



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

## MEMORANDUM

**DATE:** October 2, 2012

**TO:** City Planning Commission

**FROM:** Keith Hamre, Director of Planning and Construction Services   
Kyle Deming, Planner II 

**RE:** Addition of "Vacation Dwelling Unit" and "Accessory Vacation Dwelling Unit" Uses, Use Specific Standards, and Definitions (PL 12-148)

Throughout the nation people are choosing a new form of lodging while visiting a community called a "vacation rental." Vacation rentals are most common in resort and tourism-oriented communities and involve the lodging of guests in traditional single-family neighborhoods, usually in typical single-family homes. People who choose this type of lodging are often looking for a more economical way to travel as a group or are seeking a different type of experience than the traditional hotel/motel or bed & breakfast establishment provides. The City Planning Division researched the regulation of vacation rentals and found some common principles, a summary of which is attached to this memo.

Our current UDC and rental licensing ordinances fall short in regulating these facilities because they only allow vacation rentals if the property owner meets the following criteria:

- Obtain a rental license,
- Rent for periods exceeding 7 days,
- Pay appropriate sales and tourism taxes.

These standards don't address many of the quality-of-life issues that go along with vacation rentals, such as noise, parking, and unfamiliarity with local rules. The current ordinances also don't allow vacation rentals to rent for shorter stays, something the owners of these facilities maintain is necessary in the "off-peak" months. To solve these issues and regulate this phenomena the City Planning Division recommends the establishment of the "Vacation Dwelling Unit" and "Accessory Vacation Dwelling Unit" uses, Use Specific Standards for each, associated Definitions, and amendments to the UDC Application manual.

The City Planning Division held two public meetings over the past few months to get input from current vacation rental owners and neighbors. We combined the community's input (see also attached comments) with what we learned from other communities and are proposing the following amendments to the UDC:

- A. Sec. 50-41, Definitions; New Definition – Vacation Dwelling Unit – a habitable unit in a dwelling providing sleeping, cooking, eating, living and sanitation facilities that are physically separated from other habitable units that may be located in the same building

for periods of occupancy from 3 to 30 days. This use does not include hotels, motels, or bed and breakfasts.

- B. Sec. 50-41, Definitions; New Definition – Accessory Vacation Dwelling Unit – an accessory dwelling unit as defined by this chapter that is used for periods of occupancy from 3 to 30 days.
- C. Table 50-19.8, Use Table; New line under Lodging category – Vacation Dwelling Unit – shown as an Interim use in RR-1, RR-2, R-1, R-2, R-P, MU-N, and F-5 districts – and having a reference to Use Specific Standards Sec. 50-20.3.V
- D. Table 50-19.8, Use Table; New line under Accessory Uses category – Accessory Vacation Dwelling Unit – shown as an Interim use in RR-1, RR-2, R-1, R-2, R-P, MU-N, and F-5 districts and having a reference to Use Specific Standards Sec. 50-20.5.L
- E. Sec. 50-20, Use Specific Standards; New standard – Sec. 50-20.3.V – Vacation Dwelling Unit:
  - 1. The minimum rental period shall not be less than 2 nights during the period from June 15 to September 15. The minimum rental period shall not be less than 5 nights during the rest of the year.
  - 2. There shall be no more than two occupants per bedroom.
  - 3. Off-street parking shall be provided at the following rate:
    - a. 1-2 bedroom unit, 1 space
    - b. 3-4 bedroom unit, 2 spaces
    - c. 5+ bedroom unit, 3 spaces
  - 4. Only one motorhome (or pickup-mounted camper) and/or one trailer either for inhabiting or for transporting recreational vehicles (ATVs, boat, personal watercraft, snowmobiles, etc.) may be parked at the site, on or off the street.
  - 5. Must obtain all applicable licenses and permits from the City of Duluth and State to permit guest stays for the property.
  - 6. Must provide required documents and adhere to additional requirements listed in the City of Duluth’s UDC Application Manual related to keeping of a guest record, designating and disclosing a local contact, property use rules, taxation, interim use permit violations procedures.
  - 7. The interim use permit shall expire upon change in ownership of the property or in five years, whichever occurs first.
- F. Sec. 50-20, Use Specific Standards; New standard – Sec. 50-20.5.L – Accessory Vacation Dwelling Unit:

