

## ZONING COMMITTEE STAFF REPORT

1. **FILE NAME:** Dearing Mansion Bed & Breakfast **FILE #**17-000-688
  2. **OWNER:** Caswell Kramer Enterprises LLC **HEARING DATE:** February 16, 2017
  3. **TYPE OF APPLICATION:** Revocation or Modification of Conditional Use Permit
  4. **LOCATION:** 241 George Street West, north side between Charlton and Waseca Streets
  5. **PIN & LEGAL DESCRIPTION:** 07.28.22.13.0175; W 15 feet of S 35 feet of Lot 2, S 41.53 feet of Lot 3, Lot 6, and W 15 feet of Lot 7, Dorhardt Rearrangement
  6. **PLANNING DISTRICT:** 3 **PRESENT ZONING:** RT1
  7. **ZONING CODE REFERENCE:** § 61.108; § 61.501; § 61.502; § 65.641
  8. **STAFF REPORT DATE:** February 9, 2017 **BY:** Kady Dadlez
  9. **DATE RECEIVED:** January 4, 2017 **60-DAY DEADLINE FOR ACTION:** n/a
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- A. **PURPOSE:** Revocation or modification of a conditional use permit (Zoning File #14-326-683) for a bed and breakfast residence with four (4) guest rooms due to noncompliance with conditions for this use.
- B. **PARCEL SIZE:** Approximately 80 feet x 141 feet; total lot area of 14,810 square feet.
- C. **EXISTING LAND USE:** Bed and Breakfast residence in a single family dwelling.
- D. **SURROUNDING LAND USE:**
  - North: One and two family dwellings in an RT1 zone.
  - East: Institutional use/place of worship in an RT1 zone.
  - South: One and two family dwellings in an RT 1 zone.
  - West: One and two family dwellings in an RT1 zone.
- E. **ZONING CODE CITATION:** § 61.108 establishes the process for revocation or modification of a conditional use permit when the use is not in compliance with the permit's conditions. §61.501 lists the general standards with which all conditional uses must comply. § 61.502 allows the Planning Commission to modify special conditions. § 65.641 defines *bed and breakfast residence* and lists nine standards and conditions for this use.
- F. **PARKING:** Zoning Code § 63.207 requires that a *bed and breakfast residence* shall have a minimum of 1 off-street parking space per dwelling unit and 0.5 space per guest room. This is a requirement of three (3) off-street parking spaces for the *bed and breakfast residence* with four (4) guest rooms approved under the conditional use permit granted in 2014 for the Dearing Mansion Bed and Breakfast residence at 241 W George Street.
- G. **HISTORY/DISCUSSION:** In October 2014 the Planning Commission granted a conditional use permit for a bed and breakfast residence with four (4) guest rooms.
- H. **DISTRICT COUNCIL RECOMMENDATION:** The District 3 Council had not commented at the time of this staff report.
- I. **FINDINGS:**
  1. On October 3, 2014, under provisions § 61.501 and § 65.641 of the Zoning Code, the Planning Commission approved Planning Commission Resolution # 14-66 (attached) granting a conditional use permit for the Dearing Mansion Bed and Breakfast residence with four (4) guest rooms at 241 George Street West.

2. After receiving a complaint, on March 16, 2016 the Zoning Administrator sent an enforcement notice to the permit holder, Scott Kramer, regarding the following violations of the Zoning Code and conditions of the conditional use permit:
  - The house was being advertised and used as a reception house for wedding receptions, as a retreat center for corporate retreats, and for a variety of other gatherings, uses not permitted in the RT1 two-family residential zoning district, and also in violation of the condition in Zoning Code § 65.641(e) that dining and other *bed and breakfast residence* facilities shall be used exclusively by the residents and registered guests.
  - The house was being advertised and used as a *bed and breakfast residence* with six (6) guest rooms, in violation of the condition in Zoning Code § 65.641(g) that a *bed and breakfast residence* in a one-family dwelling shall have a maximum of four (4) guest rooms, and in violation of the permit granted by the Planning Commission.
  - Final plans for the *bed and breakfast residence*, including floor plans and a site plan showing the layout of required off-street parking had not yet been approved by the Zoning Administrator, in violation of a condition of the permit granted by the Planning Commission.

