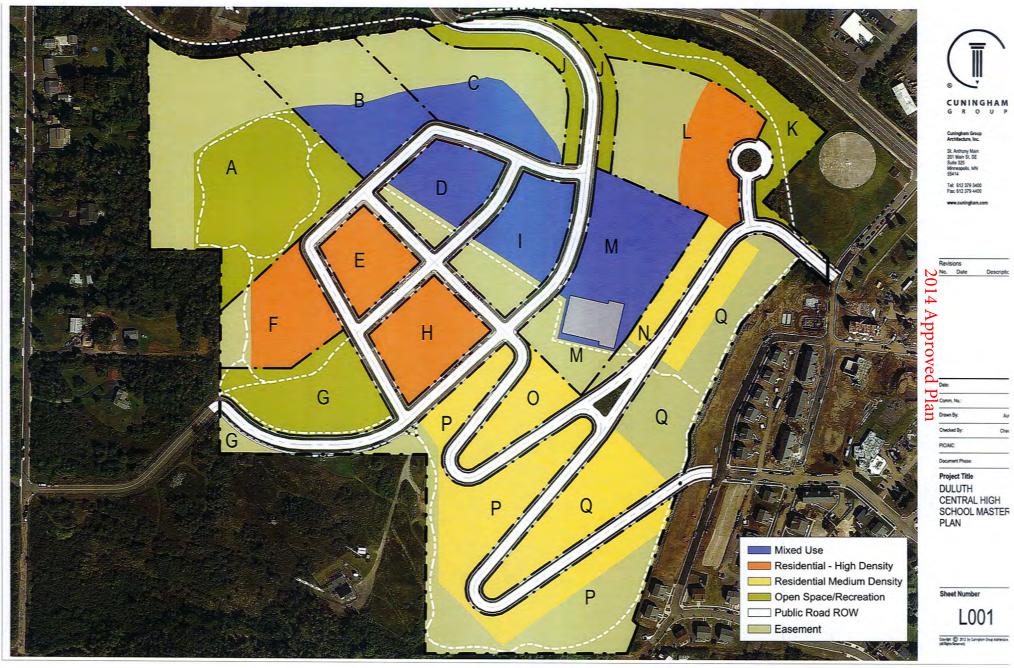


4/27/2021 4:38:01 PM

# Parcel 2 52.72 Acres



Page 35 of 134



B-4

# Parcel Allocation

Parcel 1 (to be retained and developed by ISD 709)

Includes portions of Parcels A, B, C, F and G that were identified as part of a 2014 MU-P conceptual submittal. See attached for reference.

Gross Acres	27.87 Acres
Developable Acres	11.88 Acres
R.O.W. or Easement	4.76 Acres
Common Open (Passive) Space	11.23 Acres
(undevelopable due to steep slope, tree sta wetlands)	and, rock outcropping,

# Parcel 2 (to be sold by ISD 709 for future development)

Gross Acres	52.72 Acres
Developable Acres	43.40 Acres
R.O.W. or Easement	2.05 Acres
Common Open (Active) Space ( Bikeway)	7.27 Acres

Includes portions of Parcels C, D, E, H, I, J, K, L, M, N, O, P, Q that were identified as part of a 2014 MU-P conceptual submittal. See attached for reference.

TOTAL Site		80.59 Acres
Common Space	( 22.9%)	18.50 Acres

#### Allocation Based on 2014 Submittal

#### 5-25-21 Update

Parcel 1( ISD 709) (includes portions of Parcels originally identified as A,B,C,F and G )

Parcel 2 (Future

Development) (includes portions of remaining Parcels)

Parcel	Gross Acres	Easement Acres	Develop- able Acres	Park Acres	Permitted Uses	Maximum Density	Max Height	notes
A	8.6	3.7		4.9	Mixed Use (see following pages for detail)	160 units or 140,000 sf office 15,000 sf retail	72'	See note below
В	3.5	1.9	1.6	-	Mixed Use (see following pages for detail)	160 units or 140,000 sf office 15,000 sf retail	72'	See note below
С	3.9	2.4	1.5		Mixed Use (see following pages for detail)	158 units or 135,000 sf office	72'	See note below
D	2.0	.5	1.5		Mixed Use (see following pages for detail)	225 units or 135,000 sf office 15,000 sf retail	72'	
E	1.5	0	1.5		multi-family residential	220 units 5000 sf retail	72'	
F	2.4	.5	1.9		multi-family residential	240 units 5000 sf retail	48'	See note below
G	3.0	.2		2.8	Mixed Use (see following pages for detail)	160 units or 140,000 sf office 15,000 sf retail	72'	See note below
Н	2.0	0	2.0		multi-family residential	250 units	72'	
1	2.5	.9	1.6		Mixed Use (see following pages for detail)	200 units or 125,000 sf office 15,000 sf retail	72'	
1	1.6	0	0	_	Open	n/a	n/a	
ĸ	2.5	0	0		Open	n/a	n/a	
L	4.3	2.4	1.9		multi-family residential	52 units	60'	
М	4.7	.9	3.8		Mixed Use (see following pages for detail)	125 units 130,000 sf office 15,000 sf retail	60'	
N	1.0	.2	.8		Residential	12 units	48'	
0	1.3	0	1.3		Townhouses and small multi-family residential (,24 units/ bldg)	20 units	48'	
P	8.5	3.6	4.9		Residential	72 units	48'	
Q	6.3	3.0	3.3		Residential	48 units	48'	
TOTAL	59.6	20.2	31.7	7.7			-	

note: any buildings within 200' of an R1 will be restricted to 35' in height.

#### Permitted Uses in Mixed Use Parcels

#### Mixed Use

#### **Household Living**

- Multi Family
- Live work

#### **Community and Cultural Facilities**

- Bus or rail transit station
- University or College
- Government or Public Safety Building
- Museum, library or art gallery
- Park, playground or forest reserve
- Religious assembly (less than 50,000

#### **Educational Facilities**

• Business, art or vocational school

#### **Health Care Facilities**

• Medical or dental clinic

#### Agriculture and Animal related

- Agriculture, urban
- Veterinary or animal hospital

#### **Food Beverage and Indoor Entertainment**

- Convention or event center
- Indoor entertainment facility
- Restaurant (no drive-in/drive-through, up to 5,000
- Theater

#### Lodging

- Hotel or Motel
- Bed and Breakfast

#### Offices

- Bank
- Offices

#### **Personal Services**

- Preschool
- Daycare Facility small (14 or fewer)
- Day care facility large) 15 or more)
- Personal service and repair, small (less than 10,000 sf)

#### Retail

- Grocery Store, small less than 15,000 sf)
- Retail store not listed, small (less than 15,000 sf)

# Vehicle Related (Parcel 1 ONLY related to ISD 709 bus maintenance and storage facility)

• Truck or Heavy vehicle sales rental, repair or storage

#### **Accessory Uses**

- Accessory Day Care facility
- Accessory sidewalk dining area
- Minor utilities and accessory wireless antennae attached to existing structures
- Accessory home occupation, solar or geothermal equipment, vacation dwellings, agriculture roadside stand

#### **Temporary Uses**

- Temporary construction office or yard
- Temporary event or sales
- Temporary real estate sales office

#### Narrative of Public Benefits

The next step in the development of the Central High School Site is intended to preserve many of the existing public benefits of the site while also creating new public benefits.

The site is owned by ISD 709. In recent negotiations with a potential buyer / developer of the most desirable portion of the site (Parcel 2), the potential buyer / developer is in agreement with ISD 709 that Parcel 1, which will be retained and developed by ISD 709, is the least marketable value of the property and the proposed development by ISD 709 represents a stimulus to future development potential of Parcel 2. This includes the potential reuse of the STC Building at the front portion of the site. The existing high school building is not intended for reuse and will be razed prior to completion and occupancy of Parcel 1 by ISD 709.

By retaining land currently already owned, ISD 709 is now able to develop Parcel 1 for a District Services Center, A Transportation, bus maintenance, and bus storage center and a Facilities center for Facilities Management, I.T. support, District Print shop and District Central Receiving and Storage. This move will allow ISD 709 to sell and vacate the existing Historic Old Central High School (HOCHS) for private redevelopment that will further benefit the tax base of Duluth.

#### **Common Open Space**

The location of Parcel 1 for ISD 709 development retains the majority of the site (Parcel 2) to capture the significant views and marketability.

Parcel 1 is separated by a natural barrier / separation from the adjacent residential areas that includes steep slope, tree stand, rock outcroppings, and wetlands and is considered undevelopable and considered Common Open Space. While not intended to be a recreational space for active use it will serve as a buffer between the existing neighborhood and the new development.

A Bikeway Easement granted in 2014 remains on the front edge of Parcel B and potentially connects the Harbor Highlands neighborhood around the site to the north. This location involved consultation of the COGGS group.

#### Stormwater

Development of Parcel 1 will include collecting and treatment of storm water within the Parcel 1 footprint before release to acceptable waterways.

#### **Retail and Community Use**

While yet to be determined by a potential developer, Parcel 2 will be sold with the understanding that future development will require submittal by the developer to the city as part of the overall MU-P guidelines.

# Historic Old Central High School (HOCHS) Relocation Project





As a nearby owner of the property located at 800 East Central Entrance, please be advised that ISD709 has submitted an application to modify the zoning of the parcel(s) of land located at 800 East Central Entrance as part of the HOCHS Relocation Project.

ISD709 is requesting the City of Duluth identify truck and/or heavy vehicle storage as an allowable use for the property as such use is not currently specified.

## **Project Highlights:**

#### $^{\prime}$ 28 acres to be developed to the rear of current site

- Bus Maintenance & Storage Facility
- District Services Center
- Continued use of current Facilities building on site

# Wooded area at the rear of the project site

No development is planned: removal of a few trees required for soil testing

# Main Construction Traffic

The primary entrance during and after construction will be Pecan Avenue versus Blackman Avenue.

# Old Central High School Demolition

- The original Special legislation established adequate funding to account for demolition of Old Central High School.
- ISD #709 is currently in negotiations with developers for the purchase of several sites on the hill including the parcel containing Old Central
  - The intent is for ISD #709 and/or the future Developer to have Old Central High School demolished within three years of project approval from the City of Duluth
  - Future developer(s) would follow the same process in the planning of their development once the remaining acreage is sold (53 acres)

## Timeline

The tentative project start date is Fall 2021, pending City approval(s)

## Continued community engagement is a priority as the project progresses

- Further information will be shared once the District progresses further in the process
- The District will host a Citizen Information Open House in the coming months to provide detailed updates on the project
- The District appreciates the community's input to-date and looks forward to additional dialogue as the process moves forward
- Project information can be found on the District website

City of Duluth Planning Commission Zoning Amendment Request Duluth Public Schools | ISD #709 Tuesday, June 8, 2021 | 5:00pm

#### Standard Information Required for an Approved Regulating Plan

The regulating plan (approved by the Land Use Supervisor) shall cover all of the land in the proposed MU-P district and shall regulate all future development in the MU-P district. An approved MU-P plan is required <u>before any building permits may be issued</u> within the MU-P district. The MU-P plan shall include maps and text describing the following information:

(a) General layout of development areas and building parcels in relation to the natural features to be protected and the proposed road, trail and bicycle circulation systems;

(b) Lot sizes and widths, building setbacks, and maximum building heights for all proposed development parcels;

(c) Previous base zone districts;

(d) A traffic impact analysis;

(e) A road, trail and bicycle circulation plan (including how the circulation may intersect with transit use) and a description of proposed road, trail and bike route widths, trail surfaces, a proposal for maintenance of each road and trail (which may include dedication to and maintenance by the city), and a statement as to whether public access will be permitted on each road, trail, and bicycle route;

(f) A natural resources inventory and natural site features to be protected;

(g) Common open space to be provided, the location of that open space, a calculation of proposed open space as a percentage of the total land area in the MU-P zone, a proposal for protection and maintenance of the open space over time and a statement as to whether public access to the open space shall be provided;

(h) Permitted and special uses for the site, which shall be consistent with those shown in Table 50-19.8; special uses listed in the MU-P plan will need to apply for and receive a special use permit prior to building;

(i) Maximum residential densities and maximum square footage for nonresidential land uses;

(j) A plan describing the demand for and location of water, sewer, and utility service to the property, including any additional right-of-way needed to accommodate those utilities. In addition, the plan shall indicate all utilities that will be owned or maintained by the public, and if any of those services are to be provided by the city or a public or quasi-public district, and provide a statement as to whether the proposed facilities will meet the engineering and maintenance standards of that entity;

(k) Details on buffering or transitioning between uses of different intensities both on- and off-site;
 (I) A plan for stormwater collection and treatment that includes a summary of land use and technical methods used to minimize storm water run-off from the site;

(m) Off-street parking to be provided in driveways, surface lots and garages;

(n) Any public amenities, other than common open space, to be provided by the applicant, together with a statement as to whether those amenities shall be available for public use;

(o) Any required building types, form-based regulation or architectural design requirements, as well as a description of how those standards will be maintained and enforced over time;

(p) If a project involves construction over a period of time in two or more phases, a phasing plan demonstrating that each phase meets density requirements, open space requirements, and provision of public amenities. Phasing plan shall include an approximate time frame for each phase of development. The applicant shall provide agreements, contracts, covenants, deed restrictions, and sureties acceptable to the city attorney for the completion of the development according to the approved MU-P plan;

(q) Cross sections demonstrating the proportions of buildings and the relationship between those buildings, pedestrian spaces and the streetscape;

#### **Steven Robertson**

From:	
Sent:	Friday, May 28, 2021 8:42 AM
То:	planning
Subject:	Re: UDC Map Amend. (PL 21-069)

To the Zoning Board:

I have a number of concerns to voice with respect to proposed changes surrounding my property.

Regarding the boundary line change of PL21-069 vs. PL14-063:

1. In PL14-063, the school district promised to keep a spacing of 1.5 lots, as shown by the yellow line. We oppose this boundary line change, as it affords no protection between the residential properties of South Blackman Ave and the school district.

2. While the school district claims they are providing spacing, they are also proposing to add retaining ponds in the space reserved for our residential protection.

Regarding the new rezoning and impact on South Blackman Ave:

1. South Blackman Ave is a very narrow residential street, which has no sidewalks. The proposed changes signal a significantly increased risk to our personal safety, as well as an increase in the destructive pressures placed upon the street itself from large commercial busses and other service vehicles.

2. A decrease in our residential property values is inevitable.

3. The proposed transportation building presents an imminent threat to the backs of our homes in the form of light and sound pollution, as well as a decrease in privacy.

4. We also anticipate a significant increase in the physical pollution of Brewery Creek originated from the large transportation structure and blacktopped areas, which have nowhere to drain but as runoff into Brewery Creek.

Regarding the use of the street during the proposed construction:

1. How can a simple promise of non-use be avoided? And, if they fail to uphold such a promise, how will they be held accountable?

Unfortunately, we already know from past experience that many promises made by the school district, contractors, city planners, etc.. have been broken. Based on that, and as we are facing the greatest negative impact from this project, we request that the school district purchase our property at current market values.

We challenge the promises of the school district as to the use of South Blackman Ave., as their word has held no merit in the past.

I invoke the right to speak at the virtual meeting scheduled for June 8th, 2021.

Thank you.

Sincerely,

Gary Kolojeski 218 South Blackman Ave



#### City of Duluth Planning Division

411 West First Street • Room 208 • Duluth, Minnesota 55802-1197 218-730-5580 • Fax: 218-730-5904 • www.duluthmn.gov

An Equal Opportunity Employer

City of Duluth Planning Commission June 10, 2014 Meeting Minutes City Council Chambers - Duluth City Hall

#### I. <u>Call to Order</u>

President David Sarvela called to order the meeting of the City Planning Commission at 5:00 pm on Tuesday, June 10, 2014, in City Hall Council Chambers.

#### Roll Call

Attending: Marc Beeman, Drew Digby (exited meeting at 7:52 p.m. after vote for PL14-053), Terry Guggenbuehl, Garner Moffat, Patricia Mullins, David Sarvela, and Luke Sydow (exited meeting at 6:37 p.m. after item D) Absent: Tim Meyer (Excused) and Zandra Zwiebel (Excused) Staff Present: Jenn Reed Moses, Steven Robertson, Nate LaCoursiere, Chuck Froseth and Cindy Stafford

Motion is made to move item B of "IV. Other Business" forward in the agenda.

MOTION/Second: Digby/Moffat move item forward in the agenda.

VOTE: (7-0)

B. Update on Rear Façade for Multi Modal Center

Staff: Jenn Moses introduces the applicant to the commissioners.

**Applicant:** Aaron Kelley of LHB addresses the commission. He shares the design and notes the newly added LED lights with concealed fixtures which will wash down over the metal meshing. The mesh will illuminate during the day and create a visual block of the inside traffic. At night the light will wash down and also hide the view. A white sunshade has been added to top of the building. He accepts questions and comments from the commissioners.

#### Public: N/A

**Commissioners:** Luke Sydow feels the new design is a huge improvement. He confirms metal mesh does not mean chain link. He asks Kelley if the lights are recessed. Per Kelley, they hope to hide the fixture, so it's just the light washing down. Garner Moffat feels it is a tremendous improvement. Drew Digby feels it is an improvement, but notes it's a heavily subsidized, glorified parking lot. He doesn't feel the building is a true multi-modal center. He is offended by the bicyclist depicted on the picture. Digby asks staff if the design standards meet the UDC and when the final design vote will be. Per Moses, yes, it does meet the UDC standards and the design is an improvement. She notes the commissioners can vote on the design tonight, so the project can move forward. Moffat agrees it is not a true multi-modal center, but feels it is an improvement.

**MOTION/Second:** Guggenbuehl/Sydow approved design of rear façade of multimodal center.

#### VOTE: (6-1, Digby opposed)

II. Unfinished Business

A. PL 14-035 Variance from Front Yard and Side Yard Setback Requirements at 3635 Lake Ave South by Robert and Carole Lent (Public Hearing was Held at the May 13, 2014 Meeting)

Staff: Jenn Moses introduces the applicants' request for a 500 square foot addition to their home. The applicants have supplied more information documenting the structural characteristics of their house. City Legal Counsel, Nate LaCoursiere states he did not find any pertaining case law on the topic as it pertains to aging in place. He notes it does not come into play as far as being a practical difficulty in accordance with Minnesota state law. Patricia Mullins asks staff if they have changed their decision based on the newly supplied information from the applicants. Per Moses, according to the UDC criteria and Minnesota state statute the two reasons why they are still recommending denial are 1) the applicant cannot create their own difficulty and 2) a variance should be lot-related and not structure-related. Staff recommends denial. Mullins asks if it could meet the intent of the law as it pertains to snow removal, safety and aesthetics. Per Moses, the intent of zoning requirement at the base level is: air, light to neighboring properties, visibility to the street and aesthetics. She welcomes comments from legal counsel or the land use supervisor in regards to the intent of setbacks. Charles Froseth, land use supervisor, affirms the intent at the base level and notes the lack of practical difficulty because there are ways to expand the home without violating the setback requirements. Mullins notes it would be more aesthetically pleasing. It would help with air, light and visibility. Froseth states the challenge of proving aesthetic appeal can be a personal preference, and the commissioners' decision must be based on hardship of the site. Moffat notes the applicant can move a little bit towards the side. He thinks they can continue the roofline.

**Applicant:** Robert Lent addresses the commission. They feel based on the structural system as confirmed by their architect no other option is feasible.

#### Public: N/A

**Commissioners:** Digby is sympathetic to the request, but doesn't feel it meets the variance setback requirements. Mullins notes variances are granted on a case by case basis, and feels the intent of law in regards to aesthetic appeal is valid. She notes the aerial view of the property and feels the expansion shouldn't have to cram into the garage area.

MOTION/Second: Moffat/Guggenbuehl denied as per staff's recommendation.

#### VOTE: (6-1, Mullins opposed)

#### III. Public Hearings

A. PL 14-055 Interim Use Permit for Vacation Dwelling Unit at 1026 North 10<sup>th</sup> Avenue East by Eve Graves

**Staff:** Moses introduces the applicant's request to use her single-family house as a vacation dwelling unit. A vacation dwelling unit allows rentals for 3 to 21 days. They will have a managing agent near the site. Staff recommends approval subject to the conditions listed in the staff report.

**Applicant:** Eve Graves addresses the commission. She has lived in the house for ten years and would like to rent it out. She has done a lot of work on the house and respects her neighbors. She will screen the renters and is hoping to rent it out to sports enthusiasts: bikers, hikers, etc.

**Public:** <u>Nellie Morris</u> – 1014 N. 10<sup>th</sup> Avenue East - addresses the commission. She doesn't feel the home has been kept up and she is concerned with the parking situation. <u>Marilyn House</u> – 1030 N. 10<sup>th</sup> Ave. E. – concerned if it will affect her taxes and she

doesn't like the idea of strangers visiting the neighborhood. She would prefer they sell the home. <u>Gerrie LaPlante</u> - 1013 N. 10th Ave. E. – concerned about the short term of the rentals. She states parking is limited and is concerned about the noise level. She notes the managing agent would not be on site. She feels screening online is difficult and may not be effective. <u>Nancy Nelson</u> – 1001 N. 10<sup>th</sup> Ave. E. – she is not opposed as long as the regulations are followed. She stated the six year term is too long and would like to see a trial period of about a year. <u>Sam Black</u> – 1017 10<sup>th</sup> Ave. E. – lives across the street from site. They watch each other's house when they are out town. He is in support of the vacation dwelling. <u>Keith Morris</u> – 1014 N. 10<sup>th</sup> Ave. E. – addresses the commission and asks if the zoning needs to be changed. President Sarvela, responded no.

**Commissioners:** President Sarvela asks staff about enforcement. Moses states the police would need to be called. Zoning enforcement issues would need to be addressed by Kyle Deming – city zoning coordinator. Mullins notes she lives next to a vacation rental and it's a positive experience.

**MOTION/Second:** Digby/Moffat recommend approval as per staff's recommendation.

#### VOTE: (7-0)

B. PL 14-063 Rezoning from MU-B to MU-P for Former Central High School Site by ISD 709 Staff: Moses introduces applicant's request to rezone the former Central High School site from Residential-Urban (R-2) and Mixed-Use Business (MU-B) to Mixed-Use Planned (MU-P). A neighborhood meeting was held on May 7<sup>th</sup>. Comments included traffic and access concerns. Moses notes traffic concerns will be looked at as part of their regulatory plan, which will be completed after the rezoning. In terms of a concept plan, staff confirms they have options and flexibility in designing. Staff is looking at their ability to move traffic on and off the site. Staff recommends approval based on the three reasons listed in the staff report. Digby asks staff if the concept plan will be brought before them at a future meeting or will they be approving it in accordance with the rezoning. Per Moses, the concept plan goes in conjunction with the zoning. Their vote tonight would be whether or not to move forward with the rezoning which includes the concept plan. Assuming city council approves it, anything proposed in the future regulatory plan has to match what is in the concept plan. Digby notes the concerns at Bluestone and wants to make clear for the record the page noting "parcel allocation" in the staff report is the concept plan. Moses notes the concept plan is comprised of the parcel allocation, the table, the list of mixed uses, and the statement of public benefits, as well as the map, which are all listed in the staff report. President Sarvela asks staff if the commissioners will see and vote on the regulatory plan. Per Moses, according to the UDC, the passage of the regulatory plan does not require approval by the planning commission; but according to policy, it is the planning division's intent to communicate with the neighbors and the public, and the regulatory plan will be brought before the commissioners for their comments.