An accessory vacation dwelling unit may be created within, or detached from, any one-family dwelling or vacation dwelling unit in those districts shown where allowed by Table 50-19.8, provided these standards are met:

  - 1. Only one accessory vacation dwelling unit may be created per lot.
  - 2. No variances shall be granted for an accessory vacation dwelling unit.
  - 3. An accessory vacation dwelling unit shall contain no more than 800 square feet of floor area and shall be consistent in character and design with the primary dwelling.
  - 4. If a separate outside entrance is necessary for an accessory vacation dwelling

unit located within the primary building, that entrance must be located either on the rear or side of the building.

5. The minimum rental period shall not be less than 2 nights during the period from June 15 to September 15. The minimum rental period shall not be less than 5 nights during the rest of the year.
  6. There shall be no more than two occupants per bedroom.
  7. Off-street parking shall be provided at the following rate:
    - a. 1-2 bedroom unit, 1 space
    - b. 3-4 bedroom unit, 2 spaces
    - c. 5+ bedroom unit, 3 spaces
  8. Only one motorhome (or pickup-mounted camper) and/or one trailer either for inhabiting or for transporting recreational vehicles (ATVs, boat, personal watercraft, snowmobiles, etc.) may be parked at the site, on or off the street.
  9. Must obtain all applicable licenses and permits from the City of Duluth and State to permit guest stays for the property.
  10. Must provide required documents and adhere to additional requirements listed in the City of Duluth's UDC Application Manual related to keeping of a guest record, designating and disclosing a local contact, property use rules, taxation, interim use permit violations procedures.
  11. The interim use permit shall expire upon change in ownership of the property or in five years, whichever occurs first.
- G. In addition to the UDC amendments above, staff will amend the UDC Application Manual with the following requirements for Vacation Dwelling Units and Accessory Vacation Dwelling Units:
1. Permit holder must keep a guest record including the name, address, phone number, and vehicle (and trailer) license plate information for all guests and must provide a report to the City upon 48 hours' notice.
  2. Permit holder must designate a managing agent or local contact who resides within 25 miles of the City and who has authority to act for the owner in responding 24-hours-a-day to any complaints from neighbors or the City. The permit holder must notify the Land Use Supervisor within 10 days of a change in the managing agent or local contact's contact information.
  3. Permit holder must provide the name, address, and phone number for the managing agent or local contact to all property owners within 100' of the property boundary. The permit holder must notify neighboring properties within 10 days of a change in the managing agent or local contact's contact information.
  4. Permit holder must disclose in writing to their guests the following rules and regulations:
    - a. The managing agent or local contact's name, address, and phone number;
    - b. The maximum number of guests allowed at the property;
    - c. The maximum number of vehicles, recreational vehicles, and trailers allowed at the property and where they are to be parked;
    - d. Property rules related to use of exterior features of the property, such as decks, patios, grills, recreational fires, pools, hot tubs, saunas and other outdoor recreational facilities;

- e. Applicable sections of City ordinances governing noise, parks, parking and pets;
- 5. If a permit holder is cited for Excessive Consumption of Police Services as described in Chapter 40, Article III of the Duluth Legislative Code, the Land Use Supervisor may suspend the Interim Use Permit for 90 days. If the permit holder is cited for Excessive Consumption of Police Services a second time, the Interim Use Permit shall be revoked.
- 6. Permit holder must post their permit number on all print, poster or web advertisements;
- 7. Permit holder must apply for and be granted State and local sales tax numbers, including Hotel and Motel Use Sales Tax.