**Applicant:** Kerry Leider, property manager for Duluth Public Schools, addresses the commission. He also has architects with him from Cunningham Group who can answer specific questions. The intent is to sell the property as individual parcels. The rezoning will provide an invitation to developers. President Sarvela asks how the parcels will be split up. Leider notes it will be based on street development location, so no specific details yet. Moffat questions the new road and if there are other street options/configuration options to lessen the roadway and notes plowing concerns. Leider notes the elevation challenges and defers to his design team. The design is based on the view shed as well as adding interesting neighborhood effects. The design team architect addresses the commission. He notes the road slope is 10% so their calculations

for switchbacks are 5% or less which is important in regards to accessibility issues. It creates a hill scape where the roofs are visible from down below. Moffat is concerned about the windy portion of the road in regards to maintenance and emergency vehicle access noting the grid system on top of the design is more efficient. Leider states the curvy road allows for access to residents and not necessarily a shortcut for traffic to Central Entrance. The architect notes extending the grid design would result in the same amount of linear footage.

**Public:** Gary Kolojeski – 218 S. Blackman Avenue - addresses the commission. He was originally impressed, but feels the plan is deceptive and notes the added traffic on South Blackman Avenue. He is concerned about the density of the property and future building heights up to 72 feet. He notes a rezoning shouldn't occur without having a set plan in place. He opposes the rezoning.

**Commissioners:** Sydow is in favor of the land use change, but is taken back by not having the regulating plan in place. Moffat is in support of some density on the site, but will be voting against it because he is not comfortable with the street layout. Digby feels this is a great plan, but agrees with Sydow's comments and would like to see a change in the UDC to require a regulatory plan process be brought before the commission. He puts staff on notice for a UDC amendment change. President Sarvela also finds it frustrating not to require the planning commission to review and approve the regulatory plan. He also would like to see a UDC amendment. Mullins agrees with a future UDC amendment. She is upset the building couldn't be reused.

**MOTION/Second:** Guggenbuehl/Digby recommend approval as per staff's recommendation.

#### VOTE: (5-2, Beeman and Moffat opposed)

C. PL 14-029 Rezoning from Form District 3 (Mid-Rise Community Shopping) and Form District 4 (Mid-Rise Community Mix) to MU-C (Mixed Use-Commercial) for Spirit Valley Mall by Kent Oliver

**Staff:** Robertson introduces the applicant's request for a rezoning of 215 North Central Avenue (Spirit Valley Mall) from F-3 and F-4 to MU-C. According to the applicant "retail uses across the country are now subject to dynamic change following the recession and with the growth of online shopping. The Center needs absolute flexibility in gaining tenants and therefore, believes it is appropriate that it be classified as MU-C". Staff recommends approval. The planning division will change the future land use designation of areas along Grand Avenue from Central Business Secondary to a new designation specifically for form districts.

**Applicant:** Attorney Bill Burns, and Kent Oliver (general partner of the owning entity), address the commission. They feel the rezoning will revive the community. Burns appreciates the openness and efforts of staff. Oliver notes the difficulties of financing with different zoning designations. He also appreciates staff's support. President Sarvela asks when the Mall was built. Per Oliver, it was built in two pieces; the mall was built in 1984 and Kmart was built in 1991.

**Public:** Tom Radio, attorney who represents Kmart addresses the commission. Kmart is in full support of the rezoning.

**Commissioners:** President Sarvela is familiar with the site and does feel the rezoning is appropriate.

**MOTION/Second:** Moffat/Mullins recommend approval as per staff's recommendation.

VOTE: (7-0)



# Planning & Development Division

Planning & Economic Development Department

218-730-5580

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 21-063		Contact		Kyle Deming	
Туре	Special Use Permit for a Cottage Home Park		Planning Commission Date		on Date	June 8, 2021
Deadline for Action	Application Date		April 23, 2021 60 Da		60 Days	June 22, 2021
IOI ACTION	Date Ext	ension Letter Mailed	May 25, 2021 12		120 Days	August 21, 2021
Location of Sub	oject	West side of Decker Rd. south of 4	319 Decker	Rd. (Dulu	ith Heights)	
Applicant	Dirt Inc. dba Northland Homes		Contact	Rob & Sherri Irving		5
Agent			Contact			
Legal Description	on	See attached description on prelim	ninary plan			
Site Visit Date		May 26, 2021	Sign Notice Date May 26, 2021		May 26, 2021	
Neighbor Lette	r Date	May 25, 2021	Number of	f Letters	Sent	11

#### Proposal

Applicant is requesting a special use permit for a cottage home park on 4 acres containing 14 dwelling units consisting of 1,500 – 1,800 sq. ft., 1- or 2-level homes with attached garages. A homeowners' association will be formed to manage all of the property other than the individually owned dwelling units, including the 20 ft. wide private looped driveway, interconnecting sidewalks, community recreation area and storm water treatment. Water, sewer, and gas pipes will be public.

#### Recommendation

Staff recommend approval with conditions.

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	R-1	Undeveloped	Urban Residential
North	R-1	Single Family Homes	Urban Residential
South	R-2	Single Family Homes	Low-Density Neighborhood
East	R-1	Miller Creek shoreland	Low-Density Neighborhood & Open Space
West	R-1	Undeveloped	Urban Residential

#### **Summary of Code Requirements**

UDC Section 50-37.10. Special Use Permits: Planning Commission shall approve the planning review or approve it with modifications, if it is determined that the application is consistent with the comprehensive plan and complies with all applicable provisions of the UDC. 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.

UDC Section 50-20.1.G Cottage Home Park, standards paraphrased here: 1. All dwelling units within a cottage home park shall be subject to setback, height, off-street parking, and get the of regulations appropriate for one-family dwellings in the applicable zone district.

2. Dwelling units shall meet the minimum lot area and lot frontage requirement for multi-family, townhome, or two-family developments of the applicable zone district that the home park is located, whichever is smaller or least;

3. Dwelling units shall face the front lot line, unless the site layout provides for porch/deck on units to face other primary entrance points within the site.

4. Cottage housing developments shall provide common open space or an amenity area which is centrally located, equally accessible from, and at the disposition of all dwelling units.

5. Sidewalks or multi-use paths must be provided to ensure pedestrian access from each individual dwelling unit to the front property line or public street.

6. Approval of a cottage home park does not negate to the need for subdivision review and approval, if applicable.

7. Cottage home parks must provide separate sewer and water services for each dwelling unit as required by the city engineer.

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

Governing Principle #2 – Declare the necessity and secure the future of undeveloped places. The project will create a community open space with amenities to be used by residents of the development and managed by a homeowners' association.

Governing Principle #5 – Promote reinvestment in neighborhoods. The project will create a small neighborhood enclave that surrounds a community open space with amenities.

Governing Principle #7 – Create and maintain connectivity. The project creates connectivity between the dwellings in the project via the internal sidewalk system and looping driveway that connect to Decker Rd., which contains a sidewalk and is a bike route. The project developer will enter into an agreement to dedicate a public street easement across the south side of the site to provide access to undeveloped land to the west, should the lands be developed.

Future Land Use – Urban Residential: Greatest variety of residential building types, medium to high densities. Applicable to larger infill areas close to downtown, entertainment or activity centers, and waterfront residential areas. Connected or adjacent to parks and open space. 8 units/acre and up, design standards ensure pedestrian orientation and mix of housing. The project will create a small neighborhood of dwellings at 3.5 units/acre that are connected to open space with pedestrian facilities.

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

- Applicant is requesting a special use permit for a cottage home park containing 14 dwelling units consisting of 1,500 1,800 sq. ft., 1- or 2-level homes with attached garages. A homeowners' association will be formed to manage all of the property other than the individually owned dwelling units, including the 20 ft. wide private looped driveway, interconnecting sidewalks, community recreation area and storm water treatment. Water, sewer, and gas pipes will be public.
- 2) The proposed development is situated on a 4-acre parcel located on the west side of Decker Road, south of 4319 Decker Road, that will utilize a private driveway for access to homes.
- 3) Sec. 50-18.1.B (Wetlands). Applicant has hired a wetland delineator who has determined that the only wetland on the site to be impacted is estimated to be 6,000 sq. ft. and hydrologically isolated. Their determination is that the wetland would be eligible for a de minimis exemption under the Wetland Conservation Act. The City's wetland consultant (R.C. Boheim) concurs with this determination.
- 4) Sec. 50-18.1.D (Shoreland). The easterly 100-150 feet of the site is in the shoreland of Miller Creek. None of the proposed buildings or impervious surface are impacted by the shoreland setbacks. A shoreland permit will be needed at time of application for land disturbing activities that addresses erosion control and site revegetation.
- Sec. 50-18.1.E (Storm Water Management and Erosion Control). The applicant's site plan shows locations for construction of privately-owned storm water treatment facilities pending permitting with the City's Engineering office. City Engineering will also review permit applications for erosion control and grading of the site.

Page 50 of 134

- 6) 50-20.1.G (Use Specific Standards) Cottage Home Park (see Summary of Code Requirements attest 2010) 08-2021
  - 1. Development Standards. Dwelling units shown on the site plan comply with setbacks and heights required by the R-1 zoning, off-street parking minimums, and other development standards.
  - 2. Minimum Lot Area and Lot Frontage. The 4-acre lot meets minimum lot area and frontage requirements.
  - 3. Principal Entrance. The proposed site plan complies with the UDC requirement.
  - 4. Common Open Space or Amenity Area. The site plan shows a centrally located common area. The applicant has indicated the "shared courtyard will contain gardens and/or fire pits allowing a sense of community, a shared stake in the gardens and watchfulness of their neighborhood."
  - 5. Connectivity and Access. The site plan shows sidewalks that connect the individual dwelling units to one another and to Decker Road, where there is a public sidewalk.
  - 6. Subdivision. The applicant has stated they intend to use a Common Interest Community plat to allow for ownership of individual dwelling units. A homeowners' association will manage the remainder of the lot, including community open space, amenities, sidewalks, driveway, and storm water treatment.
  - 7. Utility Connections. The applicant has indicated that water, sewer, and gas will be provided in the development via public mains, which will require utility easements dedicated to the City.
- 7) Sec. 50-23 (Connectivity and Circulation). The project shows sidewalks that connect the dwellings and the public sidewalk in Decker Rd. To provide access to undeveloped land to the west of the applicant's site, staff recommends as a condition of this special use permit that the applicant, and their successors, agree to dedicate a street easement in the future, if determined to be needed for development, of sufficient width, and that they agree to pay their share of the cost of the street, as determined by the City.
- 8) 50-24 (Parking and Loading). The site plan shows dwellings with attached garages and driveways that provide basic parking needs and 13 overflow parking spaces and a shoulder off the loop driveway. The Fire Department commented that the 20-foot-wide road will require signage on both sides to keep it clear for emergency vehicle access. Twenty feet is the minimum width allowed for fire apparatus access roads according to the fire code.
- 9) Sec. 50-25 (Landscaping and Tree Preservation). The applicant has initiated a tree inventory and will be required to replace 20-60% of the trunk diameter inches of trees removed, depending on the size and quality of trees. Street Frontage Landscaping is required along Decker Road. Staff recommends, before applying for land-disturbing activities, the applicant obtain from the Land Use Supervisor approval of a tree replacement plan and landscape plan.
- 10) 50-26 (Screening, Walls and Fences). Any fences would need a fence permit; otherwise, not applicable.
- 11) Sec. 50-29 (Sustainability Standards). Not applicable.
- 12) Sec. 50-30 (Building Design Standards). Not applicable.
- 13) UDC Sec. 50-31 (Exterior Lighting). Not applicable.
- 14) No citizen comments were received at the time that this report was written (May 31, 2021).

#### Staff Recommendation

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

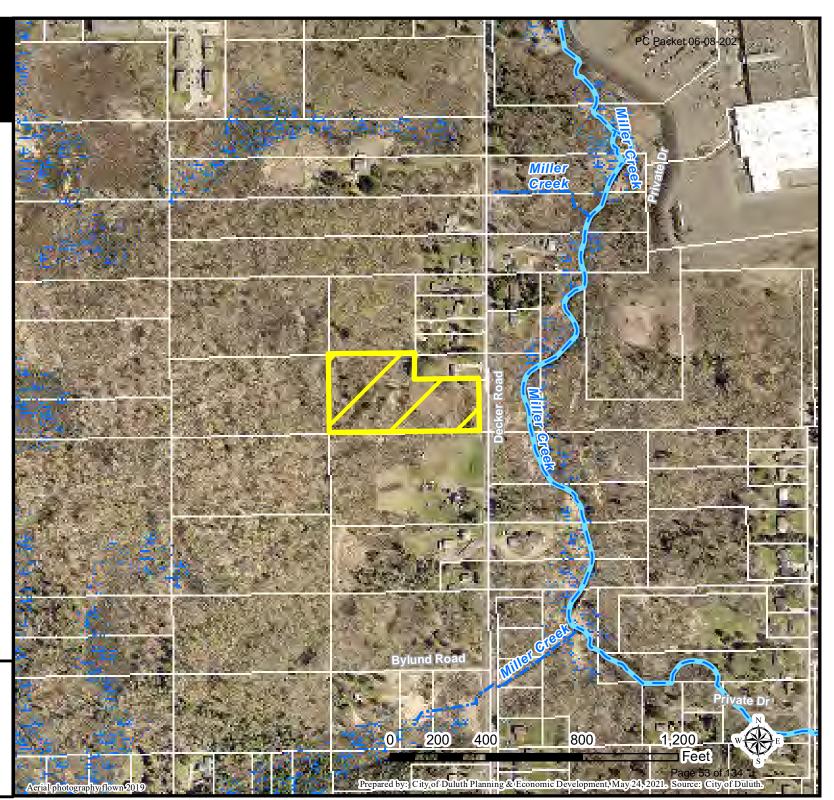
- 1) The proposal is limited to the site plan and documents submitted with this application.
- 2) The Land Use Supervisor review and approve the final CIC plat before the applicant records the document and that the recording precede application for building permit for the first dwelling unit.
- 3) Prior to application for building permit for the first dwelling unit, the applicant provide the Land Use Supervisor with the declaration of covenants and restrictions and bylaws of the homeowners' association for review and approval that site elements needed for zoning compliance may not be altered without the consent of the City, such documents to be recorded before receiving the certificate of occupancy on the first dwelling unit.
- 4) The applicant, and their successors, agree in writing to dedicate a street easement of sufficient width to allow for the installation of the future public street and that the applicant, or their successor, agree to pay their share of the cost of the public street, as determined by the City. Such agreement shall be finalized and executed prior to issuance of grading or building permits for the site.
- 5) Before applying for land-disturbing activities, the applicant obtain from the Land Use Supervisor approval of a tree replacement plan and landscape plan.
- 6) The applicant shall deposit an escrow (performance bond, cash, or other financial security equal to the amount of landscaping improvements) to ensure implementation of the tree replacement plan and landscape plan. This amount shall be held, without interest, until the applicant has installed the required trees and bage startings, hired a

certified professional to inspect trees and landscaping and confirm that all trees and landscaping was have a correctly and according to approved plans, and forwarded the inspection results to the City along with a request for reimbursement of escrow. This escrow shall not be released until all trees and landscaping are completed. Applicant is to maintain required landscaping and replace any vegetation that expires for a period of one year following the installation of trees and shrubs.

- 7) The "spine" of the sidewalk system be installed before the first dwelling unit may receive a certificate of occupancy and that each dwelling unit be connected to the spine as they are constructed.
- 8) 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.

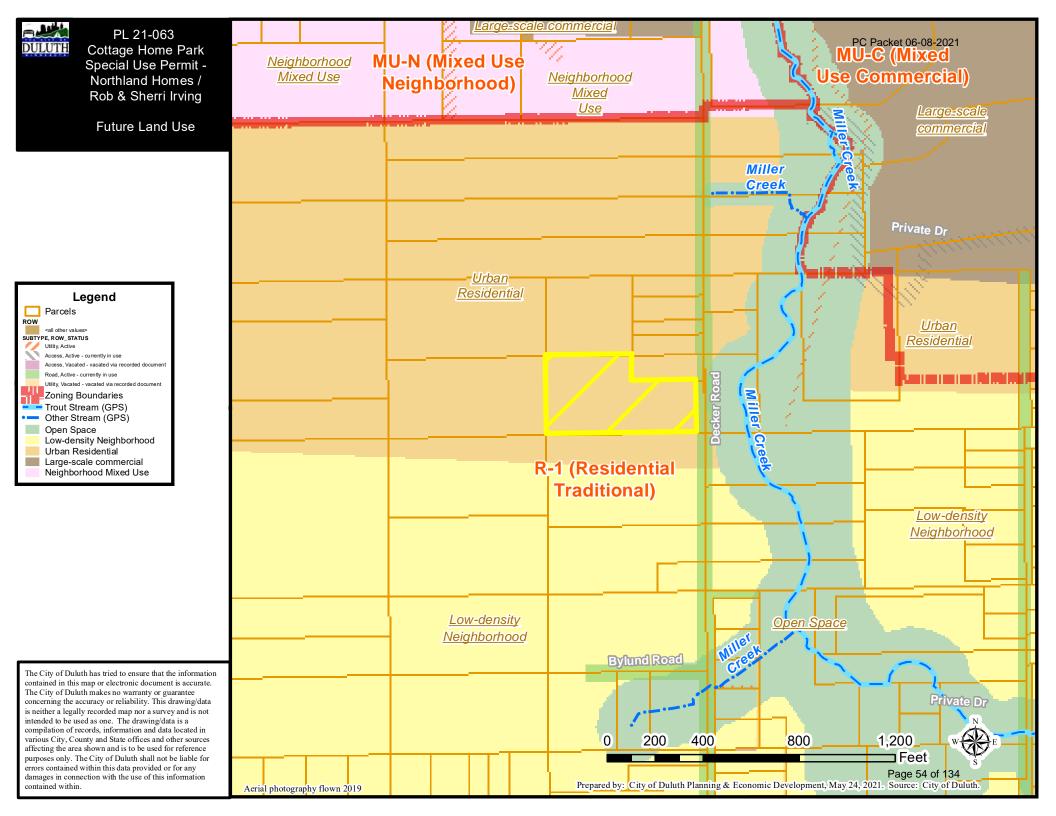


PL 21-063 Cottage Home Park Special Use Permit -Northland Homes / Rob & Sherri Irving



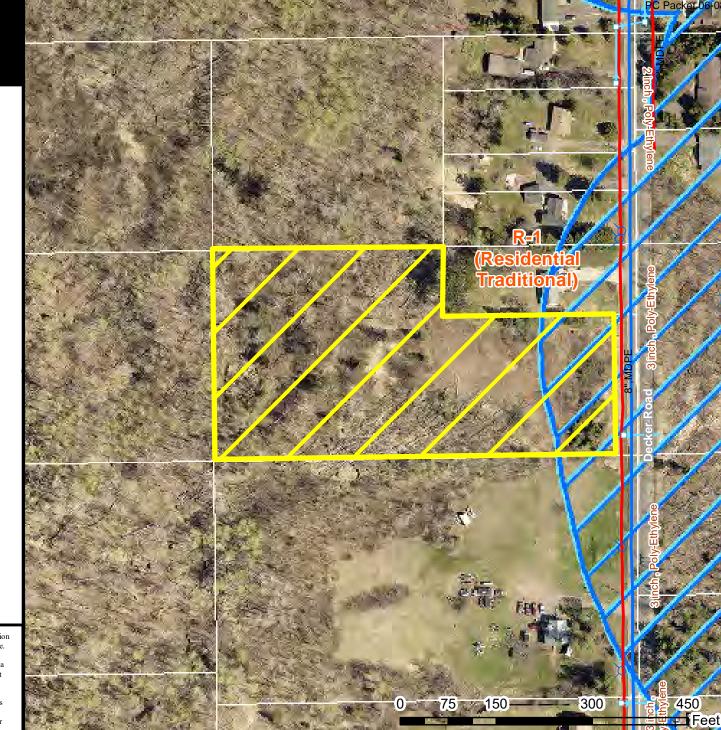
Legend Trout Stream (GPS) Other Stream (GPS) Wetlands (NRRI)

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 21-063 Cottage Home Park Special Use Permit -Northland Homes / Rob & Sherri Irving



-08-202

Page 55 of

Prepared by: City of Duluth Planning & Economic Development, May 24, 2021. Source: City of Duluth



The City of Duluth has tried to ensure that the information 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 istudied to the survey of the survey and is not In network to be used as one. The drawing/data is not mended 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.

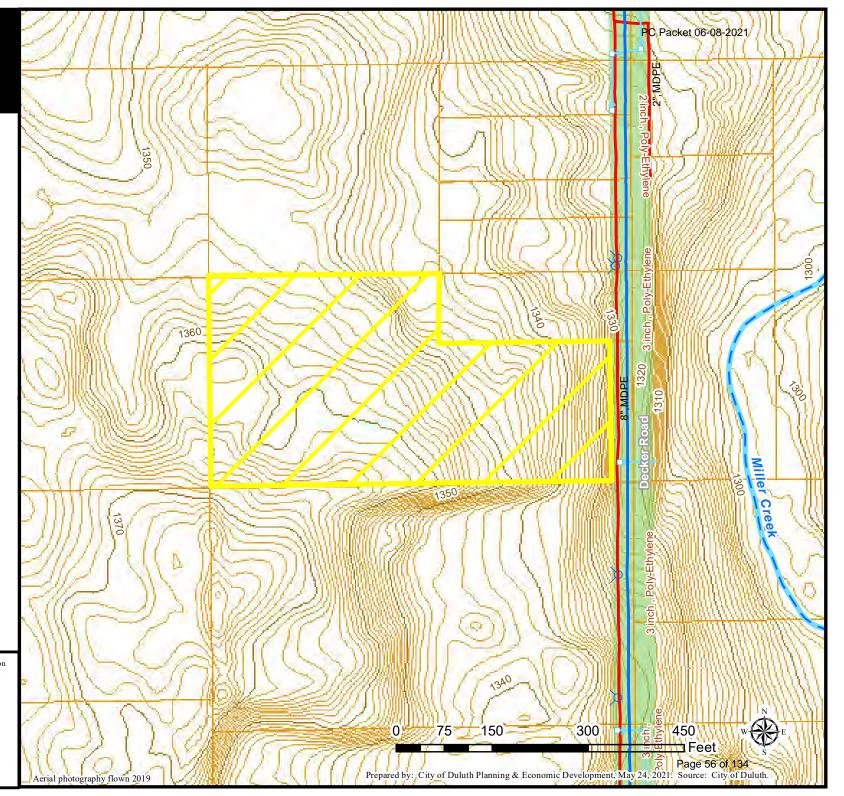
Aerial photography flown 2019

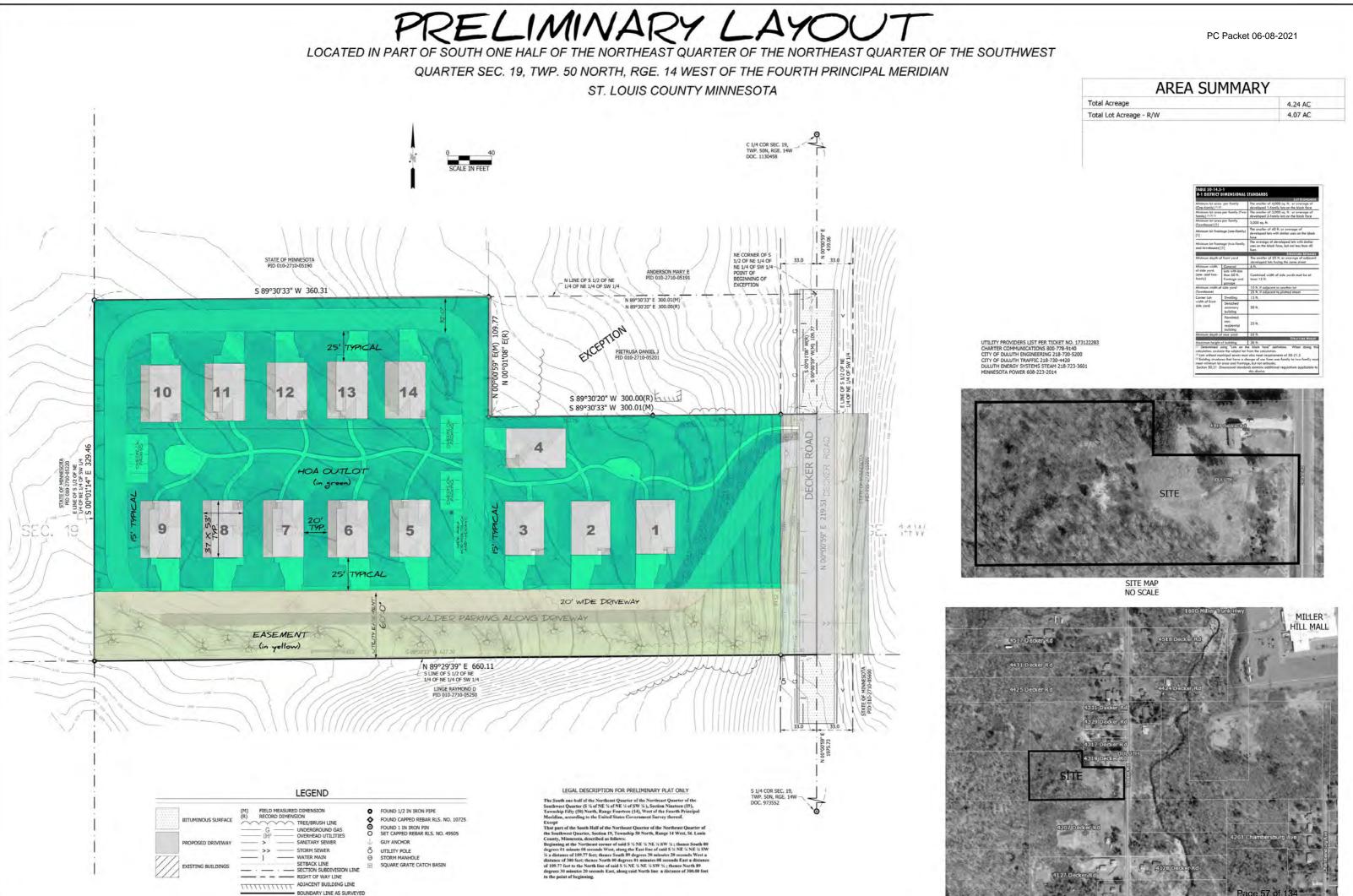


PL 21-063 Cottage Home Park Special Use Permit -Northland Homes / Rob & Sherri Irving

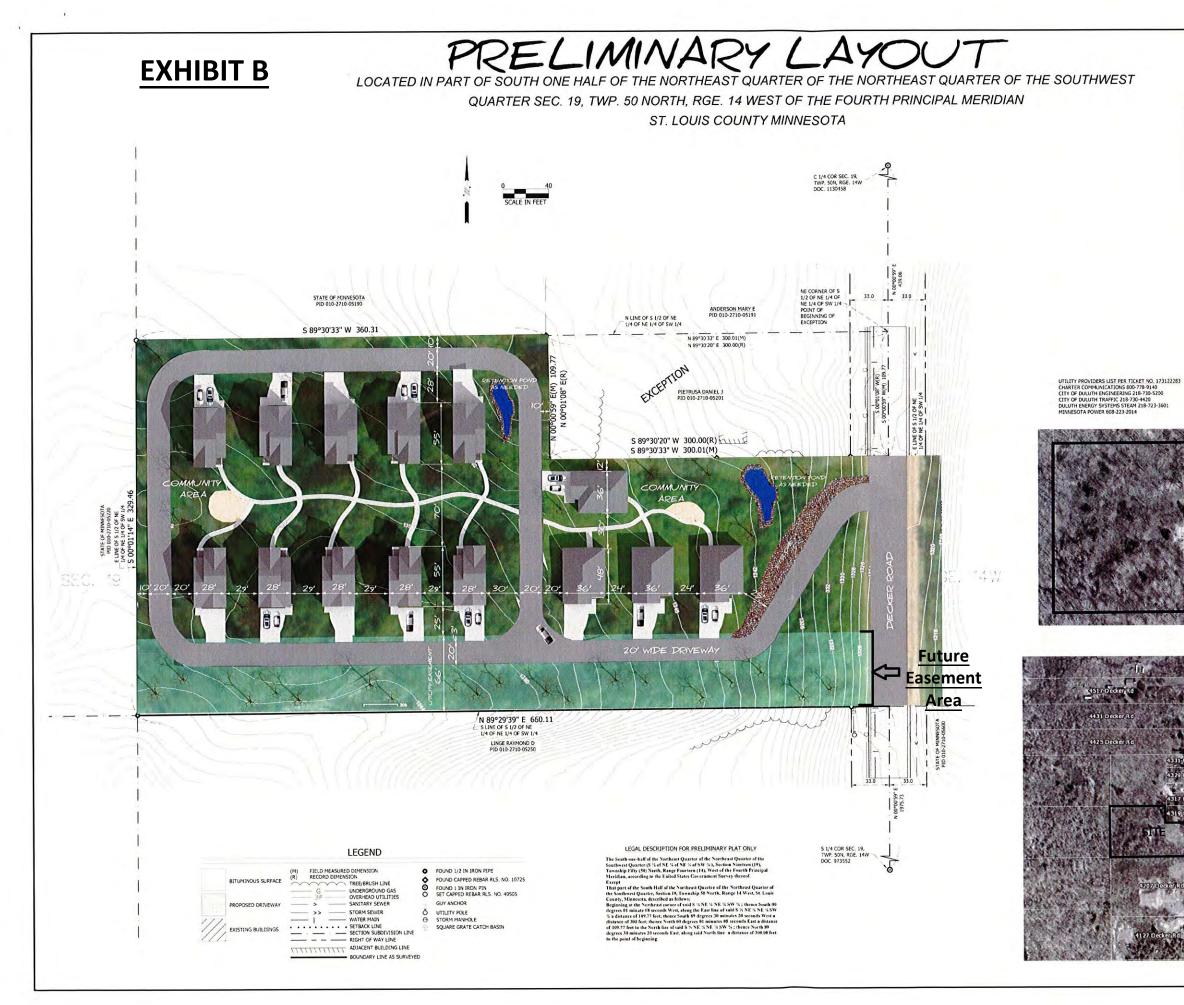


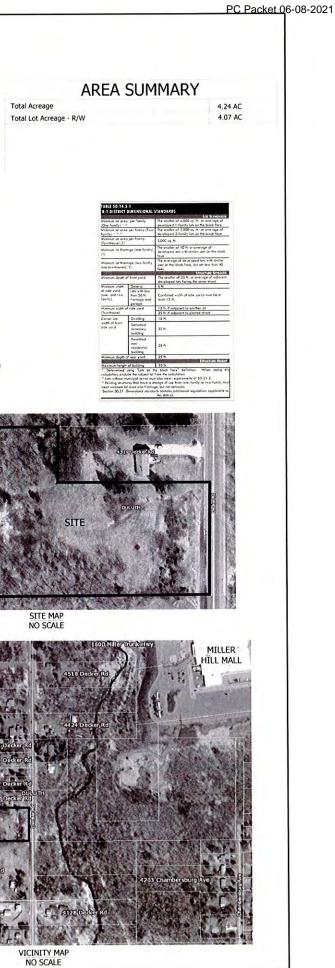
The City of Duluth has tried to ensure that the information contained in this map or electronic document is accurate. The City of Duluth makes no warranty or guarantee concerning the accuracy or reliability. This drawing/data is neither a legally recorded map nor a survey and is not intended to be used 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.





VICINITY MAP NO SCALE











#### Robert Irving, Owner/Operator | 218.348.2284 | <u>robdirving@gmail.com</u> | Sherri Irving, Project Manager | 218.591.6407 BC754264 NorthlandHomesMN.com | DirtIncMN.com

April 23rd 2021

Dirt Inc dba Northland Homes 5963 W Arrowhead Rd. Duluth, MN 55811 BC754264

RE: Special Use Permit explanation

Attached is Application for a Special Use Permit for the Decker Rd Pocket Neighborhood project. Submitted by Northland Homes.

Description of the Decker Rd Pocket neighborhood Project as follows: Our vision for the Decker Rd Project is two joining clustered groups of neighboring houses all connected by roads and sidewalks. All houses will have a front porch and gather around a common courtyard. This shared courtyard will contain gardens and/or fire pits allowing a sense of community, a shared stake in the gardens and watchfulness of their neighborhood.

This project is in close walking and biking proximity to all shopping needs, Miller Hill Mall, restaurant's, bus line and entertainment.

Planned homes will be 1500 – 1800 sq ft, one or two levels with attached garages. According to our preliminary plan all homes meet standard setbacks.

Please note that the homes pictured on our preliminary site plan are sized for position only and do not completely represent the exterior home plan.

Thank you for your time and consideration,

Robert Irving Dirt Inc. 218.348.2284



May 23, 2021

Rob Irving 5963 West Arrowhead Road Duluth, MN 55810

#### Subject: Wetland Review Parcel 010-2710-05200

Dear Mr. Irving:

WSP USA Inc. (WSP) completed a wetland review of City of Duluth Parcel 010-2710-05200 located on Decker Road for Mr. Rob Irving on May 18, 20121. The purpose of the wetland review was to observe if there were any wetlands on the site that might warrant a more detailed wetland delineation in preparation of site development. WSP observed two areas that appeared to meet the wetland criteria based on visual observations of wetland vegetation and hydrology. One small (30 feet by 40 feet) wetland was in the northwest corner of the property and appeared to be in the foundation or excavation of a former building on the property. Another wetland was observed in the west central portion of the property and covered approximately 6,000 square feet.

Mr. Irving stated that the project would likely avoid the small wetland in the former building foundation but that the larger wetland (Approximately 6.000 square feet) would likely be impacted by the proposed project. These wetlands appeared to be isolated within the property boundaries and would likely be eligible for the Minnesota Wetland Conservation Act De minimis exemption. WSP did not complete an official wetland delineation of the wetland boundary or type and approximated the wetland size using mobile phone based mapping applications with limited accuracy. The approximate wetland locations are shown on the attached figure. WSP can complete a wetland delineation for the property if further details of the site wetlands are requested.

If you have any questions regarding this letter, or would like additional information, please feel free to contact me at 218-336-2284.

Kind regards,

Rob Peterson Lead Environmental Scientist

WSP USA 4602 Grand Avenue, Suite 300 Duluth, MN 55807



# **County Land Explorer**

PC Packet 06-08-2021

St. Louis County, Minnesota





# Planning & Development Division

Planning & Economic Development Department

218-730-5580

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 21-064		Contact	Contact John Kelley, jkelley@	
Туре	Rezone from RR-1 R-1		Planning Commission Date		June 8, 2021
Deadline	Application Date		May 3, 2021	60 Days	July 2, 2021
for Action	Date Ext	ension Letter Mailed	er Mailed May 13, 2021		August 31, 2021
Location of Sub	oject	Woodland neighborhood – Va	ssar Street		
Applicant	Kevin Chi	istiansen	Contact		
Agent			Contact		
Legal Description	on	See Attached Map			
Site Visit Date		May 28, 2021	Sign Notice Date May 25, 202		May 25, 2021
Neighbor Lette	r Date	May 25, 2021	Number of Letters Sent		29

#### Proposal

The applicant is proposing to rezone property from the current zoning of Rural Residential 1 (RR-1) to Residential-Traditional (R-1)

#### **Staff Recommendation**

Staff is recommending approval of the proposed rezoning to RR-1 and R-1.

	Current Zoning	Existing Land Use	Future Land Use Map Designation
Subject	RR-1	Vacant land	Traditional Neighborhood/Open Space
North	RR-1	Vacant land	Open Space
South	RR-1	Vacant land	Traditional Neighborhood/Open Space
East	RR-1	Vacant land/Amity Creek	Open Space
West	R-1	Vacant land	Traditional Neighborhood

#### **Summary of Code Requirements**

- UDC Sec. 50-37.3.B: Planning Commission shall review the application, conduct a public hearing ... with public notice ... and make a written recommendation to council.

- UDC Sec. 50-37.3.B.3 Where a proposed amendment to the zoning map would change any property from a residential district to a mixed use, form or special purpose district, a planning commission hearing and a notice of three weeks shall be required. In addition, the affirmative vote of 2/3 of the council shall be required The city has not received the written consent of the owners of 2/3 of those properties located wholly or partially within 100 feet of the property proposed to be rezoned;

- UDC Sec. 50-37.3.C: The Planning Commission shall review the application, and Council shall approve the application or approve it with modifications, if it determines that the application: Is consistent with the Comprehensive Land Use Plan; Is reasonably related to the overall needs of the community, to existing land use, or to a plan for future land use; 3. Is required by public necessity, convenience, or general welfare, or good zoning practice; 4.Will not create material adverse impacts on nearby properties, or if material adverse impacts may be created they will be mitigated to the extent reasonably possible.

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

#### **Governing Principles**

Governing Principle #5 - Promote reinvestment in neighborhoods.

Duluth is strongly defined by its neighborhoods. This system should be supported through land use and transportation that foster neighborhood reinvestment. New development or redevelopment should maximize public investment that strengthens neighborhood commercial centers or diversifies residential opportunities that fit the neighborhood's character.

#### 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, neighborhood extensions, and new traditional neighborhood areas. The future land use category of Traditional Neighborhood is most commonly reflected in the City's zoning map as R-1.

#### Open Space

High natural resource or scenic value, with substantial restrictions and development limitations. Primarily public lands but limited private use is anticipated subject to use and design controls. Examples include: city parks and recreation areas, primary viewsheds, shorelands of the lake and streams, wetlands and floodplains, and high-value habitat.

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

1) The Applicant is proposing to rezone approximately 16 acres from the current zoning of Rural Residential 1 (RR-1) to Residential-Traditional (R-1).

2) The Minnesota Planning Act provides that zoning (an "official control") should implement the general objectives of the Comprehensive Plan, and appellate courts have issued decisions that zoning must comply with the Comprehensive Plan or be considered arbitrary and capricious. Good zoning practice requires that zone districts be consistent with the future land use category identified for the area.

3) State Statute requires that a community's zoning map implement the general objectives of the Comprehensive Plan. The future land use category of Traditional Neighborhood is most commonly reflected in the City's zoning map as R-1. The future land use category of Open Space is described as having high natural resource or scenic value, with substantial restrictions and development limitations. The area shown as Open Space is within the shoreland of Amity Creek, which is governed by the Natural Resources Overlay district that provides additional protection for shoreland and other important resources. Thus, the proposal meets the guidance provided by the Comprehensive Plan. Any future development will take into account the zoning restrictions for the Overlay.

4) Other criteria for zoning include considering existing land use patterns and if the rezoning is related to the needs to the community or existing land use. The property lies within the Woodland neighborhood and is contiguous with the existing traditional neighborhood, also zoned R-1.

4) The R-1 district is established to accommodate traditional neighborhoods of single-family detached residences, duplexes and townhouses on moderately sized lots. This district is intended to be used primarily in established neighborhoods. Many of the dimensional standards in this district require development and redevelopment to be consistent with development patterns, building scale, and building location of nearby areas.

5) The applicant has stated that the intent of this rezoning of the 16 acres to R-1 along with an adjacent 10 acres already zoned the same would allow for the development of a 25-30 individual residential lots. The applicant has also stated that the developable area of the property for rezoning is consistent with the future land use category of Traditional Neighborhood. Additionally the applicant believes the rezoning will allow for more housing opportunities the developable area of the property for the developable area of the property for rezoning is consistent with the future land use category of Traditional Neighborhood. Additionally the applicant believes the rezoning will allow for more housing opportunities and the future land use category of the property for the applicant believes the rezoning will allow for more housing opportunities and the property for the property fo

demand for more services in the Woodland Core Investment Area.

6) The property will make efficient use of available street connections and better utilize available utility infrastructure in this neighborhood of the city.

7) Based on the development pattern of adjacent areas and the purpose statement of R-1 zone districts, rezoning as proposed in the attached map is appropriate for this area. The proposed rezoning to R-1 would allow for residential development to complement the existing single family housing type in the Woodland neighborhood.

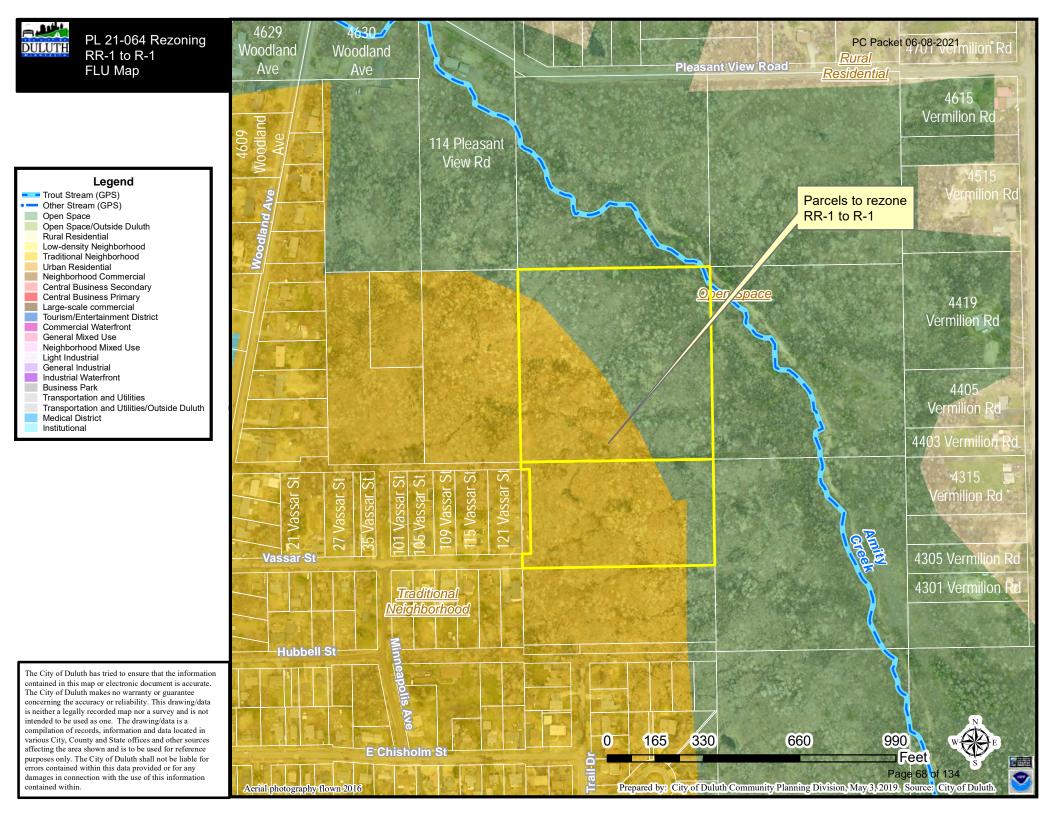
8) Three emails were received regarding the rezoning as of June 1, 2021 and are attached to this report.

#### Staff Recommendation:

Based on the above findings staff recommends that the Planning Commission recommend approval to the City Council of the rezoning as shown on the map titled Proposed Rezoning Area Map.

1) The proposed zone district is the most reasonably able to implement the objectives of the Comprehensive Plan related to the land use for this area.

2) The proposed zone district is consistent with the existing land use pattern and meets the needs of the community.3) Material adverse impacts on nearby properties are not anticipated.





PL 21-064 Rezoning RR-1 to R-1 Zoning Map



Legend Zoning Boundaries Trout Stream (GPS) Other Stream (GPS)

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.

# City Planning Commission,

My name is Kevin Christiansen, a long time Duluth resident and business owner. Over the past 18 years I have owned and operated several local businesses. Throughout my career I have worked closely with a variety of the City of Duluth, where I've built strong and respected business relationships, assisting Commercial and Residential companies with planning and executing land development.

Neighborhood(R-1), along with the adjacent 10 acre parcel currently zoned Traditional Neighborhood (Rbuilding sites to this desirable location will not only attract new residents but will increase the demand 1) will allow the development of approximately 25 to 30 individual residential lots also known as Amity 00340 and 010-2720-00260. Rezoning these parcels from Low Density Residential (RR-1) to Traditional above-mentioned parcels is designated to Traditional Neighborhood as outlined in the Imagine Duluth It is my pleasure to submit this letter of intent to seek approval for the rezoning of parcels 010-2720 Comprehensive Plan (Imagine Duluth 2035). In the future land use map, the developable area of the 2035 development. The current demand for housing in Duluth is substantial. Expanding residential Bluffs. The implementation of this development follows the core values of the City of Duluth's for services in the Woodland Core Investment Area, as well as, the positive economic benefits.

sought-after Woodland neighborhood. As someone who grew up in this neighborhood, I know how vital to access nearby hiking and snowmobiling trails for years. It is my vision to provide safe and easy access to these trails. Rezoning this property will also allow the use of City Utilities, eliminating of the need for it is to preserve the character and continuity of the area. Local residents have been using these parcels Amity Bluffs land development is potentially one of the last development opportunities in the highly a septic and well on these parcels.

of this area will reflect the goals and initiatives the City of Duluth has envisioned. I appreciate your time If the rezoning to accommodate this proposal is approved, I'm confident the development and progress and consideration of this proposal.

Sincerely,

Kevin Christiansen

#### To the Duluth City Planning Commission:

My name is Amy Galarowicz and I am writing to invite you to visit Vassar Street. There is currently a zoning plan being considered, and if you take the opportunity to visit our neighborhood, you will witness the small, quiet nature of our street. A rezoning of the end of our street to provide multiple homes on a wetland slope would change the nature of our neighborhood. Amity Creek adjoins (and crosses) the proposed re-zoning project.

We purchased our home in 2008 when our daughter was just an infant. We loved the small, quiet deadend street and the natural surroundings. In 2008, we were one of two families with children on our street. Since then, our quiet street has grown. We now have at least eight children under the age of 10, and the laughter of neighborhood children can be heard on any nice Duluth day.

Our street is now under the microscope. In the past, attempts have been made to purchase and develop the land around the neighborhood. The tens of acres have been bought and sold by various local realtors and developers, each time halted with the cost of providing utilities and road development. That cost has stopped development in the past. Now, we enter 2021. If the land is developed with your approval, will the cost of providing utilities and an expanded Vassar Street fall on the backs of the current residents?

We CANNOT develop this land. The development would change the nature of our neighborhood. Our small, quiet neighborhood will now become the ONLY access road to the proposed development. The re-zoning will move from just two 5-acre plots into whatever the planning committee recommends. Who knows how many homes will be built once the re-zoning is complete?

Vassar Street is narrow. In the winter, the hill from the base of Woodland heading up the street poses a problem for even the newest of tires. Now, imagine another 50 families trying to get home after work with this one access point? The entire road would need to be re-graded, to lessen the slope off of Woodland Avenue. Again, who will pay for this work? Will there be another access point to this development project? Where would it be located?

We understand the development and the need for increased housing in Duluth. While we would prefer to have this land completely vacant, we know we cannot stop the big money of the developers. However, we can, with your help, limit the number of homes built in our neighborhood.

Please visit our street and talk to us. We need your help. We can arrange a neighborhood meeting if that would be more convenient and efficient for your review of this project. Sincerely,

#### Amy Galarowicz

#### 115 Vassar Street

\*\*PS. If you'd like to see the video footage of the young cow moose that sauntered down Vassar Street within the past month, we'd be happy to provide that to you. The wildlife in our neighborhood is incredible

Subject: Vassar/Woodland change

Dear Duluth Planning Commission - we are strongly opposed to the request to rezone property located at the east end of Vassar Street and an adjacent parcel to the north from Residential rural (RR-1) to Residential Traditional (R-1).