## Vacation Rentals Summary of Research

Short-term rentals of residential properties, usually defined as renting for less than one month, can potentially create a variety of problems. Typically, vacationers exhibit a higher intensity of activities (such as car trips, late-night noise and light, and trash generation) than do long-term residents. These impacts can be more problematic for very short-term renters; one family renting a property for a month tends to cause far less “externalities” than four families each renting for a week. Because vacation rentals tend to attract large numbers of people, they may require large numbers of vehicles, either requiring paved yards or creating parking shortages in the area. A number of local governments have adopted short-term vacation rental ordinances to prevent or mitigate such negative neighborhood impacts. Those we reviewed include:

- Marathon, FL
- Durango, CO
- Chicago, IL
- Santa Fe, NM
- Islamorada, FL
- Douglas Co., NV
- Lake Co., MN
- San Luis Obispo Co., CA
- South Lake Tahoe, CA
- Rancho Mirage, CA
- Sonoma Co., CA
- San Buena Ventura, CA
- Encinitas, CA
- Monterey Co., CA
- Montreat, NC
- Solana Beach, CA
- Tillamook Co., OR

We’ve commenced with the amending of City ordinances to include the following requirements:

- Require property owners to obtain a new “vacation home rental license;”
- Require a Fire Operational Permit and inspections every 3 years;
- Require property owner to obtain an Interim Use Permit from the Planning Commission;
- Set a minimum rental frequency of not more than one tenancy in 7 days;
- Set maximum numbers of renters at two occupants per bedroom;
- Require on-site parking at a rate of 1 space for 1-2 bedroom units, 2 spaces for 3-4 bedroom units, and 3 spaces for 5+ bedroom units;
- Limiting the number of vehicles and watercraft/recreational vehicles that can be stored on site;
- Licensee must keep report (name, address, phone #, and vehicle license plate of tenants) on rental use to provide to the City on request;
- Require a designated local contact to respond to any complaints 24 hours a day similar to current rental licensing requirements;
- Require 24 hour contact info. be provided to all properties within 100’ of the property;
- Require posting of certain applicable City ordinances inside the rental unit, including max. number of persons, max. number of vehicles, trash storage and removal, noise, emergency contact info.
- Require posting of license number on all advertisements of the property.
- Require a nuisance response plan for more than 2 violations per year.

Timetable for Review:

- July and September – 2 Public meetings to review proposed ordinance amendments
- October 9 - Planning Commission public hearing and recommendation
- November 13 – Council approval of ordinance amendments (subject to change)
- Mid-December – Ordinance amendments go into effect (subject to change)

Note: Proposed MN State Statute on Vacation Rentals

*Minnesota, State of. 2012. S.F. No. 1190, A bill for an act relating to local government; zoning; providing for residential property used as vacation rental; amending Minnesota Statutes 2010, sections 394.25, by adding a subdivision; 462.357, by adding a subdivision.* Available at <https://www.revisor.mn.gov/bin/bldbill.php?bill=S1190.2.html&session=ls87> . See also [http://www.senate.leg.state.mn.us/departments/scr/billsumm/summary\\_display\\_from\\_db.php?ls=87&id=622](http://www.senate.leg.state.mn.us/departments/scr/billsumm/summary_display_from_db.php?ls=87&id=622).

- Proposed bill defines 'vacation rental,' prohibits counties and municipalities from prohibiting vacation rentals in residential districts, but allows them to regulate number of occupants, parking, signage, waste removal, noise, sewage treatment, and any other health and safety issues.
- The bill had Local Government and Elections Committee discussion, but was not passed by the Senate.
- House File No. 1523 introduced in 2011 and referred to Committee on Government Operations and Elections, but not passed by House.

**Kyle Deming - Vacation home rental ordinance**

---

**From:** "Mike Wilmes" <mike@wilmeshospitality.com>  
**To:** <kdeming@duluthmn.gov>  
**Date:** 9/13/2012 11:58 AM  
**Subject:** Vacation home rental ordinance

---

Mr. Deming,

I am responding to the City of Duluth Planning Division's proposed ordinance amendments that would allow vacation home rentals in residential districts. I own and operate Fresh Air Lodging (a green certification program for lodging facilities) and am a current board member with the Minnesota Lodging Association. Vacation home rental has been a growing concern with our members who strive to provide clean, comfortable, and safe accommodations for travelers. I applaud the City of Duluth's efforts to prevent or mitigate negative neighborhood impact from vacation home rentals. However, there are additional amendments that should also be considered to insure rental of private cabins/homes remain on a level playing field with licensed lodging properties.

The Minnesota Lodging Association believes that private owners of homes, cabins or condominiums who wish to rent their properties to vacationers should meet the same criteria in the area of safety inspections and tax collection as those required of hotels and other lodging properties. As such, I would request that the following amendments be added in addition to those already proposed:


1. Annual State health and fire inspections be conducted and associated fees paid prior to issuing a vacation home rental license
2. Income from vacation home rentals be documented with the City and associated state, city, and lodging taxes paid on a monthly basis.
3. A method is developed to monitor vacation home rentals in the City of Duluth along with a procedure to enforce compliance with the ordinance.

Please add me to the list of contacts for future meetings regarding this issue.

Regards,  
 Mike

Mike Wilmes  
 President  
 Wilmes Hospitality  
 4301 East Superior Street  
 Duluth, MN 55804  
 Phone (612) 388-3626  
[www.wilmeshospitality.com](http://www.wilmeshospitality.com) Consulting and Management Solutions  
[www.freshairlodging.com](http://www.freshairlodging.com) Green Today, Better Tomorrow

Follow Us!    

 Please consider the environment and only print this email if truly necessary.

**Kyle Deming - written comments**

**From:** "Ged Frank Consulting" <gfrankconsulting@gmail.com>  
**To:** <kdeming@duluthmn.gov>  
**Date:** 9/13/2012 10:09 AM  
**Subject:** written comments  
**CC:** "Marie Frank" <lakelocked@msn.com>

Kyle, following are our comments related to the Proposed Ordinance. Could you please confirm receipt of this e-mail. Also what will the time be for the 10/9/15 Planning Commissions public hearing?

Ged & Marie Frank

**Proposed Ordinance Amendments:**

The proposed ordinance amendments include the following requirements:

- ☑ Require property owners to obtain a new "vacation home rental license;" **OK as long as the fee is reasonable (less than \$55)**
- ☑ Require a Fire Operational Permit and inspections every 3 years; **OK as long as fee is reasonable (less than (\$55)**
- ☑ Require property owner to obtain an Interim Use Permit from the Planning Commission; **Why?**
- ☑ Set a minimum rental period of 3 nights; **Unless we are missing something, this does not make any sense, other than to limit citizens ability to use and control their property. Most of the rental nights would be for (2) two nights over a weekend and some would be for (1) one night. As long as the other rules are followed we do not see where this works.**
- ☑ Set maximum numbers of renters at two occupants per bedroom; **This also does not make sense. Another way to look at it may be to limit the number of renters to a square footage limit (suggestion, 2 people requires minimum of 200 sq. ft., 4 people need 500 square feet, something like that). We have been remodeling an large area at considerable cost to accommodate more than two people but it is in one room with three areas to the room.**
- ☑ Require on-site parking at a rate of 1 space for 1-2 bedroom units, 2 spaces for 3-4 bedroom units, and 3 spaces for 5+ bedroom units; **Reasonable**
- ☑ Limit the number of vehicles and watercraft/recreational vehicles that can be stored on site; **Reasonable or have additional parking**
- ☑ Licensee must keep report (name, address, phone #, and vehicle license plate of tenants) on rental use to provide to the City on request; **Reasonable**
- ☑ Require a designated local contact to respond to any complaints 24 hours a day similar to current rental licensing requirements; **Reasonable**
- ☑ Require 24 hour contact info. be provided to all property owners within 100' of the property; **Reasonable**
- ☑ Require disclosure to renters of certain applicable City ordinances, including max. number of persons, max. number of vehicles, trash storage and removal, noise, emergency contact info. **Reasonable**
- ☑ Require posting of license number on all advertisements of the property. **Reasonable**
- ☑ Require a nuisance response plan for more than 1 violation per year. **Reasonable**