1. The owners of the property were well aware of the current zoning when the land was purchased.

2. The land has a direct impact on Amity creek. Any runoff is channeled down to the creek. Especially during the spring, there are many pools of water that form that support seasonal wildlife.

3. The land is very hilly. We anticipate for the developer to build, the land would significantly have to be modified.

We request that you all personally take the opportunity to walk this land so you get a definite idea of the impact of this requested zoning change. Please don't just consider the economic impact.

Please address this questions at the meeting - 1. What is the impact to Amnity Creek with this change?

2. Why is this land designated as rural residence in the first place?

One hundred years ago, Mayor Snively had the foresight to save green spaces in Duluth. It seems that currently there is not that same vision. We truly hope that is not true. You have the power to keep Duluth with wooded areas that are beneficial for all.

We ask respectfully that you vote no on this requested change.

Patti and Jeff Hallback

1810 Trail Drive

Dear Duluth Planning Commission-

I am writing in opposition to the proposed rezoning of the parcel of land at the east end of Vassar Street from RR-1 to R-1. As an adjacent property owner, I have large stake in the outcome of this decision. My objections to the rezoning are outlined below:

1. Change to neighborhood character. My husband and I moved to this neighborhood in 2009 after living in Duluth since 2000. We have lived in various neighborhoods throughout Duluth including Lakeside, Hillside, and Park Point. We specifically chose this block and neighborhood secondary to the large lot sizes, space between homes, the dead end road, wooded spaces, and lack of traffic. As our family has grown, we continued to choose to live here specifically as our oldest son was born with Down syndrome and has complex medical issues. The quiet neighborhood with low traffic volumes is a major concern in particular for our family to keep our son safe who has cannot safely navigate traffic and has been known to wander. Changing the zoning would substantially increase the amount of traffic on our street potentially putting our child at risk for injury or death.

The character of this street has been low density, low traffic, and quiet since we have purchased, with the expectation it would remain so with current zoning. Currently, there are <u>20 homes on this</u> <u>street</u>. New zoning would potentially double or triple that number. This proposed change is not consistent with city development code 50-14 which aims to protect scale and character of communities when considering development. People choose to live here for the low density and wooded spaces and this proposed rezoning would substantially change that. The current zoning of RR-1, for which I have no objection, would not substantially change the overall character of the neighborhood at large and would still allow for development while keeping within city code.

2. Cost. At present, Vassar Street is approximately 21 feet wide. The amount of heavy equipment needed to put in a new subdivision would likely destroy the existing roadway. City code calls for new roadway construction at a minimum of 24 feet, up to 28 feet. Additionally, it is likely the road would need to be dug to provide adequate utilities and waterlines for the new subdivision at the increased density. The resulting assessment to existing neighbors is unconscionable. Our current block consists of mostly working and middle class families. There are several older residents on fixed incomes. The resulting assessment could effectively price several families out of being able to live in homes that have been theirs for decades. With skyrocketing housing prices throughout the city, current residents of the street may be forced to move far out of the community they have called home for decades. Additionally, property developers should not be allowed to profit off of the backs of residents who have lived here for decades.

3. Safety. Vassar Street is currently the only inlet into the proposed new subdivision. All other platted roads into the area off of Minneapolis and Woodland have existing structures. I have previously mentioned the size of Vassar Street. This has caused congestion for 2 way traffic since we have lived here, but is manageable with the existing density. An increase in density would create issues with visibility and increase risk of accident, particularly with the number of small children already present on this block.

The other unique feature of this road is the extreme grade uphill at the entrance. Every year, residents are stuck on this hill and need to be pushed out. It is impossible for 2 vehicles to be on this hill at the same time during winter. An increase in neighborhood density and traffic on this road would create a significant safety burden for existing residents. We have several medically complex residents on this block that ambulances have needed to be called for throughout the year. If access is blocked by increased traffic or vehicles stuck on this hill, the potential for delay of life saving care is real.

4. Wooded spaces. The wild spaces surrounding this potential development have been home to trail systems used by local residents for decades including hiking, mountain biking, and snowmobiling. Local hunters frequent this area for in town bow-hunting. The area directly below the proposed subdivision drains directly into Amity creek and subsequently the Lester River. The current property is home to large swaths of important wetland. This wooded area is an important corridor for wildlife that the residents of this neighborhood and all of Duluth prize. We have seen moose, bears, deer, fox, wolves, pine martins, and coyotes all pass through these woods. A large subdivision in this area would substantially impact the enjoyment of the surrounding area for residents, harm wildlife, and impact waterways and wetlands.

Please consider these very important factors in your upcoming decision and vote no to rezoning this important area.

Sincerely-

Jennifer Marksteiner

Dear Adam and members of the City Planning Commission,

Please send me information in regards to the potential development along Amity Creek off of Vassar Street, so that I can better understand it. But from what I understand now it should not proceed.

I would like to express concern about development of this beautiful natural area. A rezoning of this property allowing for densely populated homes would be inappropriate.

This area of Amity creek is long known as a beautiful natural spot within the city limits, providing respite for people from miles around. Please don't allow this to proceed. This is a valuable natural asset.

At this time, to increase needed housing, I would advise focusing on the area of the soon defunct Lester Park Golf Course. It is now ripe for proper development and if done well, Duluth could benefit.

But Duluth is a gem precisely because of its pockets of nature and this area off of Vassar is a fine example of that. It is one of the few places to still hear wood frogs. It is a beautiful ravine and it would be a shame to lose it. We can do better.

Sincerely,

David J Mast, MD

Dear Planning Commission:

The large wooded area off the end of Vassar street is now going before the planning commission to be rezoned from rr-1 to r-1. This would add a potential 50 to 80 homes above Woodland Avenue, and we want to voice that we do not approve for a number of reasons.

First, urban sprawl creates more pollution. As it stands, any residents who where to build homes on the Vassar Street property are going to have to have vehicles for transportation. No mass transportation currently runs on the upper side of Woodland.

Second, I seriously doubt there anything built will include affordable housing, which is the most urgent need we have in Duluth.

Third, the property is very close to major watershed areas of the Lester and Amity Rivers.

Fourth, Woodland, Calvary and Martin Roads are the main thoroughfares for Woodland, all of which are one lane each way. The current traffic is heavy during commuting hours.

Fifth, a large development in this area will impact the trails, wildlife. The wildlife corridor runs though the Vassar Street area

In closing, we are not opposed to some development. Specifically 3 to 5 homes built on the 15 acres. We are very opposed to a large tract of homes going in and the outcome of more unaffordable housing.

Sincerely yours,

Dennis and Kathleen Moe

Attention John Kelley,

I live in the neighborhood where a rezoning application has been proposed from RR-1 to R-1 at the end of Vassar St. in the Woodland neighborhood. I am strongly against this measure. I will state my concerns in the following paragraphs.

My first concern relates directly to the land itself. This is an amazing piece of wilderness within the city that is home to much wildlife. It is also a steep hillside that leads directly to Amity Creek. Building an R-1 development in this area would negatively affect the Amity Creek and destroy the habitat of many keystone species. It would strip away the beauty and put too many dwellings in an area not suited for this kind of development.

My second concern is for the current neighbors, my neighbors. This neighborhood is valued for it's rural-edge of the city-quiet charm. As residents, we appreciate that our streets don't have a lot of traffic flowing through. Vassar street is not a big street and an increase in traffic to service a R-1 development during building phase and after would diminish the tranquil life that the current residents sought when choosing this neighborhood.

My third concern relates to access to a vibrant trail system that many local Duluthians have been using for years. The local neighbors have built and maintained a network of trails that are used for hiking, biking, Nordic skiing, snow shoeing, dog walking, snow mobiling, etc. This particular parcel of land being considered for rezoning has a trail head that allows those seeking recreation to access the local trails plus the Superior Hiking trail just across the Amity. My husband and I bought a home in this neighborhood 15 years ago specifically because of access to the trails right here within the city of Duluth. As neighbors, we grieve at the thought of losing access to this little wonderland in our back yards.

I am not against development, but let the development in this area be rural in nature...to preserve nature, for our generation and those to come.

Susan Krochalk 300 E. Chisholm St. Duluth, MN 55803 Dear Adam and members of the City Planning Commission,

Please send me information in regards to the potential development along Amity Creek off of Vassar Street, so that I can better understand it. But from what I understand now it should not proceed.

I would like to express concern about development of this beautiful natural area. A rezoning of this property allowing for densely populated homes would be inappropriate.

This area of Amity creek is long known as a beautiful natural spot within the city limits, providing respite for people from miles around. Please don't allow this to proceed. This is a valuable natural asset.

At this time, to increase needed housing, I would advise focusing on the area of the soon defunct Lester Park Golf Course. It is now ripe for proper development and if done well, Duluth could benefit.

But Duluth is a gem precisely because of its pockets of nature and this area off of Vassar is a fine example of that. It is one of the few places to still hear wood frogs. It is a beautiful ravine and it would be a shame to lose it. We can do better.

Sincerely,

David J Mast, MD

We would like to provide comments on the proposed rezoning (PL 21-064) for the property located at the end of Vassar Street and an adjacent parcel to the north.

Our primary concern is to develop and maintain access to public lands and the Amity Creek corridor. This area is used extensively by local residents for hiking, access to the snowmobile trail system, and other outdoor pursuits. This access must be a consideration during rezoning decisions and during any development planning. Considerable effort was made during neighborhood planning meetings (perhaps 10 years ago?) to plan development that accommodated those needs. The results of that effort should be incorporated into decision-making. The potential loss of forest and green space is of further concern. These areas are important components of healthy neighborhoods.

The quality of life in this neighborhood largely depends on green spaces along with access to these areas and trail systems. It is imperative that this is maintained during any development. Thank you.

Darren and Jackie Vogt

325 E. Chisholm Street, Duluth, MN 55803

To the City of Duluth Planners:

We are concerned about Amity Creek:

This is in regards to the parcel of land about 15 acres in size owned by Edmunds Real Estate located at the end of Vassar St. in Duluth's Woodland neighborhood. This parcel is a heavily wooded hillside that leads directly to Amity creek, infant, borders the creek. The owner is petitioning you to have it rezoned from RR-1 to R-1.

I happen to live in the neighborhood adjoining this parcel and I hike on trails in this area daily. I am concerned that this land is NOT an appropriate place to develop into a residential area due to proximity to Amity creek and slope of terrain leading directly to the creek. The trees will be clear cut for roadways and lots and the erosion and pollution will negatively impact this trout spawning area of the Amity that is part of this owner's parcel.

The neighbors are signing a petition to have this rezoning petition rejected. I am asking you, as an expert in the field, to consider the potential for long term damage that this development would cause to a vital creek in Duluth. Please protect the Amity. When we know better, we must do better. The creek can't speak for itself, we must do that.

I have written to MPCA and South St. Louis Soil and Water Concervation District regarding this matter.

Thank you for taking time to read this.

Sincerely,

Joel, Susan, Collin, and Rita Krochalk



# Planning & Development Division

Planning & Economic Development Department

218-730-5580

🖂 plannii

planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

File Number	PL 21-068 Rezone from R-1 to MU-N		ContactSteven RoberPlanning Commission Date		Steven Rob	bertson	
Туре					on Date	June 8, 2021	
Deadline	Application Date Date Extension Letter Mailed		May 7, 2021 60 Days		60 Days	July 6, 2021	
for Action			May 24, 202	24, 2021 <b>120 Days</b>		September 4, 2021	
Location of Sub	ject	6920 Grand Avenue					
Applicant	Peter Cpin, Property Owner		Contact				
Agent	Donnell Kelly, Tenant (Perfect Timing Auto)		Contact				
Legal Description		See Attached Map					
Site Visit Date		May 25, 2021	Sign Notice Date			May 25, 2021	
Neighbor Letter Date		May 25, 2021	Number of Letters Sent		Sent	37	

#### Proposal

Rezone property from the current zoning of Residential-Traditional (R-1) to Mixed-Use Neighborhood (MU-N).

#### **Staff Recommendation**

Staff is recommending approval of the proposed rezoning to MU-N.

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

#### **Summary of Code Requirements**

- UDC Sec. 50-37.3.B: Planning Commission shall review the application, conduct a public hearing ... with public notice ... and make a written recommendation to council.

- UDC Sec. 50-37.3.B.3 Where a proposed amendment to the zoning map would change any property from a residential district to a mixed use, form or special purpose district, a planning commission hearing and a notice of three weeks shall be required. In addition, the affirmative vote of 2/3 of the council shall be required The city has not received the written consent of the owners of 2/3 of those properties located wholly or partially within 100 feet of the property ... to be rezoned;

- UDC Sec. 50-37.3.C: The Planning Commission shall review the application, and Council shall approve the application or approve it with modifications, if it determines that the application: 1. Is consistent with the Comprehensive Land Use Plan;
 2. Is reasonably related to the overall needs of the community, to existing land use, or to a plan for future land use; 3. Is required by public necessity, convenience, or general welfare, or good zoning practice; 4. Will not create material adverse impacts on nearby properties, or if material adverse impacts may be created they will be mitigated to the extent reasonably possible.

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

#### **Governing Principles**

The following Imagine Duluth 2035 Governing Principle(s) should be considered when reviewing the request:

#### Governing 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 opportunity for a diversity of activity that segregated, uniform uses do not provide.

#### Future Land Use

Open Space- High natural resource or scenic value, with substantial restrictions and development limitations. Primarily public lands but limited private use is anticipated subject to use and design controls. Examples include: city parks and recreation areas, primary viewsheds, shorelands of the lake and streams, wetlands and floodplains, and high-value habitat.

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, neighborhood extensions, and new traditional neighborhood areas.

#### Site History or Previous Studies

In 1998, the site was rezoned from M-1 (Manufacturing) to R-2, (Two Family Residential). At this time, in 1998, the property was used as a dairy distribution and wholesale food distribution facility. When the UDC was adopted in late 2010, the property was rezoned from R-2 to R-1 (Traditional Neighborhood), as part of a city-wide rezoning. In 2013 it was documented by the city's Zoning Administrator that the property was being used as an oil change and an auto repair business. In 2019 and 2020 the City of Duluth's Life Safety department sent enforcement letters to the property owner noting that the dumping of tires or other solid waste was prohibited, and ordering them removed. A recent site visit by zoning staff showed the presence of significant tires, and two shipping containers (only very short term use of shipping containers is allowable in R-1).

There is an underground water/stream pipe at this property (68<sup>th</sup> Avenue Creek). The stream is diverted into a pipe about 175 feet to the north and west of this property, goes under Fremont Street, and exits the pipe about 300 feet to the south and east of the property. The future land use was established in the 2006 Comprehensive Plan as "Preservation" due to the presence of the stream.

If the rezoning was approved, the property owner and/or tenant would be able to apply for a Special Use Permit to expand the existing business. At present it is considered a non-conforming use in an R-1 district.

The Irving Fairmount Brownfields Revitalization Plan, adopted in late 2017, called for changing future land use and zoning in this general area/neighborhood. The future land use north of Waseca Street, about 300 feet northeast of this site, was changed to support mixed use development. In addition, all of the eastern edge of Grand Avenue, from Waseca Street to I35 was recommended to be changed to either mixed use or commercial; none was to be retained for future residential development.

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

1) The property owner is requesting that the city rezone 6920 Grand Avenue from the current zoning of Residential-Traditional (R-1) to Mixed-Use Neighborhood (MU-N).

2) The future land use designation of this area is Open Space, adjacent to Traditional-Neighborhood. Areas with Open Space future land use designation are typically zoned either R-C (Rural Conservation), RR-1 (Rural-Residential 1), or P-1 (Park and Open Space).

3) The Minnesota Planning Act provides that zoning (an "official control") should implement the general objectives of the Comprehensive Plan, and appellate courts have issued decisions that zoning must comply with the Comprehensive Plan or be considered arbitrary and capricious. Good zoning practice requires that zone districts be consistent with the future land use category identified for the area. Other criteria for zoning may include considering existing land use patterns and if the rezoning is related to the needs to the community or existing land use.

4) The character of this immediate area is generally residential on the west side (hill side), and commercial on the east side (lake side) of Grand Avenue. Immediately to the southwest of this property is a gas station/car wash, bar restaurant, and motel, with one single family home, church, and commercial/office multi-tenant structure to the northeast of this property. Future commercial use of this site is a better fit with the character of the neighborhood than single family residential. The Irving Fairmount Brownfield Revitalization Plan called for changing the future land use and zoning designations of properties along the eastern edge of Grand Avenue, from Waseca Street north to 135, from residential to mixed use or commercial.

5) This area is currently zoned R-1. The purpose of the R-1 district is intended to "to accommodate traditional neighborhoods of single-family detached residences, duplexes and townhouses on moderately sized lots. This district is intended to be used primarily in established neighborhoods. Many of the dimensional standards in this district require development and redevelopment to be consistent with development patterns, building scale, and building location of nearby areas".

6) This area is proposed to be rezoned to MU-N. The purpose of the MU-N district is intended to "accommodate a mix of neighborhood-scale, neighborhood serving non-residential uses and a range of residential uses located in close proximity. This district accommodates both horizontal (uses located in separate structures) and vertical (uses located in the same building) types of mixed use. Non-residential uses may include small-scale retail, service and professional offices that provide goods and services to the residents of the surrounding neighborhood."

7) Based on: A) the character of the neighborhood in general and the proposed rezoning area in particularly, B) the purpose statement of the MU-N zone district, and C) historic commercial use of this property and adjoining properties along Grand Avenue, the rezoning as proposed is appropriate for this property.

8) The rezoning necessitates the review of the property for conformity with the requirements of the UDC, which the applicant shall establish to ensure any applicable performance standards or requirements for screening are met, and other violations (dumping of tires and solid waste, and long term use of shipping containers for storage) are addressed and fully corrected.

9) One comment was received from a citizen, opposed to the rezoning.

#### Staff Recommendation:

Based on the above findings, staff recommends that the Planning Commission recommend approval to the City Council of the rezoning to MU-N for the following reason:

1) Material adverse impacts on nearby properties are not anticipated.

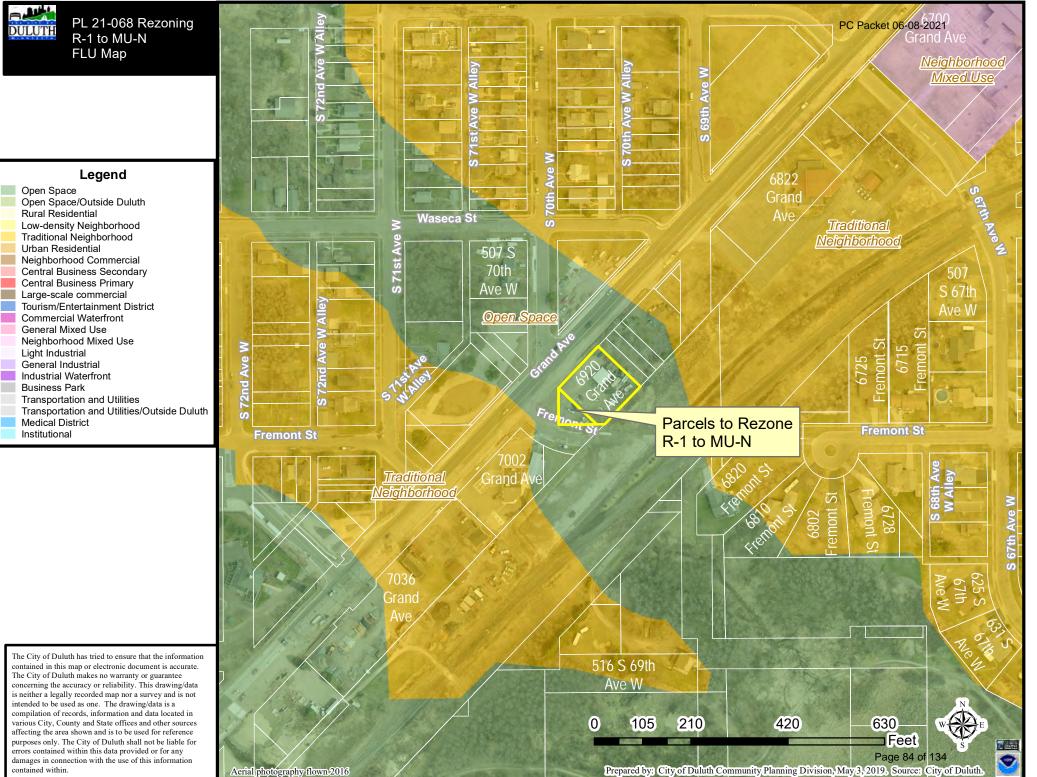


Open Space

Light Industrial

**Business Park** 

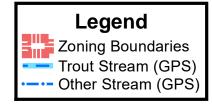
Institutional



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

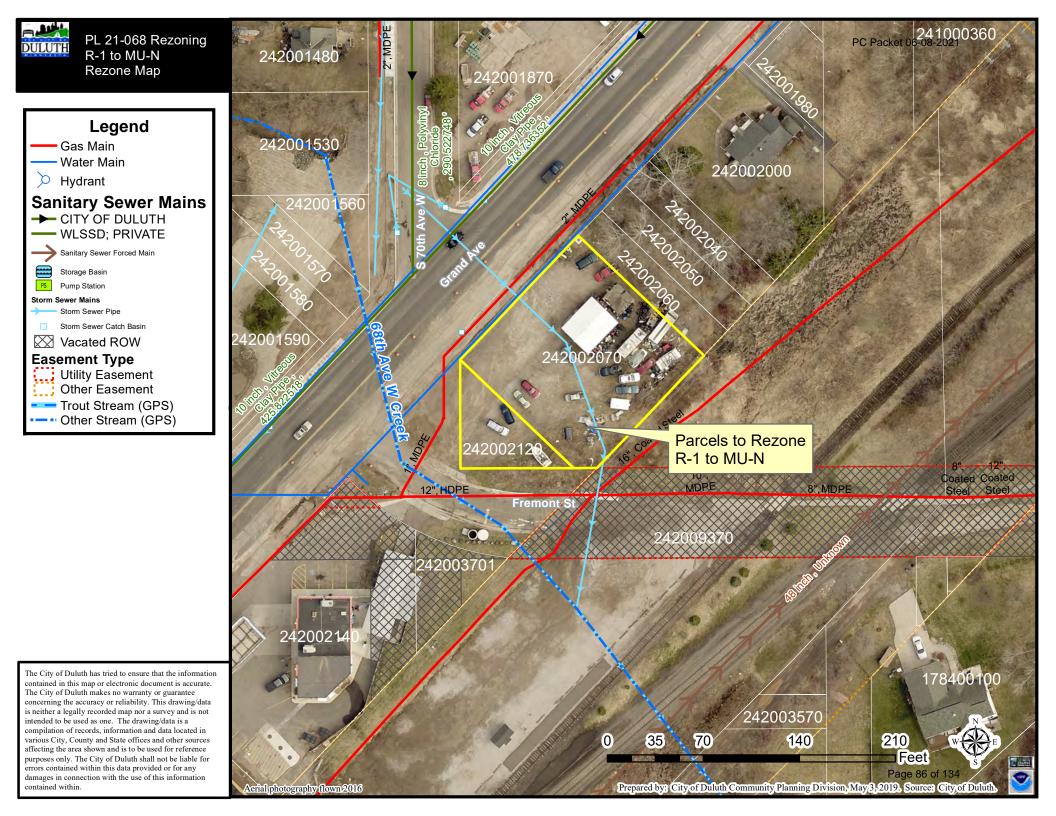


PL 21-068 Rezoning R-1 to MU-N Rezone Map





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.