**Timetable for Implementation:**

- ☑ September 5, 2012 - Public meeting to review proposed ordinance amendments
- ☑ September 19, 2012 - Written comments due at the address below
- ☑ October 9, 2012 - Planning Commission public hearing and recommendation
- ☑ Approximately November 12 – Council approval of ordinance amendments (subject to change)
- ☑ Mid-December – Ordinance amendments go into effect (subject to change)

If you are unable to attend the meeting you may submit written comments to the address below before September 19, 2012 and the comments will be shared with the City Planning Commission before making their recommendation to City Council. For questions or comments contact:



Kyle Deming, Planner II  
City Planning Division  
411 West First Street, Room 208  
Duluth, MN 55802  
kdeming@duluthmn.gov  
218-730-5329

Ged Frank, CPA  
1437 Minnesota Ave  
Duluth, Minnesota 55802  
218-393-4332  
[gfrankconsulting@gmail.com](mailto:gfrankconsulting@gmail.com)

 Please consider the environment before printing this e-mail

*This message is intended for the sole use of the individual and entity to whom it is addressed, and may contain information that is privileged, confidential and exempt from disclosure under applicable law. Any unauthorized review, use, disclosure or distribution of this email message, including any attachment, is prohibited. If you are not the intended recipient, please advise the sender by reply email and destroy all copies of the original message. Thank you.]*

**Kyle Deming - Re: meeting notes 9/5**

---

**From:** elizabeth snow <esnow52@yahoo.com>  
**To:** "KDEMING@duluthmn.gov" <KDEMING@duluthmn.gov>  
**Date:** 9/13/2012 4:31 PM  
**Subject:** Re: meeting notes 9/5  
**CC:** "jerry@jerrypaulson.com" <jerry@jerrypaulson.com>

---

Hello Kyle,

Thank you very much for forwarding the minutes from the meeting on September 5th. As I mentioned before, we did not receive the notice in time to attend.

We were pleased with the original Proposed Ordinance Amendments laid out in your September 4th meeting notice and would gladly comply with them.

Sincerely,  
Betsy Snow & Jerry Paulson  
Park Point Carriage House

---

**From:** "KDEMING@duluthmn.gov" <KDEMING@duluthmn.gov>  
**To:** Kyle Deming <KDEMING@duluthmn.gov>  
**Sent:** Wednesday, September 12, 2012 10:44 AM  
**Subject:** meeting notes 9/5

This email is being sent to persons who have attended previous public meetings regarding vacation rentals:

Please find attached meeting notes from the Sept. 5 meeting regarding vacation rentals.

If you have questions or comments about the proposed vacation rentals regulations please provide them to me by Sept. 19.

The City Planning Commission will hold a public hearing to consider ordinance amendments for vacation rentals on Oct. 9, 5 p.m. in the Council Chambers of Duluth City Hall. All are welcome to attend and comment.

After Planning Commission review the Council will review the proposed ordinance amendments in November, date to be determined.

Again, if you have questions about the process, please contact me at [kdeming@duluthmn.gov](mailto:kdeming@duluthmn.gov) or 218-730-5329.

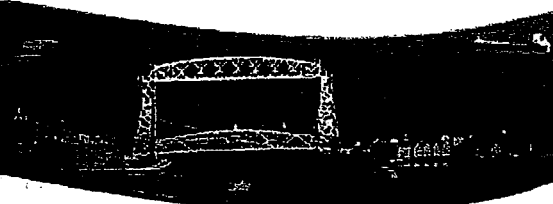
Thanks,  
--Kyle

Kyle Deming  
Planner II

9/20/2012

# HISTORIC INNS OF DULUTH

Experience the Superior Difference!



September 14, 2012

Attn: Kyle Deming  
City Planning Division  
411 West First Street, Room 208  
Duluth, MN 55802

We are responding to the Meeting Notice regarding the City Planning Division's proposal for City ordinances to regulate current, unlicensed Vacation Rentals.

To begin, whereas we applaud the Planning Division's decision to create a meaningful ordinance for Vacation Rentals, we were disappointed that none of the Bed and Breakfast owners in Duluth were notified of the September 5, 2012 meeting. Since we met with Mayor Ness on this issue a month ago, we would have hoped we would have been notified in order to offer our perspective on this important issue.

We would also mention that we know of at least two close neighbors of Vacation Rentals, who have submitted noise complaints to the city, who also were not notified. So, as this process continues, we would ask that a more thorough effort be applied to notify all those stakeholders involved with this issue in order to assist you in crafting a more meaningful and enforceable ordinance.

As far as the points that were listed as proposed ordinance amendments, we felt that they were all important and should be required.

What we saw as "missing" amendments that should be added in order to level the competitive playing field between Vacation Rentals and other like-kind businesses are the following:

\* Every Vacation Rental must register for Sales and Use Tax with the City of Duluth and file a monthly Tourism Tax Return Form. In so doing all Vacation Rentals shall be required to collect a 7.7875% State Sales Tax (1% of which goes to the City of Duluth), along with a 3% Hotel/Motel Excise Tax. These are taxes that every other hospitality business in Duluth is required to collect and submit to the city.

**\* Every Vacation Rental is to be inspected by the Health Department and Fire Marshall as is required of every other hospitality business in the the City of Duluth. In order to operate they must pay the appropriate fees associated with these inspections and the associated annual fees. This can fall under Motel License requirements as is the current way that Bed and Breakfasts are listed. No separate classification needs to be considered, since the city has refused to give B&B's a separate classification.**

**\* If the Vacation Rental owner is not a permanent resident of the property (ie: their income tax filing address is different from the vacation rental) they are to be classified as Commercial and should be treated as such in terms of future Property Tax, Comfort Systems billing rates, and Minnesota Power Billing Rates. If their classification as commercial conflicts with the current zoning code, then they must apply for a Special Use Permit as is the case for any other business attempting to locate in a residential zone.**

**\* Any Vacation Rental that is discovered to be operating before applying for the appropriate licenses, receiving the appropriate inspections and paying the appropriate fees shall be required to cease and desist until the proper licensing and inspections are completed. Once again, this is within the current guidelines for the City of Duluth and is enforced for other like-kind businesses.**

**It should be mentioned that the failure to add the above points to the proposed ordinance, in our opinion, constitutes discriminatory licensing and regulatory practices by the City of Duluth inasmuch as the above are all required of Bed and Breakfasts, Hotels, Lodges, Resorts, Motels and Country Inns.**

**Sincerely,**

**Mary Grover**

**President of Historic Bed and Breakfast Inns of Duluth**

Kyle Deming, Planner II  
City Planning Division  
411 W. First St., Room 208  
Duluth, MN 55802  
[kdeming@duluthmn.gov](mailto:kdeming@duluthmn.gov)

Dear Kyle,

I am writing in regards to the proposed new ordinance dealing with vacation home rentals. I sincerely appreciate the effort being made by the city to deal with this growing issue. However, I have significant concerns with setting the minimum rental period at three days instead of maintaining current rules that mandate a seven-day minimum rental period.

I live on South Lake Avenue between 10th and 11th streets. On our one block alone there are currently four separate units available for vacation rentals, including our immediate neighbor to the north. Should existing landowners' plans continue, this one block of South Lake Avenue will have eight vacation rental units and ten residential units.