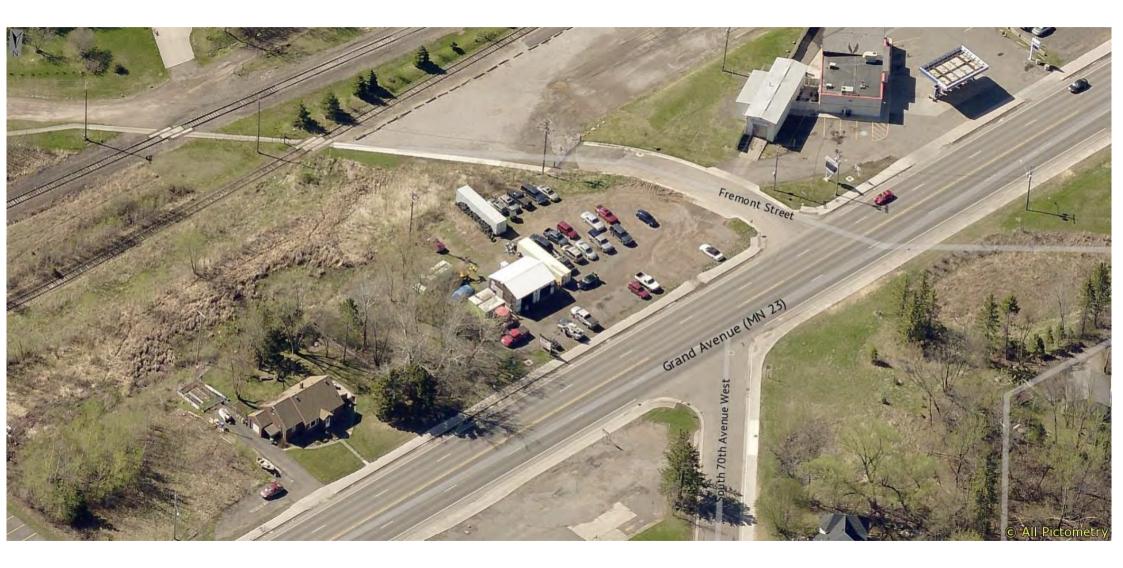
# 6920 Grand Ave

PC Packet 06-08-2021



# 6920 Grand Ave

PC Packet 06-08-2021







#### **Steven Robertson**

-----Original Message-----From: Richard Warner Sent: Thursday, May 27, 2021 8:37 AM To: planning <planning@DuluthMN.gov> Subject: Rezoning

My wife and I are very much against the rezoning for 6920 Grand Avenue from R-1 to MU-N. It has become an eyesore in the neighborhood. The accompanying picture will show what we see from the back every time we enter the cul de sac. From your view it looks as though there is encroachment where he is placing all these tires. It is also a place heavily used to walk up to Grand Avenue. Most times there are many more vehicles in this area than I saw today. With our high property taxes we do not feel this is a fair improvement to the neighborhood.

Sent from my iPhone





Page 92 of 134

:II>

Irving and Fairmount Brownfields Revitalization Plan Master Plan Recommendations

Irving and Fairmount Brownfields Revitalization Plan 

Duluth, Minnesota



**MEMO** 

**Planning & Development Division** Planning & Economic Development Department

218-730-5580 planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

то:	Planning Commission
FROM:	Adam Fulton, Deputy Director of Planning and Development
DATE:	June 1, 2021
RE:	Conformance of Development District #17 for The Burnham (former SLC Jail) Development to Comprehensive Plan

In order to facilitate development of the Burnham Apartments, located at 521 West 2<sup>nd</sup> Street (the "Project"), the City needs to modify Tax Increment Financing (TIF) Development District #17. The role of the Planning Commission is to make sure the proposed development and its uses are consistent with the Comprehensive Plan and Unified Development Chapter (UDC). Tax Increment Financing (TIF) is a financing tool that uses the increase in property taxes generated from site improvements to pay for a portion of those improvements.

The Project will consist of the redevelopment of the former St. Louis County Jail into a 32-unit residential apartment building spanning six floors, including the lower level. The majority of the units will be studio and one-bedroom units, four of which will be affordable to tenants earning 60% of the Area Media Income. The project also includes an interior utility system and accessibility upgrades, as well as exterior landscaping and surface parking lot repair and replacement.

The future land-use designation of the development site is Central Business Primary (CBP). According to the Imagine Duluth 2035 Comprehensive Plan, CBP areas are intended for a broad range of uses and intensities including: governmental campuses, significant retail, entertainment and lodging, high-density housing, public open space, and public parking facilities. This land use is designated for Downtown Duluth corridor. The proposed development meets the intent of this future land use.

The property is zoned F-5; according to the Unified Development Chapter, "The F-5 District is applied to both the West Superior Street study area (Lincoln Park) and the transitional areas surrounding Downtown, including Canal Park and Central Hillside (Second Street from Sixth Avenue West to Third Avenue East). These areas consist of a combination of traditional mixed-use buildings and office buildings." F-5 is an appropriate zone designation for the CBP future land use category. It allows apartments as proposed by this project.

This project implements the following Comprehensive Plan principles:

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. This strengthens neighborhoods and is preferred to a dispersed development pattern with associated alteration of natural landscapes and extensions of public services. Site preparation or building modification costs are offset by savings in existing public infrastructure such as streets and utilities, and transit, fire, and police services.

*Principle #3 -Support existing economic base*. Supporting Duluth's existing economic foundation maintains jobs, tax base, and opportunity. Economic activity with specific location requirements may be subject to displacement or site competition with changes in real estate values. This traditional economic activity faces change as a result of global economic patterns, changing markets, new regulation, and aging of extensive infrastructure. Nevertheless, fundamentals remain and the economic contribution, sometimes taken for granted, is significant. This project supports the significant economic base of the Central Business district, which contains Duluth's highest concentration of commercial and retail businesses. Residential units in an area lacking will contribute to more patronization of these businesses.

*Principle #5 Promote reinvestment in neighborhoods*. Duluth is strongly defined by its neighborhoods. This system should be supported through land use and transportation that foster neighborhood reinvestment. New development or redevelopment should maximize public investment that strengthens neighborhood commercial centers or diversifies residential opportunities that fit the neighborhood's character.

*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. This project provides a new multifamily housing opportunity in Downtown and will bolster existing and future businesses by housing potential customers in the immediate vicinity.

*Principle #12 Create efficiencies in delivery of public services.* The costs of public service must be considered in land use decisions. Street construction and maintenance, utilities, libraries, fire, police, snow removal, and recreation facilities are services directly related to the physical location of development. Infrastructure should help direct development location rather than react to it. The integration of public services to maximize efficiencies with all related use decisions should be evaluated.

*Principle #6 Reinforce the place-specific.* Public and private actions should reinforce cultural, physical, and economic features which have traditionally defined Duluth, its open space, and its neighborhoods. Defining elements that reinforce the place-specific include climate-specific materials and design; repair and use of historic walls, bridges, and buildings. This project involves thoughtful renovation and preservation of the historic former St. Louis County Jail.

City staff believe that the proposed development conforms to and implements the Comprehensive Plan principles. City staff ask that the Planning Commission review this item, and following discussion, make a finding that it conforms to the Imagine Duluth 2035 Comprehensive Plan.

#### PLANNING COMMISSION CITY OF DULUTH, MINNESOTA

#### RESOLUTION NO. 21-070

#### RESOLUTION OF THE CITY OF DULUTH PLANNING COMMISSION FINDING THAT A MODIFICATION TO THE DEVELOPMENT PROGRAM FOR DEVELOPMENT DISTRICT NO. 17 AND A TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT NO. 35 (ST. LOUIS COUNTY JAIL) CONFORM TO THE GENERAL PLANS FOR THE DEVELOPMENT AND REDEVELOPMENT OF THE CITY.

WHEREAS, the Duluth Economic Development Authority (the "DEDA") and the City of Duluth (the "City") have proposed to adopt a Modification to the Development Program for Development District No. 17 (the "Development Program Modification") and a Tax Increment Financing Plan for Tax Increment Financing District No. 35 (St. Louis County Jail) (the "TIF Plan") therefor (the Development Program Modification and the TIF Plan are referred to collectively herein as the "Program and Plan") and have submitted the Program and Plan to the City Planning Commission (the "Commission") pursuant to Minnesota Statutes, Section 469.175, Subd.3, and

WHEREAS, the Commission has reviewed the Program and Plan to determine their conformity with the general plans for the development and redevelopment of the City as described in the comprehensive plan for the City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Program and Plan conform to the general plans for the development and redevelopment of the City as a whole.

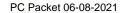
Dated: \_\_\_\_\_, 2021

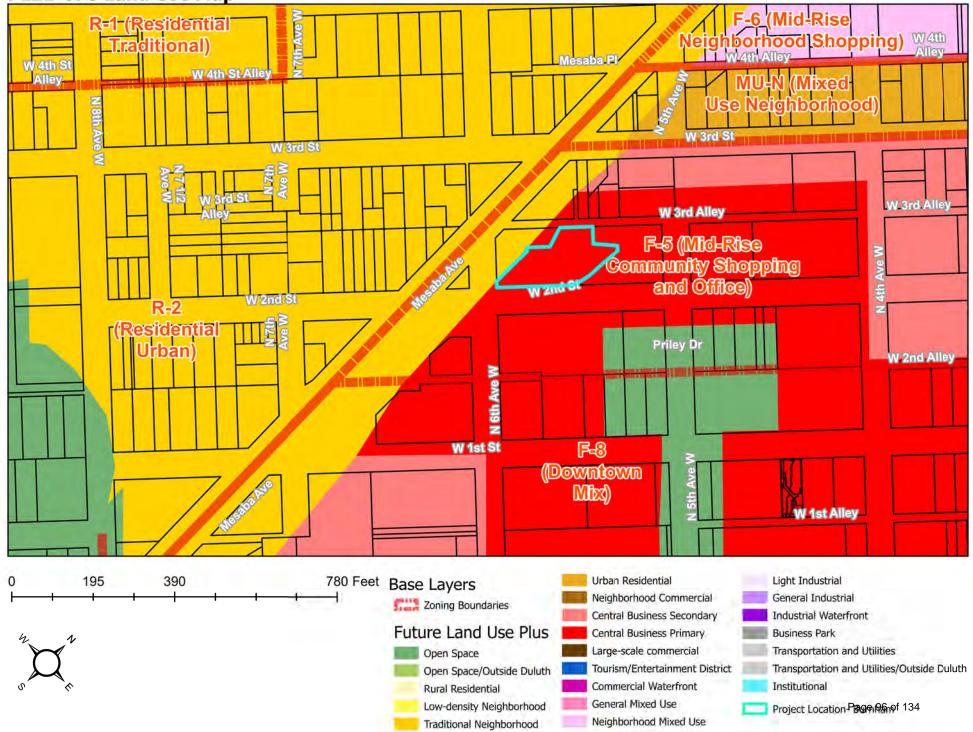
Chair

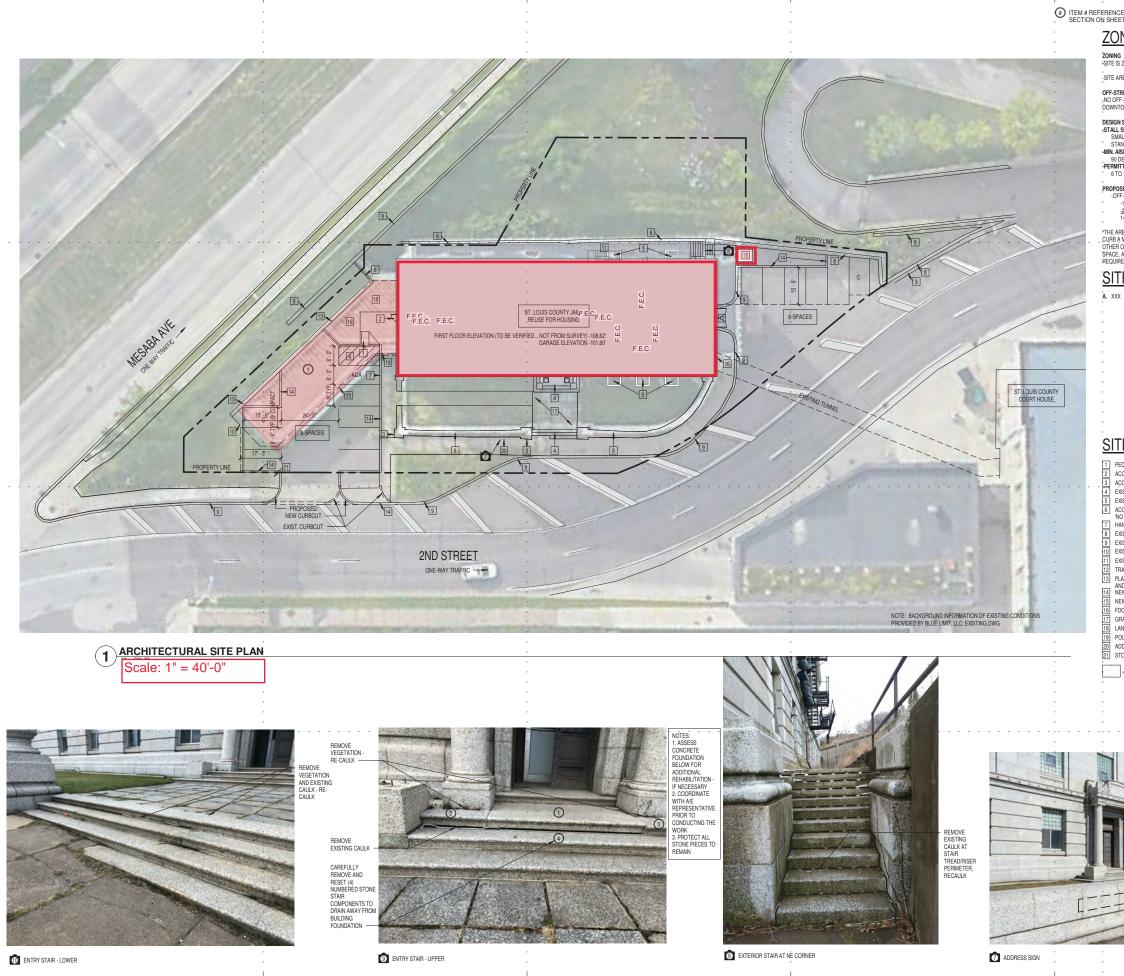
ATTEST:

Secretary

### PL21-070 Land Use Map







(#) ITEM # REFERENCE IN HISTORIC REPORT, SEE HISTORIC APPROVAL SECTION ON SHEET G0.10

### **ZONING NOTES:**

20NING SITE IS ZONED F-5 (MID-RISE COMMUNITY SHOPPING AND OFFICE)

-SITE AREA = 24.539SF (.56 ACRES)

OFF-STREET PARKING REQUIRED (PER UDC TABLE 50-24-1 APPLICABILITY, EXCEPTION D) NO OFF-STREET PARKING SHALL BE REQUIRED WITHIN THE BOUNDARIES FO THE DOWNTOWN AREA SHOWN IN EXHIBIT 50-24.1-1. <u>SITE IS WITHIN THIS AREA</u>

DESIGN STANDARDS (TABLE 50-24-4)

STALL SIZE SMALL, 8.5FT. x 15 FT. STANDARD, 9FT x 17FT.

-MIN. AISLE WIDTHS
90 DEGREE, TWO-WAY, 24FT.
-PERMITTED PERCENTAGE OF SMALL CARS
6 TO 100 SPACES = 40% MAX. % OF SMALL CARS

PROPOSED PARKING OFF-STREET SPACES 12 STANDARD

-2 COMPACT 14 TOTAL SPACES

THE AREA SET ASIDE FOR A PARKING SPACE MAY ENCROACH BEYOND THE FACE OF A CURB A MAX. OF 1.5FT. PROVIDED THAT (A) IT DOES NOT INCLUDE TREES, POSTS, OR OTHER OBSTRUCTIONS THAT WOULD PREVENT A VEHICLE FROM FULLY UTILIZING THE SPACE, ANO (B) IT IS NOT INCLUDE IN REQUIRED OPEN SPACE, LANDSCAPE AREA REQUIREMENTS, OR REQUIRED PEDESTRIAN WALKWAYS.

### SITE PLAN GENERAL NOTES:

# SITE PLAN KEY NOTES:

PEDESTRIAN RAMP
 ACCESSIBLE ENTRY

 3
 ACCESSIBLE ENTRY DIRECTIONAL SIGN

 4
 EXISTING STAIRS, TO BE REPAIRED AND REMAIN

 Image: Stains, I observated and newain

 Is existing window window

 Is existing window

 Is existing access alsue, alsue to be striped and no parking access alsue, alsue to be striped and no parking is to be panited on the suprace

 In Ability and the suprace of the

9 EXISTING CURB 10 EXISTING ADDITION OUTLINE, TO BE DEMOLISHED

EXISTING FIRE ESCAPE ABOVE TRASH ROOM ACCESS

 12
 TRASH ROOM ACCESS

 13
 PLAN NORTH WALL OF DEMOLISHED ADDITION SHALL REMAIN AND SERVE AS RETAINING WALL

 14
 NEW CURB

 15
 NEW TRANSFORMER LOCATION (5 % 6 SHOWN)

FDC CONNECTION

GRANITE PAVERS TO REMAIN

LANDSCAPED AREA

POLE MOUNTED 'NO PARKING' SIGN

ADDRESS SIGN

21 STOP SIGN

EXISTING CONCRETE WADDRESS SIGN O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O
 O PACHER PLATE WHICH IS TO BE FASTENED TO THE STORE AT MORTAR JOINTS ONLY. LETTERS TO HAVE 3/4\* STANDOFFS TEXT: 321 W. 2ND STREET -PROVIDE LED BACKLIGHTING



# Blue Limit, LLC

#### 620 South 6TH Street Minneapolis, MN 55404

THIS SQUARE APPEARS 1/2"x1/2" ON FULL SIZE SHEETS NOTE: THIS SHEET IS TO BE PRINTED IN COLOR TO READ CORRECTLY 100% CONSTRUCTION DOCUMENTS 1/10/20 DATE ISSUED FOR NO NO DATE REVISION 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 the State of Minnesota. CANN / RDM Signature: Typed or Printed Name: / ANDREW MADSON Date: \_\_\_\_1/10/20 Reg. No.: 50555 COPYRIGHT 2018 BY LHB. INC. ALL BIGHTS RESERVE

PROJECT NAME: St. Louis Co Jail -Conversion to Housing

#### 521 W. 2ND STREET Duluth, MN 55802

DRAWING TITLE: ARCHITECTURAL SITE PLAN

DRAWN BY: JGH CHECKED BY:KMB PROJ. NO: 180039

DRAWING NO:

G NO: A0.10 Page 97 of 134

NORTH

# PERFORMANCE DRIVEN DESIGN.

LHBcorp.com

701 Washington Ave. N, Ste 200 | Minneapolis, MN 55401 | 612.338.2029

### MODIFICATION TO REDEVELOPMENT PLAN/ MUNICIPAL DEVELOPMENT DISTRICT PROGRAM PLAN DATED MAY 15, 1989

### A. <u>Statement of Statutory Authority</u>

Pursuant to Minnesota Statutes, Sections 469.090 through 469.108 (the "EDA Act"), the City Council of the City of Duluth, Minnesota (the "City"), established the Duluth Economic Development Authority ("DEDA") by resolution dated April 24, 1989 (the "Resolution"). The EDA Act and the Resolution authorize DEDA to establish municipal development districts pursuant to Minnesota Statutes, Sections 469.124 through 469.134, and housing development projects pursuant to Minnesota Statutes, Sections 469.047. Within such projects, DEDA is authorized, pursuant to Minnesota Statutes, Sections 469.174 through 469.179 (the "Act"), to create tax increment financing districts.

In accordance with the above-referenced statutory authority, DEDA established the Redevelopment Plan/Municipal Development District (the "Project") and adopted the Redevelopment Plan/Municipal Development District Program Plan, dated May 15, 1989, for the Project (the "Project Plan").

#### B. Modification to the Project

DEDA desires to utilize TIF monies outside the current geographic boundaries of the Project. Additionally, DEDA may desire to provide tax-increment assistance for housing developments located in areas of the City that are outside the current geographic boundaries of the Project.

DEDA is modifying the Project and the Project Plan by expanding the geographic boundaries of the Project to include all property within the City of Duluth as legally described in Exhibit A and as shown on Exhibit B attached hereto and incorporated herein.

#### C. <u>Statement of Objectives</u>

As provided in the Redevelopment Plan/Municipal Development District Program Plan, the general objectives for the Project are as follows:

- 1. to increase the supply of decent, safe and sanitary housing within the community for persons of all income levels, with emphasis on the creation of rental and ownership opportunities for persons and families of low and moderate income;
- 2. to provide such housing in areas that are appropriate for such uses and

in need of housing investment, with emphasis upon lands potentially useful for contributing to the public welfare, but which, by reason of special problems or conditions, have not reached full development potential by the ordinary operations of private enterprise;

. *•* 

- 3. to carry out the provision of housing and development of undeveloped and underdeveloped lands within the City, compatible with the planning needs of such areas and consistent with the general land use plan and other components of the City's Comprehensive Plan;
- 4. where necessary, to further the projection of low- and moderate-income units in an appropriate economic mix, in such ratio as DEDA determines is necessary to meet the objectives of the City's Comprehensive Plan and project development financing requirements;
- 5. to coordinate acquisition, site preparation and improvements, provision of necessary public improvements and facilities, provision of low and moderate income housing and other Project activities on Project housing sites, and to spread and equalize the costs thereof, in order to accomplish the entire Project development at a cost reasonably related to the public purposes to be served;
- 6. to establish re-use valuations based on housing re-use, or use ancillary to the provision of housing, including the provision of low- and moderate-income units, and to sell acquired project sites for private redevelopment in accordance with the Housing Development Project/Municipal Development District Program Plan, dated May 15,1989, at economically feasible land sale prices in order to induce and make possible private participation in the Project District development;
- 7. to provide private developers with information regarding zoning, land use controls, and other City and Project requirements; information and assistance in obtaining construction and permanent financing; and information and assistance regarding construction of site and public improvements and financing for measures necessary to correct site sub-soil conditions or other characteristics which are inhibiting normal development, all in accordance with development agreements;
- 8. to assist in the provision of rental opportunities to persons of low and moderate income at prices or rents within their means and to make advance commitments with respect to such rental assistance in low and moderate income units in order to assist developers in securing financing for housing improvements;

- 9. to finance the development costs of the Project and the provision of low- and moderate-income housing by means of tax increment generated by Project improvements and development and through the use of other available funding sources; and
- 10. to finance housing development and land redevelopment by a combination of private and public financing sources under the authority of and subject to the requirements of applicable federal, state and local laws and ordinances.
- 11. to encourage and promote the development of tax-forfeited lands located in the Project and thereby guide the type of developments which will enhance the quality of the surrounding neighborhood.
- 12. to promote the voluntary rehabilitation of substandard, or deteriorated or deteriorating housing units within the Project through the use of tax increment and other available funds.
- 13. to encourage and assist the development of private and public improvements which do not by themselves provide additional housing units within the Project, but which are necessary to serve the needs of residents of existing and projected residential areas.
- D. <u>Exhibits</u>.

,

The Exhibits to this document are as follows:

- Exhibit A: Legal Description of Redevelopment Plan/Municipal Development District
- Exhibit B: Map of Redevelopment Plan/Municipal Development District

I:\BUS\_DEV\DEDA\TIF\housingdistrict\districtplan

#### Exhibit A

That property located in St. Louis County, Minnesota as follows:

### CHAPTER I. NAME AND GENERAL POWERS.

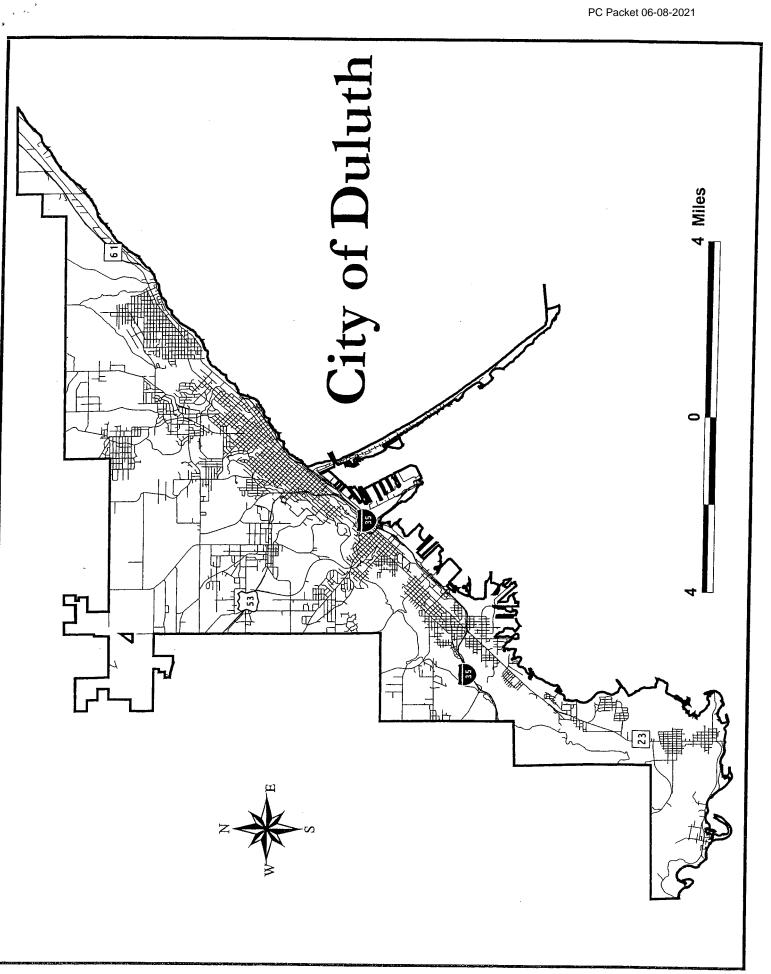
#### Sec. 1. Generally.

The city of Duluth in the County of St. Louis and State of Minnesota shall continue to be, upon the adoption of this Charter, a municipal corporation of the same name, and with the same boundaries as it now has, to-wit: Commencing at a point where the north line of section twenty-five (25) township fifty-one (51) north of range thirteen (13) west, in St. Louis County, Minnesota, intersects the shore line of Lake Superior; thence west to the northwest corner of section twenty-six (26), in said township fifty-one (51) north of range thirteen (13) west; thence south to the quarter corner post on the west line of said section twenty-six (26); thence west to the center of section twenty-seven (27) in said township fifty-one (51) north of range thirteen (13) west; thence south to the quarter corner post on the south line of said section twenty-seven (27); thence west to the northwest corner of section thirty-five (35) in township fifty-one (51) north of range fourteen (14) west; thence south to the southwest corner of said section thirty-five (35); thence west to the northwest corner of township fifty (50) north of range fourteen (14) west; thence south to the southwest corner of said township fifty (50) north of range fourteen (14) west; thence west to the northwest corner of section two (2) in township forty-nine (49) north of range fifteen (15) west; thence south to the southwest corner of section fourteen (14) in said township forty-nine (49) north of range fifteen (15) west, thence west to the northwest corner of section twenty-two (22) in said township forty-nine (49) north of range fifteen (15) west; thence south to the southwest corner of section thirty-four (34) in said township forty-nine (49) north of range fifteen (15) west; thence west on the town line between township forty-eight (48) north of range fifteen (15) west and township forty-nine (49) north of range fifteen (15) west, to the southwest corner of said township forty-nine (49) north of range fifteen (15) west; thence south on the range line between township forty-eight (48) north of range fifteen (15) west and township forty-eight (48) north of range sixteen (16) west, to the center line of the channel of the St. Louis River; thence along the center line of the channel of said river to the state boundary line between the States of Minnesota and Wisconsin; thence along said state boundary line to the mouth of the St. Louis River at the entry of the Bay of Superior between Minnesota and Wisconsin points; thence in a straight line to the place of beginning.

By and in its corporate name, it shall have perpetual succession; save as herein otherwise provided and save as prohibited by the Constitution or Statutes of the State of Minnesota, it shall have and exercise all powers, functions, rights and privileges possessed by the city of Duluth prior to the adoption of this Charter; also all powers, functions, rights and privileges now or hereafter given or granted to municipal corporations of the first class having "home rule charters" by the Constitution and laws of the State of Minnesota; also all powers, functions, rights and privileges usually exercised by, or which are incidental to, or inhere in, municipal corporations of like power and degree; also all municipal power,<sup>2</sup> functions, rights, privileges and immunities of every name and nature whatsoever; and in addition, it shall have all the powers, and be subject to the restrictions contained in this Charter. In its corporate name, it may take and hold, by purchase, condemnation, gift or devise, and lease and convey any and all such real, personal or mixed property, within or without its boundaries as its purposes may require, or as may be useful or beneficial to its inhabitants.

(A). Certain lands upon which the Duluth International Airport is located were annexed to the corporate limits of the city of Duluth by Ord. No. 7564, passed February 13, 1967, under authority of M.S.A. 414.03, Subd. 2.

ĺ



.

Adoption Date: July 6, 2021

# Duluth Economic Development Authority City of Duluth, St. Louis County, Minnesota

# MODIFICATION TO THE DEVELOPMENT PROGRAM

Development District No. 17

&

# Tax Increment Financing (TIF) Plan

Establishment of Tax Increment Financing District No. 35: St. Louis County Jail (a redevelopment district)



Prepared by:

Ehlers 3060 Centre Pointe Drive Roseville, Minnesota 55113

# BUILDING COMMUNITIES. IT'S WHAT WE DO.

# TABLE OF CONTENTS

Modification to the Development Program for Development District No. 17	1
FOREWORD	1
Tax Increment Financing Plan for Tax Increment Financing District No. 35: St. County Jail	Louis 2
FOREWORD	2
STATUTORY AUTHORITY	2
STATEMENT OF OBJECTIVES	2
DEVELOPMENT PROGRAM OVERVIEW	3
DESCRIPTION OF PROPERTY IN THE DISTRICT AND PROPERTY TO BE ACQUIRED	3
DISTRICT CLASSIFICATION	4
DURATION & FIRST YEAR OF DISTRICT'S TAX INCREMENT	4
ORIGINAL TAX CAPACITY, TAX RATE & ESTIMATED CAPTURED NET TAX CAPACITY VALUE/INCREMENT & NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS	4
SOURCES OF REVENUE/BONDS TO BE ISSUED	6
USES OF FUNDS	7
ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS	8
SUPPORTING DOCUMENTATION	10
DISTRICT ADMINISTRATION	10
Appendix A: Map of Development District No. 17 and the District	11
Appendix B: Estimated Cash Flow for the District	12
Appendix C: Findings Including But/For Qualifications	13
Appendix D: Redevelopment Qualifications for the District	16

# Modification to the Development Program for Development District No. 17

### FOREWORD

The following text represents a Modification to the Development Program for Development District No. 17. This modification represents a continuation of the goals and objectives set forth in the Development Program for Development District No. 17. Generally, the substantive changes include the establishment of Tax Increment Financing District No. 35: St. Louis County Jail.

For further information, a review of the Development Program for Development District No. 17, is recommended. It is available from the Senior Housing Developer at the City of Duluth. Other relevant information is contained in the Tax Increment Financing Plans for the Tax Increment Financing Districts Iocated within Development District No. 17.

# Tax Increment Financing Plan for Tax Increment Financing District No. 35: St. Louis County Jail

# FOREWORD

The Duluth Economic Development Authority ("DEDA"), the City of Duluth (the "City"), staff and consultants have prepared the following information to expedite the Establishment of Tax Increment Financing District No. 35: St. Louis County Jail (the "District"), a redevelopment tax increment financing district, located in Development District No. 17.

# STATUTORY AUTHORITY

Within the City, there exist areas where public involvement is necessary to cause development or redevelopment to occur. To this end, DEDA and City have certain statutory powers pursuant to *Minnesota Statutes ("M.S."), Sections* 469.124 - 469.133, 469.090 - 469.1082, inclusive, as amended, and *M.S., Sections* 469.174 to 469.1794, inclusive, as amended (the "Tax Increment Financing Act" or "TIF Act"), to assist in financing public costs related to this project.

This section contains the Tax Increment Financing Plan (the "TIF Plan") for the District. Other relevant information is contained in the Modification to the Development Program for Development District No. 17.

# STATEMENT OF OBJECTIVES

The District currently consists of one parcel of land and adjacent roads and internal rights-of-way. The District is being created to facilitate the renovation of the former St. Louis County Jail into a 32-unit residential housing apartment building in the City. DEDA intends to enter into an agreement with New Burnham LLC as the developer. Development is anticipated to begin in 2022. This TIF Plan is expected to achieve many of the objectives outlined in the Development Program for Development District No. 17.

The activities contemplated in the Modification to the Development Program and the TIF Plan do not preclude the undertaking of other qualified development or redevelopment activities. These activities are anticipated to occur over the life of Development District No. 17 and the District.

# DEVELOPMENT PROGRAM OVERVIEW

Pursuant to the Development Program and authorizing state statutes, DEDA or City is authorized to undertake the following activities in the District:

- 1. Property to be Acquired Selected property located within the District may be acquired by DEDA or the City and is further described in this TIF Plan.
- 2. Relocation Relocation services, to the extent required by law, are available pursuant to *M.S., Chapter 117* and other relevant state and federal laws.
- 3. Upon approval of a developer's plan relating to the project and completion of the necessary legal requirements, DEDA or City may sell to a developer selected properties that it may acquire within the District or may lease land or facilities to a developer.
- 4. DEDA or City may perform or provide for some or all necessary acquisition, construction, relocation, demolition, and required utilities and public street work within the District.

# DESCRIPTION OF PROPERTY IN THE DISTRICT AND PROPERTY TO BE ACQUIRED

The District encompasses all property and adjacent roads rights-of-way and abutting roadways identified by the parcels listed below.

Parcel number	Address	Owner
010-1250-00330	521 W 2nd St	Jail Holdings LLC

Please also see the map in Appendix A for further information on the location of the District.

DEDA or City may acquire any parcel within the District including interior and adjacent street rights of way. Any properties identified for acquisition will be acquired by DEDA or City only in order to accomplish one or more of the following: storm sewer improvements; provide land for needed public streets, utilities and facilities; carry out land acquisition, site improvements, clearance and/or development to accomplish the uses and objectives set forth in this plan. DEDA or City may acquire property by gift, dedication, condemnation or direct purchase from willing sellers in order to achieve the objectives of this TIF Plan. Such acquisitions will be undertaken only when there is assurance of funding to finance the acquisition and related costs.

# DISTRICT CLASSIFICATION

DEDA and City, in determining the need to create a tax increment financing district in accordance with *M.S., Sections 469.174 to 469.1794*, as amended, inclusive, find that the District, to be established, is a redevelopment district pursuant to *M.S., Section 469.174, Subd. 10(a)(1).* 

- The District is a redevelopment district consisting of one parcel.
- An inventory shows that parcels consisting of more than 70 percent of the area in the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures.
- An inspection of the buildings located within the District finds that more than 50 percent of the buildings are structurally substandard as defined in the TIF Act. (See Appendix D).

Pursuant to *M.S., Section 469.176, Subd. 7*, the District does not contain any parcel or part of a parcel that qualified under the provisions of *M.S., Sections 273.111, 273.112, or 273.114* or *Chapter 473H* for taxes payable in any of the five calendar years before the filing of the request for certification of the District.

# **DURATION & FIRST YEAR OF DISTRICT'S TAX INCREMENT**

Pursuant to *M.S., Section 469.175, Subd. 1, and Section 469.176, Subd. 1,* the duration and first year of tax increment of the District must be indicated within the TIF Plan. Pursuant to *M.S., Section 469.176, Subd. 1b.,* the duration of the District will be 25 years after receipt of the first increment by DEDA or City (a total of 26 years of tax increment). DEDA or City elects to receive the first tax increment in 2024, which is no later than four years following the year of approval of the District.

Thus, it is estimated that the District, including any modifications of the TIF Plan for subsequent phases or other changes, would terminate after 2049, or when the TIF Plan is satisfied. DEDA or City reserves the right to decertify the District prior to the legally required date.

# ORIGINAL TAX CAPACITY, TAX RATE & ESTIMATED CAPTURED NET TAX CAPACITY VALUE/INCREMENT & NOTIFICATION OF PRIOR PLANNED IMPROVEMENTS

Pursuant to *M.S., Section 469.174, Subd. 7 and M.S., Section 469.177, Subd. 1*, the Original Net Tax Capacity (ONTC) as certified for the District will be based on the market values placed on the property by the assessor in 2021 for taxes payable 2022.

Pursuant to *M.S., Section 469.177, Subds. 1 and 2*, the County Auditor shall certify in each year (beginning in the payment year 2024) the amount by which the original value has increased or decreased as a result of:

- 1. Change in tax exempt status of property;
- 2. Reduction or enlargement of the geographic boundaries of the district;
- 3. Change due to adjustments, negotiated or court-ordered abatements;
- 4. Change in the use of the property and classification;
- 5. Change in state law governing class rates; or
- 6. Change in previously issued building permits.

In any year in which the current Net Tax Capacity (NTC) value of the District declines below the ONTC, no value will be captured and no tax increment will be payable to DEDA or City.

The original local tax rate for the District will be the local tax rate for taxes payable in 2022, assuming the request for certification is made before June 30, 2022. The ONTC and the Original Local Tax Rate for the District in the table below are for taxes payable in 2021 since the local tax rate for taxes payable in 2022 was not available at time of the TIF Plan preparation.

Pursuant to *M.S., Section 469.174 Subd. 4 and M.S., Section 469.177, Subd. 1, 2, and 4*, the estimated Captured Net Tax Capacity (CTC) of the District, within Development District No. 17, upon completion of the projects within the District, will annually approximate tax increment revenues as shown in the table below. DEDA and City request 100 percent of the available increase in tax capacity for repayment of its obligations and current expenditures, beginning in the tax year payable 2024. The Project Tax Capacity (PTC) listed is an estimate of values when the projects within the District are completed.

Project Tax Capacity	
Project estimated Tax Capacity upon completion	106,722
Original estimated Net Tax Capacity	1,035
Fiscal Disparities	0
Estimated Captured Tax Capacity	105,687
Original Local Tax Rate	<u>141.9420%</u> Pay 2021
Estimated Annual Tax Increment Percent Retainted by the City	<b>\$150,014</b> 100%

Note: Tax capacity includes a 3% inflation factor for the duration of the District. The tax capacity included in this chart is the estimated tax capacity of the District in year 25. The tax capacity of the District in year one is estimated to be \$26,250.

Pursuant to *M.S., Section 469.177, Subd. 4*, DEDA shall, after a due and diligent search, accompany its request for certification to the County Auditor or its notice of the District enlargement pursuant to *M.S., Section 469.175, Subd. 4*, with a listing of all properties within the District or area of enlargement for which building permits have been issued during the eighteen (18) months immediately preceding approval of the TIF Plan by the municipality pursuant to *M.S., Section 469.175, Subd. 3.* The County Auditor shall increase the original net tax capacity of the District by the net tax capacity of improvements for which a building permit was issued.

DEDA has reviewed the area to be included in the District and determined no building permits have been issued during the 18 months immediately preceding approval of the TIF Plan.

## SOURCES OF REVENUE/BONDS TO BE ISSUED

The total estimated tax increment revenues for the District are shown in the table below:

SOURCES	
Tax Increment	\$2,706,214
Interest	270,621
TOTAL	\$2,976,835

The costs outlined in the Uses of Funds will be financed primarily through the annual collection of tax increments. DEDA or City reserves the right to incur bonds or other indebtedness as a result of the TIF Plan. As presently proposed, the projects within the District will be financed by pay-as-you-go notes and interfund loans. Any refunding amounts will be deemed a budgeted cost without a formal TIF Plan Modification. This provision does not obligate DEDA or City to incur debt. DEDA or City will issue bonds or incur other debt only upon the determination that such action is in the best interest of the City.

DEDA or City may issue bonds (as defined in the TIF Act) secured in whole or in part with tax increments from the District in a maximum principal amount of \$1,910,562. Such bonds may be in the form of pay-as-you-go notes, revenue bonds or notes, general obligation bonds, or interfund loans. This estimate of total bonded indebtedness is a cumulative statement of authority under this TIF Plan as of the date of approval.

### USES OF FUNDS

Currently under consideration for the District is a proposal to facilitate the renovation of the former St. Louis County Jail into a 32-unit apartment. DEDA and City have determined that it will be necessary to provide assistance to the project(s) for certain District costs, as described.

DEDA has studied the feasibility of the development or redevelopment of property in and around the District. To facilitate the establishment and development or redevelopment of the District, this TIF Plan authorizes the use of tax increment financing to pay for the cost of certain eligible expenses. The estimate of public costs and uses of funds associated with the District is outlined in the following table.

USES		
Land/Building Acquisition	\$	500,000
Site Improvements/Preparation		200,000
Utilities		50,000
Other Qualifying Improvements		889,941
Administrative Costs (up to 10%)		270,621
PROJECT COSTS TOTAL	\$1	,910,562
Interest		1,066,273
PROJECT AND INTEREST COSTS TOTAL	\$2	2,976,835

The total project cost, including financing costs (interest) listed in the table above does not exceed the total projected tax increments for the District as shown in the Sources of Revenue section.

Estimated costs associated with the District are subject to change among categories without a modification to this TIF Plan. The cost of all activities to be considered for tax increment financing will not exceed, without formal modification, the budget above pursuant to the applicable statutory requirements. Pursuant to *M.S., Section 469.1763, Subd. 2,* no more than 25 percent of the tax increment paid by property within the District will be spent on activities related to development or redevelopment outside of the District but within the boundaries of Development District No. 17, (including administrative costs, which are considered to be spent outside of the District) subject to the limitations as described in this TIF Plan.

## ESTIMATED IMPACT ON OTHER TAXING JURISDICTIONS

The estimated impact on other taxing jurisdictions assumes that the redevelopment contemplated by the TIF Plan would occur without the creation of the District. However, DEDA or City has determined that such development or redevelopment would not occur "but for" tax increment financing and that, therefore, the fiscal impact on other taxing jurisdictions is \$0. The estimated fiscal impact of the District would be as follows if the "but for" test was not met:

Impact on Tax Base								
		Estimated						
	2020/Pay 2021	Captured	Percent of					
Entity	Total Net Tax	Tax Capacity	CTC to					
	Capacity	(CTC) upon	Entity Total					
		completion						
St. Louis County	205,797,844	105,687	0.0514%					
City of Duluth	83,567,551	105,687	0.1265%					
ISD 709 (Duluth)	93,009,780	105,687	0.1136%					

Impact on Tax Rates									
Entity	Pay 2021 Extension Rate	Percent of Total	стс	Potential Taxes					
St. Louis County	66.2640%	46.68%	105,687	\$ 70,032					
City of Duluth	41.6960%	29.38%	105,687	44,067					
ISD 709 (Duluth)	28.0170%	19.74%	105,687	29,610					
Other	5.9650%	4.20%	105,687	6,304					
	141.9420%	100.00%		\$150,014					

The estimates listed above display the captured tax capacity when all construction is completed. The tax rate used for calculations is the Pay 2021 rate. The total net capacity for the entities listed above are based on Pay 2022 figures. The District will be certified under the Pay 2022 rates, which were unavailable at the time this TIF Plan was prepared.

Pursuant to M.S. Section 469.175 Subd. 2(b):

 Estimate of total tax increment. It is estimated that the total amount of tax increment that will be generated over the life of the District is \$2,706,214; (2) Probable impact of the District on city provided services and ability to issue debt. An impact of the District on police protection is expected. With any addition of new residents or businesses, police calls for service will be increased. The police department forecasts approximately 150-165 calls for service may be generated annually. In addition, the project may require future intervention by other entities of the police department relating to repeat calls for service and excessive police services. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities. In addition, the police department determines it can manage the financial and non-financial impacts that may arise from the project under current operations and budget.

The probable impact of the District on fire protection is not expected to be significant. With any new residential development there is a possibility of medical or assist calls from the fire department. With additional rental residential developments being added to the City, there may be a need for an additional rental inspector in the future. At that time, a small vehicle would be needed but is not required at this time. The project will include building upgrades, including to the sprinkler system, which increases the safety of the building, the people using the building and the fire fighters responding to any structure fires. The City does not expect that the proposed development, in and of itself, will necessitate new capital investment in vehicles or facilities.

The impact of the District on public infrastructure is expected to be minimal. The development is not expected to significantly impact any traffic movements in the area. The current infrastructure for sanitary sewer, storm sewer and water will be able to handle the additional volume generated from the proposed development. Based on the development plans, there are no additional costs associated with street maintenance, sweeping, plowing, lighting and sidewalks.

The probable impact of any District general obligation tax increment bonds on the ability to issue debt for general fund purposes is expected to be minimal. It is not anticipated that there will be any general obligation debt issued in relation to this project, therefore there will be no impact on the City's ability to issue future debt or on the City's debt limit.

(3) Estimated amount of tax increment attributable to school district levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to school district levies, assuming the school district's share of the total local tax rate for all taxing jurisdictions remained the same, is \$534,162;

- (4) Estimated amount of tax increment attributable to county levies. It is estimated that the amount of tax increments over the life of the District that would be attributable to county levies, assuming the county's share of the total local tax rate for all taxing jurisdictions remained the same, is \$1,263,365;
- (5) <u>Additional information requested by the county or school district.</u> The City is not aware of any standard questions in a county or school district written policy regarding tax increment districts and impact on county or school district services. The county or school district must request additional information pursuant to *M.S. Section 469.175 Subd. 2(b)* within 15 days after receipt of the tax increment financing plan.

No requests for additional information from the county or school district regarding the proposed development for the District have been received.