In the last five or so years, my family has have found that vacation rental properties do not promote neighborhood values. Short-term renters are here for a few days of partying. They seem to feel little obligation to us as their short-term neighbors. In our case, the owners live a block or a city away and are not available to provide security or supervision of their guests.

Then, after a busy summer, these houses sit dark and empty for nine months of the year, with no family or neighbor in them, while their sidewalks remain unshoveled all winter long.

Having an active vacation rental home next door has seriously impeded our enjoyment of Duluth's short summer. Nearly every other night the renters have a fire in the fire pit, so smoky we have to shut our windows to keep out the stench. On nights they aren't at the fire pit they are on the rooftop deck, and every noise they make comes right into our bedroom windows just thirty feet away. On lovely summer nights when we should be able to have our windows open to enjoy a pleasant lake breeze, we have to close up the entire house and use air-conditioning. We often have to inform our rental neighbors about evening quiet times and the fact that the Minnesota Point beach is a city park which closes at 10:00PM and that no beach fires are allowed.

I support many elements of the proposed ordinance, especially the licensing, 24 hour contact information for neighbors, and the disclosure of applicable city ordinances.

I strongly oppose setting the minimum rental period to three nights. We have learned that renters who stay for seven days are respectful and quiet and become invested in the neighborhood. These groups tend to be multigenerational, just like this

neighborhood. The existing zoning calls for a minimum of one-week rental, and I see no reason to change that simply to accommodate more renters.

The new ordinance should have a one-week minimum rental period, at least for the summer months. Not only will that make for more tolerable neighbors, it will also more clearly define a unique Duluth vacation market: these are not hotels, not bed-and-breakfasts, but homes in a unique residential neighborhood.

Thank you for your attention to this matter.

Andrew Slade  
1026 South Lake Ave.  
Duluth, MN 55802  
(218) 727-4198  
[andrewhslade@gmail.com](mailto:andrewhslade@gmail.com)

cc: Councilor Sharla Gardner

September 18, 2012

Kyle Deming, Planner II  
City Planning Division  
411 W. First St., Room 208  
Duluth, MN 55802

**RE: City's proposed vacation homes ordinance under consideration**

Dear Planning Commission Members and Duluth City Planners,

I am writing today to express my comments about the City's vacation home rental policies and regulations. First, I am delighted that you are making an attempt to regulate and monitor these rental properties. However, I will add I'm disappointed that the City did not also reach out to neighbors living adjacent to vacation rentals. As stakeholders in this process, we neighbors should be part of the City's solution. After all, it is our neighborhoods affected by the rentals and the changes. It would have been easy to notify residents living adjacent to vacation rental properties by mail, but none of the neighbors I quizzed within our immediate blocks knew about your Sept. 5 meeting or your request for feedback. Therefore, I'm sure you will not hear from many residents in our situation but will hear a lot from rental property owners who were present at your meeting and have been notified. Please make sure you hear from neighbors, too. The owners stand to profit from your decisions; the neighbors have only disruptions to their lives, either way.

I would like to set the scene for my opinions and concerns. I live on the 10th Street block on Park Point. Here there are 8 residences in my block. Of those 8 residences, 4 homes — *half* of our block — are functioning as vacation rentals. Next door to me, at 1018 Lake Ave., is a vacation rental home without any owner occupant present (which is typical of these types of rentals). I have had 3 years of observing constant summer rental occupancy to form the opinions expressed here.