### SUPPORTING DOCUMENTATION

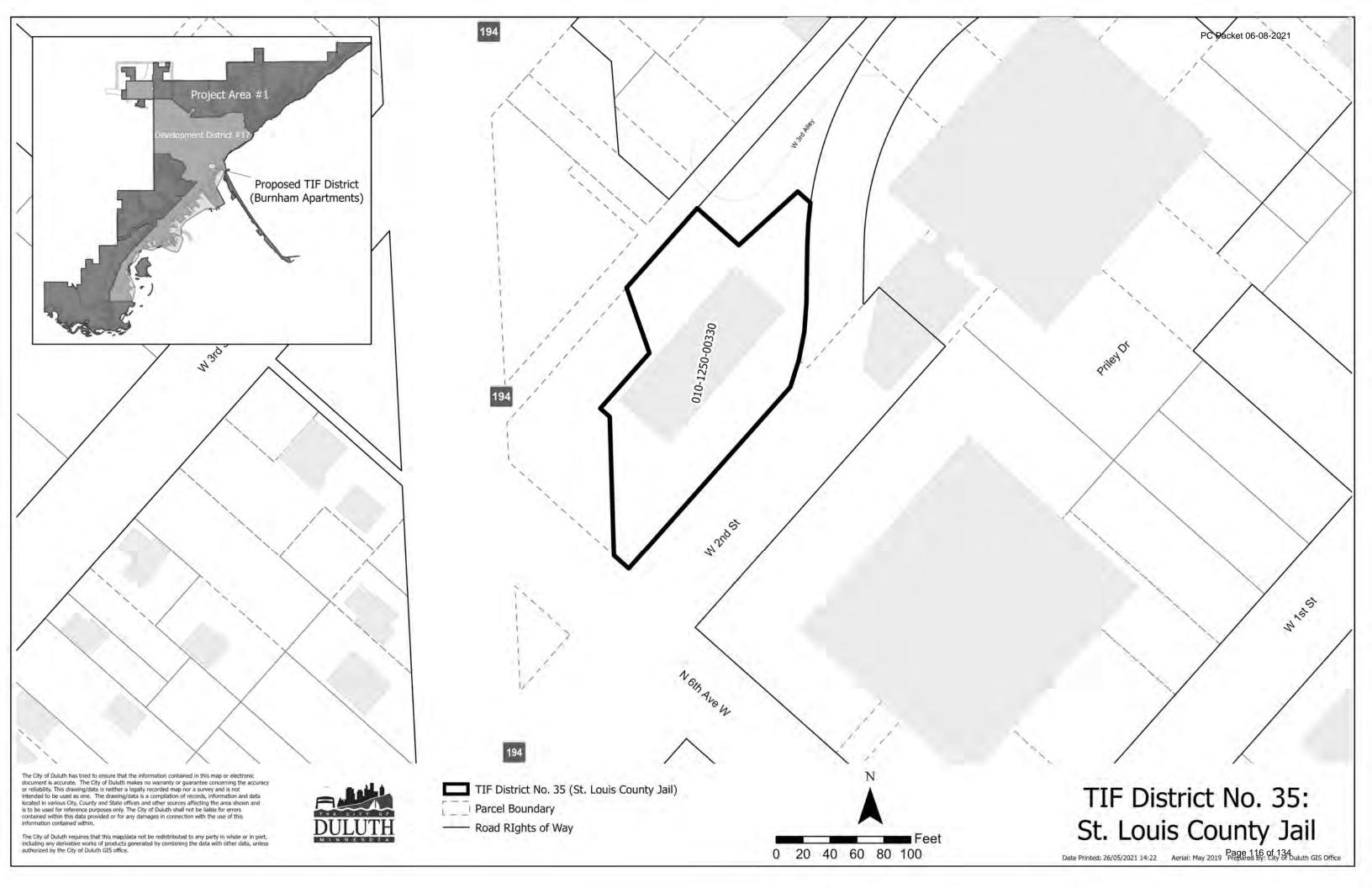
Pursuant to *M.S. Section 469.175, Subd. 1 (a), clause 7* the TIF Plan must contain identification and description of studies and analyses used to make the determination set forth in *M.S. Section 469.175, Subd. 3, clause (b)(2)* and the findings are required in the resolution approving the District.

- (i) In making said determination, reliance has been placed upon (1) written representation made by the developer to such effects, (2) review of the developer's proforma; and (3) City staff awareness of the feasibility of developing the project site within the District, which is further outlined in the City Council resolution approving the establishment of the District and Appendix C.
- (ii) A comparative analysis of estimated market value both with and without establishment of the District and the use of tax increments has been performed. Such analysis is included with the cashflow in Appendix B and indicates that the increase in estimated market value of the proposed development (less the indicated subtractions) exceeds the estimated market value of the site absent the establishment of the District and the use of tax increments.

### DISTRICT ADMINISTRATION

Administration of the District will be handled by the Senior Housing Developer.

## Appendix A: Map of Development District No. 17 and the District



## **Appendix B: Estimated Cash Flow for the District**

#### St. Louis County Jail Redevelopment - 3% Inflation

City of Duluth, MN

#### 32-Unit Apartment



#### ASSUMPTIONS AND RATES

DistrictType: District Name/Number:	Redevelopment	
County District #: First Year Construction or Inflation on Value	2022	
Existing District - Specify No. Years Remaining		
Inflation Rate - Every Year:	3.00%	
Interest Rate:	4.00%	
Present Value Date:	1-Aug-23	
First Period Ending	1-Feb-24	
Tax Year District was Certified:	Pay 2022	
Cashflow Assumes First Tax Increment For Development:	2024	
Years of Tax Increment	26	
Assumes Last Year of Tax Increment	2049	
Fiscal Disparities Election [Outside (A), Inside (B), or NA]	NA	
Incremental or Total Fiscal Disparities	NA	
Fiscal Disparities Contribution Ratio	NA	Pay 2021
Fiscal Disparities Metro-Wide Tax Rate	NA	Pay 2021
Maximum/Frozen Local Tax Rate:	141.942%	
Current Local Tax Rate: (Use lesser of Current or Max.)	141.942%	Pay 2021
State-wide Tax Rate (Comm./Ind. only used for total taxes)	35.9780%	Pay 2021
Market Value Tax Rate (Used for total taxes)	0.18832%	Pay 2021

Tax Rates	
Exempt Class Rate (Exempt)	0.00%
Commercial Industrial Preferred Class Rate (C/I Pref.) First \$150,000	1.50%
Over \$150,000	2.00%
Commercial Industrial Class Rate (C/I)	2.00%
Rental Housing Class Rate (Rental)	1.25%
Affordable Rental Housing Class Rate (Aff. Rental)	
First \$174,000	0.75%
Over \$174,000	0.25%
Non-Homestead Residential (Non-H Res. 1 Unit)	4.0004
First \$500,000	1.00%
Over \$500,000	1.25%
Homestead Residential Class Rate (Hmstd. Res.)	4 000/
First \$500,000	1.00%
Over \$500,000 Agricultural Non-Homestead	1.25% 1.00%
Aynoululal Non-Formesteau	1.00%

	BASE VALUE INFORMATION (Original Tax Capacity)													
					Building	Total	Percentage		Tax Year	Property	Current	Class	After	
				Land	Market	Market	Of Value Used	Original	Original	Tax	Original	After	Conversion	Area/
Мар	ID PID	Owner	Address	Market Value	Value	Value	for District	Market Value	Market Value	Class	Tax Capacity	Conversion	Orig. Tax Cap.	Phase
1	010-1250-00330	Jail Holdings LLC	521 W 2nd St	82,700	100	82,800	100%	82,800	Pay 2022	C/I Pref.	1,242	Rental	1,035	1
				82,700	100	82,800		82,800			1,242		1,035	

Note:

1. Base values are for pay 2021 based upon information provided by the City of Duluth on 1-14-21

2. Located in SD # 709



	PROJECT INFORMATION (Project Tax Capacity)												
		Estimated	Taxable		Total Taxable	Property			Percentage	Percentage	Percentage	Percentage	First Year
		Market Value	Market Value	Total	Market	Tax	Project	Project Tax	Completed	Completed	Completed	Completed	Full Taxes
Area/Phase	New Use	Per Sq. Ft./Unit	Per Sq. Ft./Unit	Sq. Ft./Units	Value	Class	Tax Capacity	Capacity/Unit	2022	2023	2024	2025	Payable
1	Apartments	131,250	131,250	32	4,200,000	Rental	52,500	1,641	50%	100%	100%	100%	2025
TOTAL					4,200,000		52,500						
Subtotal Resident	tial			32	4,200,000		52,500						
Subtotal Commer	cial/Ind.			0	0		0						

#### Note:

1. Market values are based upon estimates received from the City of Duluth.

	TAX CALCULATIONS									
	Total	Fiscal	Local	Local	Fiscal	State-wide	Market			
	Tax	Disparities	Tax	Property	Disparities	Property	Value	Total	Taxes Per	
New Use	Capacity	Tax Capacity	Capacity	Taxes	Taxes	Taxes	Taxes	Taxes	Sq. Ft./Unit	
Apartments	52,500	0	52,500	74,520	0	0	7,909	82,429	2,575.91	
TOTAL	52,500	0	52,500	74,520	0	0	7,909	82,429		

Note:

1. Taxes and tax increment will vary significantly from year to year depending upon values, rates, state law, fiscal disparities and other factors which cannot be predicted.

WHAT IS EXCLUDED FROM TIF?							
Total Property Taxes	82,429						
less State-wide Taxes less Fiscal Disp. Adj.	0 0						
less Market Value Taxes less Base Value Taxes	(7,909) (1,469)						
Annual Gross TIF	73,050						

MARKET VALUE BUT / FOR ANALYSIS						
Current Market Value - Est.	82,800					
New Market Value - Est. Difference	4,200,000					
Present Value of Tax Increment	1,526,963					
Difference	2,590,237					
/alue likely to occur without Tax Increment is less than:	2,590,237					



#### St. Louis County Jail Redevelopment - 3% Inflation

City of Duluth, MN

32-Unit Apartment

					Т	AX INCR	EMENT CA	SH FLOW						
	Project	Original	Fiscal	Captured	Local	Annual	Semi-Annual	State	Admin.	Semi-Annual	Semi-Annual	PERIOD		
% of	Tax	Tax	Disparities	Tax	Тах	Gross Tax	Gross Tax	Auditor	at	Net Tax	Present	ENDING	Tax	Payment
OTC	Capacity	Capacity	NA	Capacity	Rate	Increment	Increment	0.36%	10%	Increment	Value	Yrs.	Year	Date
100%	26,250	(1,035)		25,215	141.942%	35,791	- 17,895	- (64)	- (1,783)	- 16,048	15,425	0.5	2024	02/01/24 08/01/24
100%	20,250	(1,035)	-	25,215	141.94270	35,791	17,895	(64)	(1,783)	16,048	30,547	0.5	2024	02/01/25
100%	52,500	(1,035)	-	51,465	141.942%	73,050	36,525	(131)	(3,639)	32,754	60,807		2025	08/01/25
							36,525	(131)	(3,639)	32,754	60,807 90,473	2	2025	02/01/26
100%	54,075	(1,035)	-	53,040	141.942%	75,286	37,643 37,643	(136) (136)	(3,751) (3,751)	33,757 33,757	120,449 149,836	2.5 3	2026 2026	08/01/26 02/01/27
100%	55,697	(1,035)	-	54,662	141.942%	77,589	38,794	(130)	(3,865)	34,789	179,528	3.5	2020	02/01/27
	,	(,,)		,		,	38,794	(140)	(3,865)	34,789	208,638	4	2027	02/01/28
100%	57,368	(1,035)	-	56,333	141.942%	79,960	39,980	(144)	(3,984)	35,853	238,050	4.5 5	2028	08/01/28
100%	59,089	(1,035)		58,054	141.942%	82,403	39,980 41,202	(144) (148)	(3,984) (4,105)	35,853 36,948	266,885 296,018	5 5.5	2028 2029	02/01/29 08/01/29
10070	59,009	(1,000)	-	50,054	141.34270	02,400	41,202	(148)	(4,105)	36,948	324,580	5.5	2029	02/01/30
100%	60,862	(1,035)	-	59,827	141.942%	84,919	42,460	(153)	(4,231)	38,076	353,437 381,728	6.5	2030	08/01/30
1000/	~~~~~	(1.005)		04.050		07.544	42,460	(153)	(4,231)	38,076	381,728	7	2030	02/01/31
100%	62,688	(1,035)	-	61,653	141.942%	87,511	43,756 43,756	(158) (158)	(4,360) (4,360)	39,238 39,238	410,311 438,334	7.5 8	2031 2031	08/01/31 02/01/32
100%	64,568	(1,035)	-	63,533	141.942%	90,181	45,090	(162)	(4,493)	40,435	466,645	8.5	2031	08/01/32
							45,090	(162)	(4,493)	40,435	494,401	9	2032	02/01/33
100%	66,505	(1,035)	-	65,470	141.942%	92,930	46,465	(167)	(4,630)	41,668	522,442	9.5	2033	08/01/33
100%	68,501	(1,035)	_	67,466	141.942%	95,762	46,465 47,881	(167) (172)	(4,630) (4,771)	41,668 42,938	549,933 577,707	10 10.5	2033 2034	02/01/34 08/01/34
10070	00,001	(1,000)	_	07,400	141.04270	55,762	47,881	(172)	(4,771)	42,938	604,937	11	2034	02/01/35
100%	70,556	(1,035)	-	69,521	141.942%	98,679	49,339	(178)	(4,916)	44,246	632,445	11.5	2035	08/01/35
1000/	70.070	(1.005)		74.007		101.000	49,339	(178)	(4,916)	44,246	659,414	12	2035	02/01/36
100%	72,672	(1,035)	-	71,637	141.942%	101,683	50,842 50,842	(183) (183)	(5,066) (5,066)	45,593 45,593	686,659 713,370	12.5 13	2036 2036	08/01/36 02/01/37
100%	74,852	(1,035)	-	73,817	141.942%	104,778	52,389	(189)	(5,220)	46,980	740,355	13.5	2037	08/01/37
							52,389	(189)	(5,220)	46,980	766,810	14	2037	02/01/38
100%	77,098	(1,035)	-	76,063	141.942%	107,965	53,983	(194)	(5,379)	48,410	793,536	14.5	2038	08/01/38
100%	79,411	(1,035)	-	78,376	141.942%	111,248	53,983 55,624	(194) (200)	(5,379) (5,542)	48,410 49,882	819,737 846,206	15 15.5	2038 2039	02/01/39 08/01/39
	,	(1,000)			111101270	,2.10	55,624	(200)	(5.542)	49,882	872.156	16	2039	02/01/40
100%	81,793	(1,035)	-	80,758	141.942%	114,630	57,315	(206)	(5,711)	51,398	898,370	16.5	2040	08/01/40
100%	84,247	(1,035)		83,212	141.942%	118,113	57,315 59,056	(206) (213)	(5,711) (5,884)	51,398 52,959	924,070 950,032	17 17.5	2040 2041	02/01/41 08/01/41
100 /6	04,247	(1,033)	-	03,212	141.94270	110,113	59,050	(213)	(5,884)	52,959	975,485	18	2041	02/01/41
100%	86,775	(1,035)	-	85,740	141.942%	121,700	60,850	(219)	(6,063)	54,568	1,001,197	18.5	2042	08/01/42
1000/	00.070	(1.005)		00.040		105.005	60,850	(219)	(6,063)	54,568	1,026,404	19	2042	02/01/43
100%	89,378	(1,035)	-	88,343	141.942%	125,395	62,698 62,698	(226) (226)	(6,247) (6,247)	56,225 56,225	1,051,868 1,076,832	19.5 20	2043 2043	08/01/43 02/01/44
100%	92,059	(1,035)	-	91,024	141.942%	129,201	64,601	(233)	(6,437)	57,931	1,102,050	20.5	2043	08/01/44
						,	64,601	(233)	(6,437) (6,437)	57,931	1,126,773	21	2044	02/01/45
100%	94,821	(1,035)	-	93,786	141.942%	133,121	66,561	(240)	(6,632)	59,689	1,151,747	21.5	2045	08/01/45
100%	97,665	(1,035)	-	96,630	141.942%	137,159	66,561 68,580	(240) (247)	(6,632) (6,833)	59,689 61,499	1,176,232 1,200,964	22 22.5	2045 2046	02/01/46 08/01/46
10070	01,000	(1,000)		00,000	111.012/0	101,100	68,580	(247)	(6,833)	61,499	1,225,211	23	2040	02/01/47
100%	100,595	(1,035)	-	99,560	141.942%	141,318	70,659	(254)	(7,040)	63,364	1,249,704	23.5	2047	08/01/47
							70,659	(254)	(7,040)	63,364	1,273,716	24	2047	02/01/48
100%	103,613	(1,035)	-	102,578	141.942%	145,602	72,801	(262)	(7,254)	65,285	1,297,971	24.5	2048	08/01/48
4000/	100 705	(1.00-)		105 007		150.011	72,801	(262)	(7,254)	65,285	1,321,751	25	2048	02/01/49
100%	106,722	(1,035)	-	105,687	141.942%	150,014	75,007 75,007	(270) (270)	(7,474) (7,474)	67,263 67,263	1,345,771 1,369,319	25.5 26	2049 2049	08/01/49 02/01/50
	Total						2,715,991	(270)	(270,621)	2,435,592	1,309,319	20	2049	02/01/30
		esent Value Fro	om 08/01/2023	Present Value Rat	e 4.00%		1,526,963	(5,497)	(152,147)	1,369,319				

Page 120 of 134

### **Appendix C: Findings Including But/For Qualifications**

The reasons and facts supporting the findings for the adoption of the Tax Increment Financing Plan (TIF Plan) for Tax Increment Financing District No. 35: St. Louis County Jail (the "District"), as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. Finding that Tax Increment Financing District No. 35: St. Louis County Jail is a redevelopment district as defined in M.S., Section 469.174, Subd. 10.

The District consists of one parcel and vacant right-of-way, with plans to redevelop the area for the renovation of the former St. Louis County Jail into a 32-unit residential housing apartment building. Parcels consisting of 70 percent of the area of the District are occupied by buildings, streets, utilities, paved or gravel parking lots or other similar structures and more than 50 percent of the buildings in the District, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance. (See Appendix D of the TIF Plan.)

2. Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future and that the increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in the market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of Tax Increment Financing District No. 35: St. Louis County Jail permitted by the TIF Plan.

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the redevelopment proposed in the TIF Plan meets the City's objectives for redevelopment. Due to the high cost associated to rehabilitation of the former St. Louis County Jail, this project is only feasible through public assistance, in part, from tax increment financing. The developer was asked for and provided a letter and a pro forma as justification that the developer would not have gone forward without tax increment assistance. The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the District permitted by the TIF Plan: This finding is justified on the grounds that the cost of building acquisition and rehabilitation for housing substantially adds to the total redevelopment costs. Historically, the costs of construction, specifically renovation costs in the City have made redevelopment infeasible without tax increment assistance. The City reasonably determines that no other redevelopment of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

Therefore, the City concludes as follows:

- a. The City's estimate of the amount by which the market value of the entire District will increase without the use of tax increment financing is \$0.
- b. If the proposed development occurs, the total increase in market value will be \$4,117,200.
- c. The present value of tax increments from the District for the maximum duration of the district permitted by the TIF Plan is estimated to be \$1,526,963.
- d. Even if some development other than the proposed development were to occur, the Council finds that no alternative would occur that would produce a market value increase greater than \$2,590,237 (the amount in clause b less the amount in clause c) without tax increment assistance.
- *3. Finding that the TIF Plan for the District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The Planning Commission reviewed the TIF Plan on June 8, 2021 and found that the TIF Plan conforms to the general development plan of the City.

4. Finding that the TIF Plan for Tax Increment Financing District No. 35: St. Louis County Jail will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Development District No. 17 by private enterprise.

Through the implementation of the TIF Plan, DEDA and the City will facilitate preservation of a historical building, increase housing opportunities for residents, and expand the availability of safe and decent life-cycle housing within the City.

## **Appendix D: Redevelopment Qualifications for the District**

To be added to prior to the public hearing



**MEMO** 

Planning & Development Division Planning & Economic Development Department 0 218-730-5580



planning@duluthmn.gov

Room 160 411 West First Street Duluth, Minnesota 55802

TO:	Planning Commission
FROM:	Adam Fulton, Deputy Director of Planning and Development
DATE:	June 1, 2021
RE:	Conformance of Brewery Creek Development to Comprehensive Plan

In order to facilitate development of the Brewery Creek Apartments located at the corner of 6<sup>th</sup> Avenue East and East 4<sup>th</sup> Street (the "Project"), the City needs approve adoption of the Brewery Creek Apartments Tax Increment Financing Plan. The role of the Planning Commission is to make sure the proposed development and its uses are consistent with the Comprehensive Plan and Unified Development Code (UDC). Tax Increment Financing (TIF) is a financing tool that uses the increase in property taxes generated from site improvements to pay for a portion of those improvements.

The 52-unit Brewery Creek Apartments will be constructed on the northeast corner of 6<sup>th</sup> Avenue East and East 4<sup>th</sup> Street. The one- and two-bedroom units will be affordable to tenants earning between 30% - 60% of the Area Median Income, with 26 units reserved for high priority homeless and six units reserved for households with disabilities. The project includes removal of the existing blighted structure, a former oil change business and liquor store.

The future land use designation of the development site is Neighborhood Mixed Use (NMU). According to the Imagine Duluth 2035 Comprehensive Plan, NMU areas are intended for a transitional use between more intensive commercial uses and purely residential neighborhoods. This proposed development meets the intent of this future land use.

The property is zoned F-6; according to the Unified Development Chapter, "This district was created to respond to the commercial nodes present in the Central Hillside neighborhood (14<sup>th</sup> Street from Mesaba Avenue to Third Avenue East). F-6 is an appropriate zone designation for the NMU future land use category. It allows apartments as proposed by this project.

This project implements the following Comprehensive Plan principles:

*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. This strengthens neighborhoods and is preferred to a dispersed development pattern with associated alteration of natural landscapes and extensions of public services. Site preparation or building modification costs are offset by savings in existing public infrastructure such as streets and utilities, and transit, fire, and police services.

Principle #3 -Support existing economic base. Supporting Duluth's existing economic foundation maintains jobs, tax base, and opportunity. Economic activity with specific location requirements may be subject to displacement or site competition with changes in real estate values. This traditional economic activity faces change as a result of global economic patterns, changing markets, new regulation, and aging of extensive infrastructure. Nevertheless, fundamentals remain and the economic contribution, sometimes taken for granted, is significant. This project supports the significant economic base of nearby business districts, which contains Duluth's highest concentration of commercial and retail businesses. Residential units in this area will contribute to more patronization of these businesses.

*Principle #5 Promote reinvestment in neighborhoods*. Duluth is strongly defined by its neighborhoods. This system should be supported through land use and transportation that foster neighborhood reinvestment. New development or redevelopment should maximize public investment that strengthens neighborhood commercial centers or diversifies residential opportunities that fit the neighborhood's character.

*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. This project provides a new multifamily housing opportunity near Downtown and will bolster existing and future businesses by housing potential customers in the immediate vicinity.

*Principle #12 Create efficiencies in delivery of public services.* The costs of public service must be considered in land use decisions. Street construction and maintenance, utilities, libraries, fire, police, snow removal, and recreation facilities are services directly related to the physical location of development. Infrastructure should help direct development location rather than react to it. The integration of public services to maximize efficiencies with all related use decisions should be evaluated.

City staff believe that the proposed development conforms to and implements the Comprehensive Plan principles. City staff ask that the Planning Commission review this item, and following discussion, make a finding that it conforms to the Imagine Duluth 2035 Comprehensive Plan.

#### PLANNING COMMISSION CITY OF DULUTH, MINNESOTA

#### RESOLUTION NO. 21-073

#### RESOLUTION OF THE CITY OF DULUTH PLANNING COMMISSION FINDING THAT A A TAX INCREMENT FINANCING PLAN FOR TAX INCREMENT FINANCING DISTRICT BREWERY CREEK APARTMENTS CONFORMS TO THE GENERAL PLANS FOR THE DEVELOPMENT AND REDEVELOPMENT OF THE CITY.

WHEREAS, the Housing and Redevelopment Authority of Duluth, Minnesota (the "HRA") and the City of Duluth (the "City") have established Project Area No. 1 and adopted a Housing Development Plan for Tax Increment Financing District Brewery Creek Apartments (the "TIF Plan") and have submitted the Plan to the City Planning Commission (the "Commission") pursuant to Minnesota Statues, Section 467.175, Subd. 3, and

WHEREAS, the Commission has reviewed the Plan to determine their conformity with the general plans for the development and redevelopment of the City as described in the comprehensive plan for the

City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Program and Plan conform to the general plans for the development and redevelopment of the City as a whole.