This makeup of short-term rental houses has fundamentally changed our neighborhood and diminished our quality of life between late May and early September. I hope you'll consider these points below as you particularly decide whether these vacation rentals should be licensed as weekly rentals vs. 2- or 3-night minimum rentals. **My opinion — shared by my neighbors — is that the vacation rental period should stay at one week and rental owners should have consequences for breaking this regulation.** Frequently during the past few years, my next-door rental house saw up to 3 different groups come and go in any given weekly period. When you visit their rental website, you'll see you can rent the house for one night or seven nights. Please consider:

- None of the vacation rental properties in my block are owner-occupied. This means there is nobody present to curb behavior when renters party loudly and with alcohol until late in the night. There is no hotel security or front desk to call when people next to you get disruptive. When a new rental group comes in and stays a week instead of just a night or two, it gives us the chance as next-door neighbors to get to know them a little bit. Often, we find this longer rental period means the difference between respect for our working-class neighborhood and 10pm quiet time vs. "couldn't care less attitudes" and disruptive, rude behavior toward us neighbors.
- Renters who come for extended stays (like a week) are typically families, often inter-generational. Renters who come for a night or two are almost exclusively here to be raucous — from groups of 8-10 female friends who drink and chat outdoors all day and evening; to large groups of guys who come for weekend golfing or charter fishing and for boozing it up at night when they return to their rental house. As an example, during last July's "Pints North" beerfest at Bayfront, our next door vacation rental was rented to

a beer distributor and a houseful of staff who attended the festival for two days — and on Saturday night he hosted a beer party at the rental property for festival attendees and clients. This party went until after 3:00am on a quiet summer night, with loud music and lots of alcohol consumed. There were dozens of people at the party — all outside, all loud, and all without any concern for the noise they made in my sleeping neighborhood. In contrast, I have never witnessed a family group coming to stay for a week who negatively affected the neighborhood. With children and grandparents present, they typically go to bed early and get up as we leave for work, fitting in well with the normal patterns of people living here. There is a huge difference between the behaviors of people renting a house for a week vs. the behaviors of people coming to “live it up” for a couple weekend nights on the beach.

- Because it is summer when renters are primarily coming to stay here (at least that’s true on Park Point), the weather is warm, the windows are open, the beach water is warm, and big parties are particularly offensive. When renters come in non-summer seasons, it isn’t nearly so disruptive. For this reason, please consider allowing more than once a week rental only during the months of September through May, with weekly rentals the norm for June through August. The vacation rental house next door to me is full virtually every night during the summer; it’s hard to imagine requiring weekly rentals would adversely affect their occupancy — and it would greatly improve our neighborhood. Keeping this ordinance at weekly rentals — *and enforcing this ordinance* — would make a huge difference in our quality of life.

As another example, our next door vacation rental property has a large deck overlooking Lake Superior on the roof of its 2-car garage. As you can imagine, it’s where every renter wants to hang out when they stay at this house. But because this deck is just 20 feet from our bedroom window, and because noise especially travels across water, we can hear renters talking on this deck every night when we go to bed, late into the night. Magnify this by a medium to large group of partying individuals on the deck and quickly the situation is frustrating and prohibits our sleep. Magnify this scenario again by having to endure this situation 4 nights of *every* summer week and you can quickly see how disruptive it is to have a vacation rental house next door in the summer. We are exhausted from the frustration.

In contrast, the City seems quite concerned about mitigating UMD/college rental house disruptions on adjacent neighborhoods. If those neighbors lived like we do with the constant parties, new people in and out, the lack of respect — they’d quickly agree that a UMD student house having a party every now and then isn’t so bad. Not to lessen their negative experiences, but why is no one concerned about our neighborhood’s needs as well?

In summary, please keep the vacation rental requirements at one week. It’s hard to imagine how much a rental house situation like this impacts you until you’re living next to one. This past summer we had overnight guests on two occasions. Both said “I don’t know how you can *stand* this!” in reference to the vacation rental next door and its associated noise and disruption. That says a lot.

We pay high taxes where we live, and we deserve and expect the same experience as any other property-tax-paying resident — a peaceful, quiet neighborhood with *neighbors*.

Please ensure this by putting weekly limits on vacation rental properties. A neighborhood shouldn’t have to accommodate a hotel-like function in its rental houses of one-, two- or three-night stays.

Thank you,

Sally Rauschenfels  
1026 S. Lake Ave.  
Duluth MN 55802