Dated: , 2021

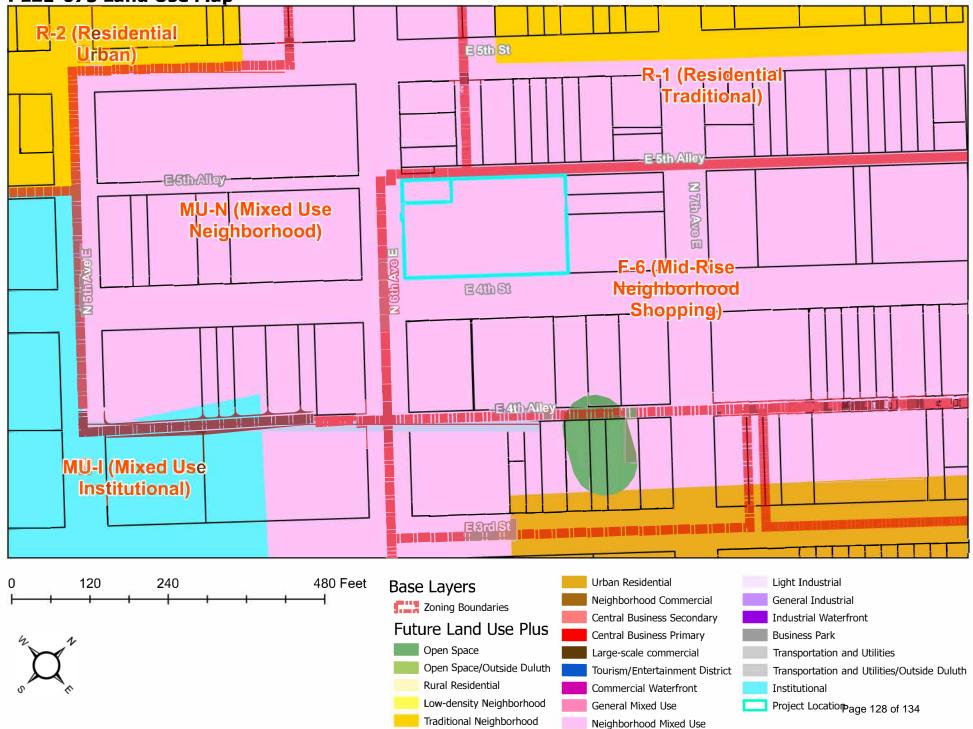
Chair

ATTEST:

Secretary

PC Packet 06-08-2021

#### PL21-073 Land Use Map









VIEW FROM NORTHWEST

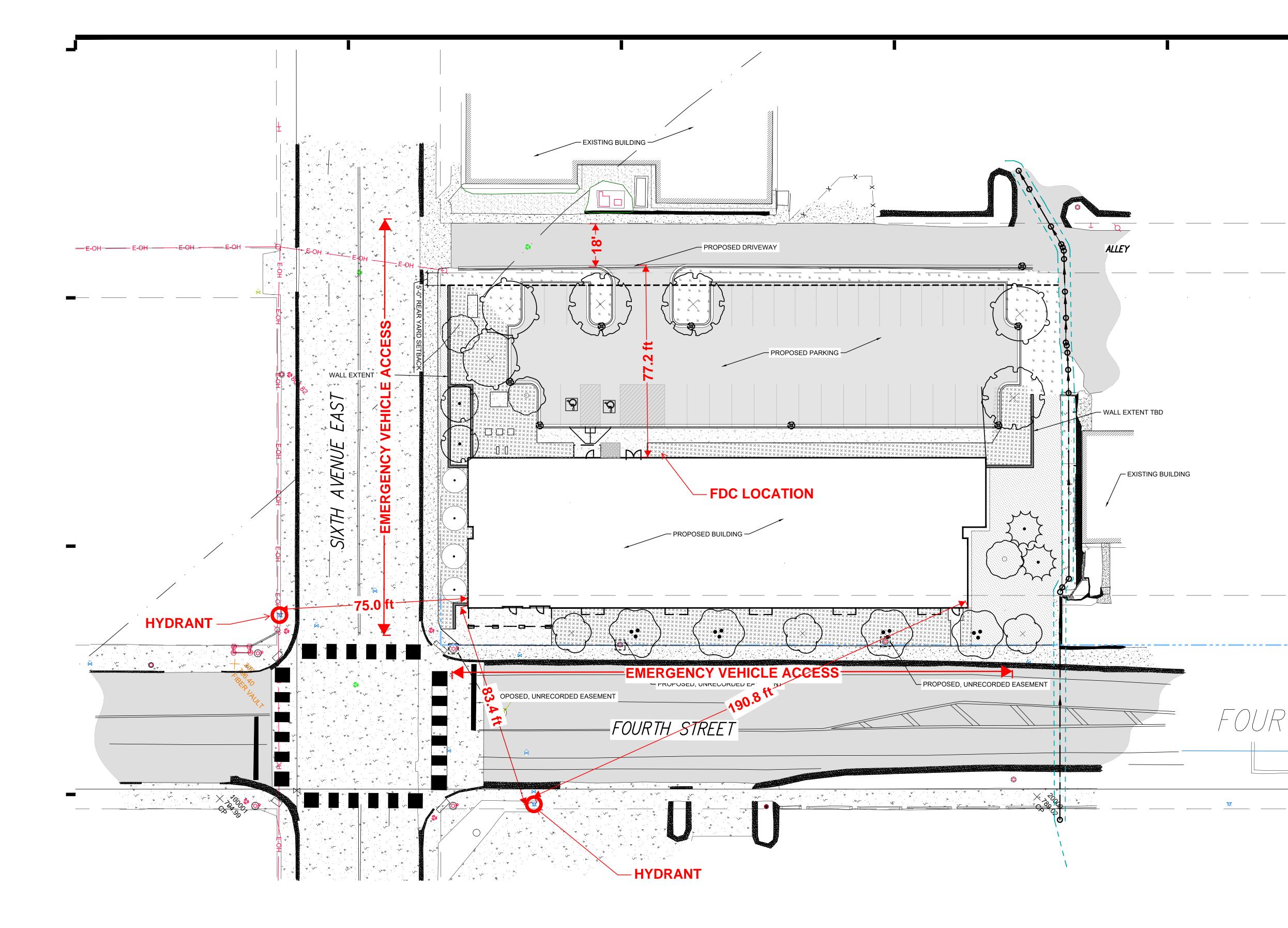


## VIEW OF MAIN ENTRY FROM SOUTHWEST

# VIEW FROM SOUTHEAST

# Brewery Creek Brewery Creek LLLP 03/09/2021

PC Packet 06-08-2021





PERFORMANCE **DRIVEN DESIGN.** LHBcorp.com

21 W. Superior St., Ste. 500 | Duluth, MN 55802 | 218.727.8446

## CLIENT: BREWERY CREEK LLLP

THIS SQUARE APPEARS 1/2" x 1/2" ON FULL SIZE SHEETS.

NO DATE REVISION

NO DATE ISSUED FOR



COPYRIGHT 2019 BY LHB, INC. ALL RIGHTS RESERVED.

PROJECT NAME: BREWERY CREEK

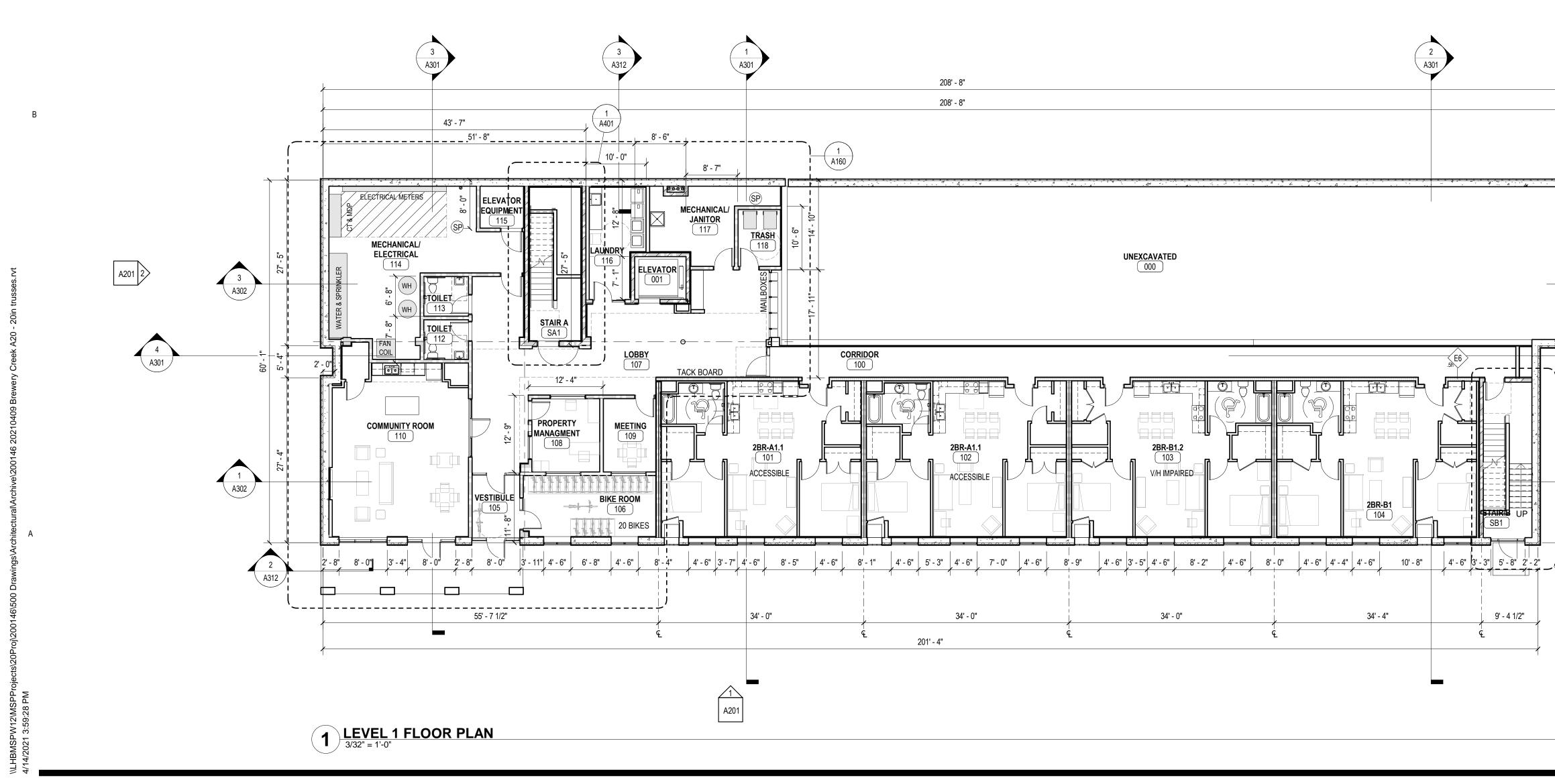
601-619 EAST 4TH ST DULUTH, MN

DRAWING TITLE:

EMERGENCY ACCESS EXHIBIT

STREE T

FILE:	\200146\500 Drawings\Civil\200146 C300 Layout and	d Surfacing.dwg
DRAWN BY:	XXX	
CHECKED BY:	XXX	_
PROJ. NO:	200146	
DRAWING NO:		



2

1

С

A202

3



701 Washington Ave. N, Ste 200 | Minneapolis, MN 55401 | 612.338.2029



12 East 4th Street Duluth, MN 55805

А	В	С			
D	Е	F			
G	Н	J			
KEYPLAN					

THIS SQUARE APPEARS 1/2"x1/2" ON FULL SIZE SHEETS

DATE ISSUED FOR

NO

NO DATE REVISION

PRELIMINARY NOT FOR CONSTRUCTION 03/09/2021

COPYRIGHT 2020 BY LHB, INC. ALL RIGHTS RESERVED.

PROJECT NAME: Brewery Creek

Apartments

601 East 4th Street Duluth, MN 55805

DRAWING TITLE: LEVEL 1 FLOOR PLAN

DRAWN BY: Author CHECKED BY: Checker PROJ. NO: 200146 DRAWING NO:

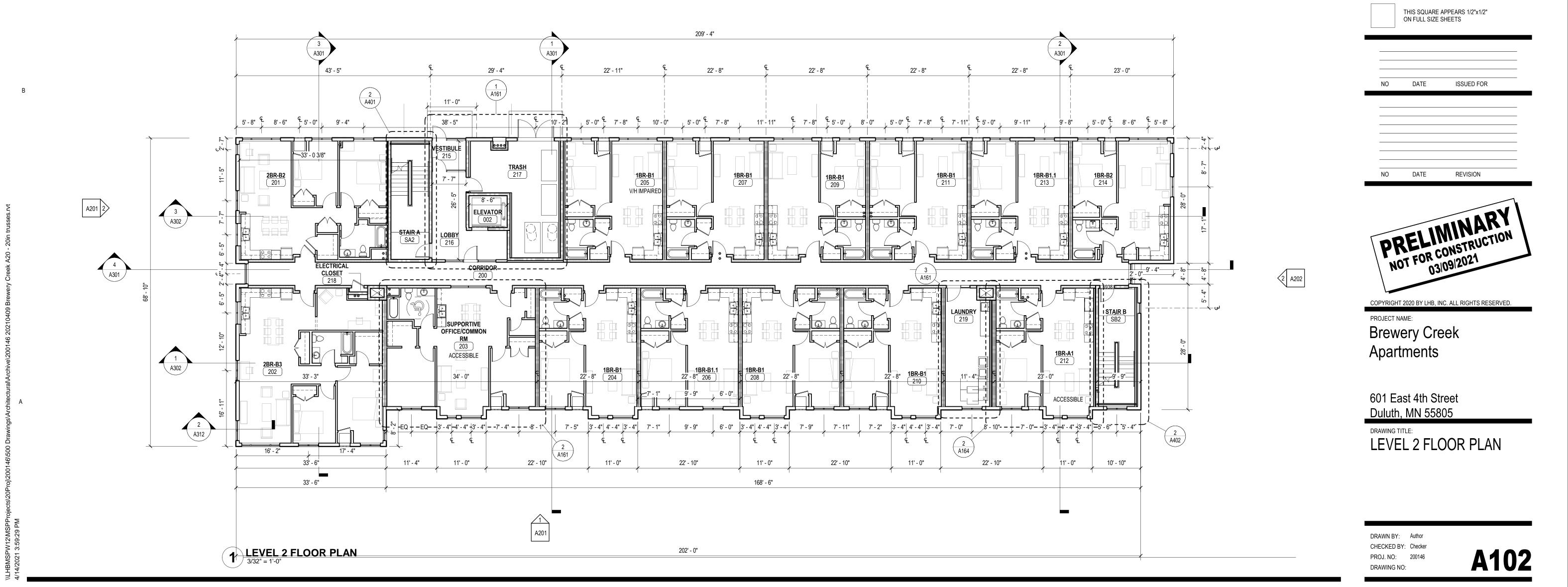


Page 131 of 134

27 (1) (A402)

4





A202

2

С

1

4

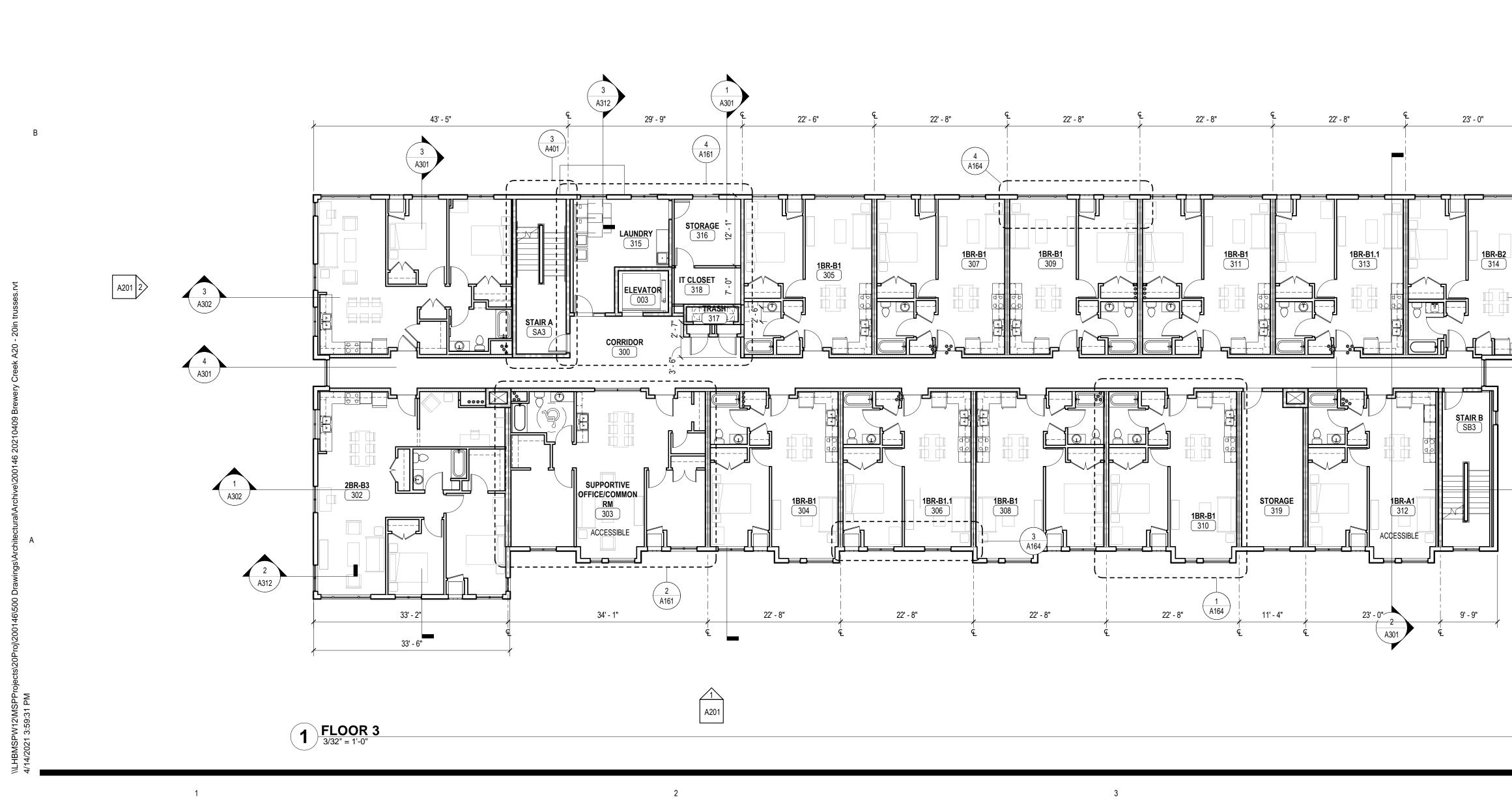


701 Washington Ave. N, Ste 200 | Minneapolis, MN 55401 | 612.338.2029



12 East 4th Street Duluth, MN 55805

Page 132 of 134



A202

С

1

3



701 Washington Ave. N, Ste 200 | Minneapolis, MN 55401 | 612.338.2029



12 East 4th Street Duluth, MN 55805

А	В	С			
D	Е	F			
G	Н	J			
KEYPLAN					

THIS SQUARE APPEARS 1/2"x1/2" ON FULL SIZE SHEETS

DATE ISSUED FOR

NO

2 A202

4

NO DATE REVISION



COPYRIGHT 2020 BY LHB, INC. ALL RIGHTS RESERVED.

## PROJECT NAME: Brewery Creek Apartments

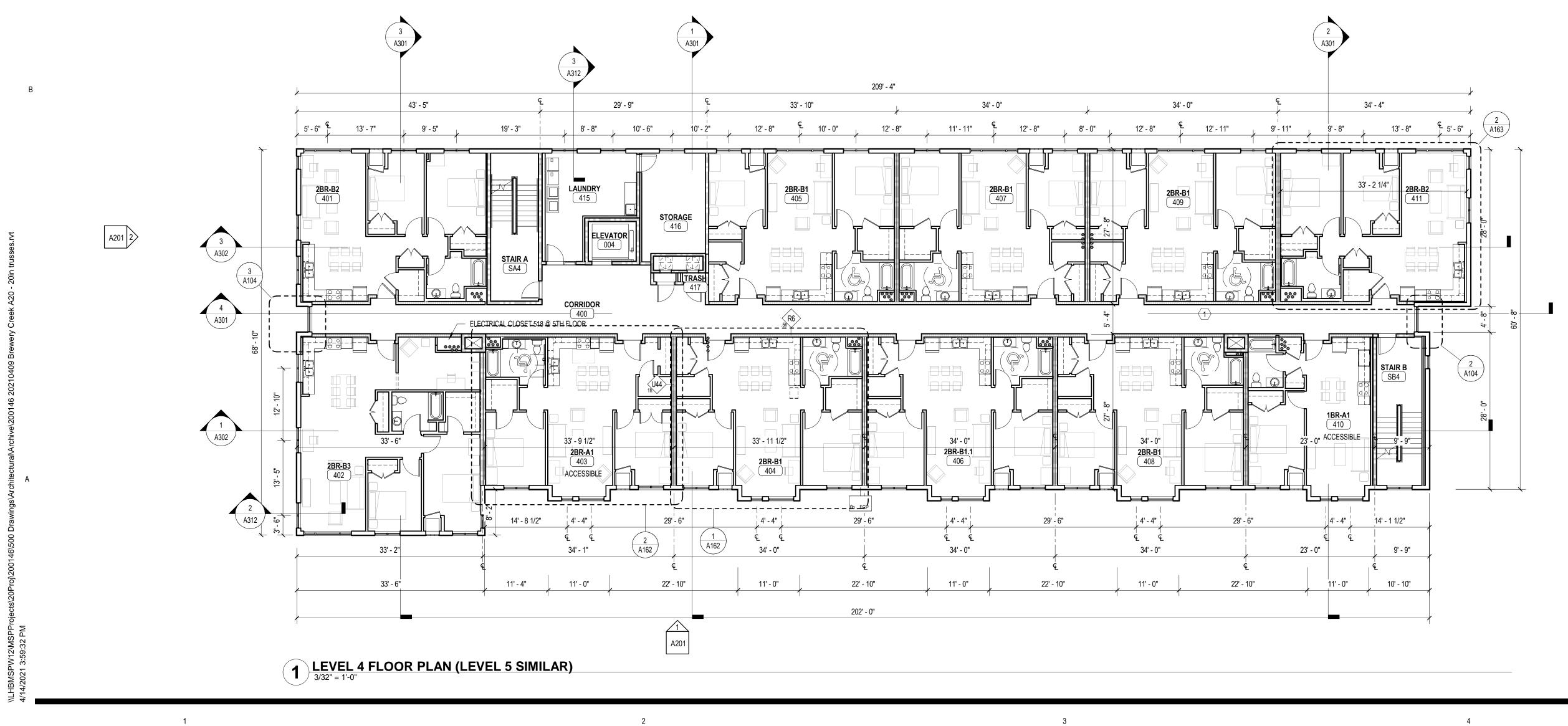
601 East 4th Street Duluth, MN 55805

DRAWING TITLE: LEVEL 3 FLOOR PLAN

DRAWN BY: Author CHECKED BY: Checker PROJ. NO: 200146 DRAWING NO:



Page 133 of 134



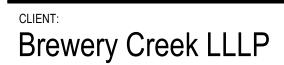
С

A202

2



701 Washington Ave. N, Ste 200 | Minneapolis, MN 55401 | 612.338.2029



12 East 4th Street Duluth, MN 55805

А	В	С			
D	Е	F			
G	Н	J			
KEYPLAN					

THIS SQUARE APPEARS 1/2"x1/2" ON FULL SIZE SHEETS

DATE ISSUED FOR

NO

NO DATE REVISION

PRELIMINARY NOT FOR CONSTRUCTION 03/09/2021

COPYRIGHT 2020 BY LHB, INC. ALL RIGHTS RESERVED.

PROJECT NAME: Brewery Creek Apartments

601 East 4th Street Duluth, MN 55805

DRAWING TITLE: LEVEL 4 FLOOR PLAN (LEVEL 5 SIMILAR)

DRAWN BY: Author CHECKED BY: Checker PROJ. NO: 200146 DRAWING NO:



2 A202