The permit holder was given until March 31, 2016 to comply by renting a maximum of four (4) guest rooms, eliminating any use of the property for events open to the public, and submitting floor plans along with a site plan that indicates the layout of off-street parking. The permit holder was notified that failure to comply with the inspector's order would result in permit revocation proceedings.

On March 29, 2016 the permit holder emailed the inspector stating that the whole house listing was removed from the Airbnb website, that he would revise the Dearing Mansion website to eliminate language that mentioned availability of six (6) guest rooms, and that he would cease using the bed and breakfast residence for events.

In October 2016 DSI received another complaint regarding use of the property for a wedding reception, causing noise and traffic issues for a neighboring property owner. The inspector also discovered the advertisements on the aforementioned webpages had been reestablished to indicate six (6) guest rooms available in the bed and breakfast and also showcasing the Dearing Mansion as an event space.

3. On December 22, 2016, under the requirements of Zoning Code § 61.108, *Conditions violated, permit revocation*, the Zoning Administrator notified the Planning Commission of noncompliance with the conditions of the conditional use permit at 241 George Street West. On December 30, 2016 the Planning Commission voted to schedule a public hearing to consider the matter.

Zoning Code § 61.108, *Conditions violated, permit revocation* states, "The zoning administrator shall notify the planning commission ... when a development covered by a ... permit ... or other zoning approval is not in compliance with any of the conditions imposed upon such use approval. The commission ... may, at a public hearing, following notice to the owner of subject property and other adjacent property owners as specified in section 61.303(c), and upon determination that the conditions imposed by such approval are not being complied with, revoke the authorization for such approval and require that such use be discontinued. The commission ..., in lieu of revoking the permission, may impose additional conditions, modify existing conditions, or delete conditions which are deemed by the commission ... to be unnecessary, unreasonable or impossible of compliance."

4. A review of the Dearing Mansion website on February 8, 2017 shows the property advertised as *the ideal location for corporate trainings, retreats, groups, reunions, intimate weddings, receptions or a romantic getaway...and that events of up to 100 people are welcomed*. Four (4) guest rooms are advertised for rent. A review of the Airbnb website on February 8, 2017 identified the whole house for rent, including six (6) bedrooms.
5. Use of the house for receptions, retreats, conferences, or any other group events is not permitted in the RT1 two-family residential zoning district, and is also a violation of the condition in Zoning Code § 65.641(e) that dining and other *bed and breakfast residence* facilities shall be used exclusively by the residents and registered guests. Zoning Code § 66.313, *Intent. RT1 two-family residential district*, specifically states, "Because of its residential nature, this district is not intended for more intensive uses such as small conference centers, private retreat centers and reception houses."
6. The conditional use permit for the Dearing Mansion Bed and Breakfast residence granted by the Planning Commission in 2014 is for a maximum of four (4) guest rooms, the maximum number of guest rooms allowed under the condition in Zoning Code §65.641(g) that a *bed and breakfast residence* in a one-family dwelling shall have a maximum of four (4) guest rooms, as requested in the conditional use permit application.
7. Zoning Code § 61.502, *Modify special conditions*, provides that "the planning commission, after public hearing, may modify any or all special conditions, when strict application of such special conditions would unreasonably limit or prevent otherwise lawful use of a piece of property or an existing structure and would result in exceptional undue hardship to the owner of such property or structure; provided, that such modification will not impair the intent and purpose of such special condition and is consistent with health, morals and general welfare of the community and is consistent with reasonable enjoyment of adjacent property."

The condition in § 65.641(g) that a *bed and breakfast residence* shall have a maximum of four (4) guest rooms is subject to modification under this provision. The property owner is now requesting a modification of this condition to allow a maximum of six (6) guest rooms, which he states is the minimum needed to operate the bed and breakfast residence and cover the costs of extensive restoration and maintenance of the historic Dearing Mansion. The owner states that limiting the *bed and breakfast residence* to four (4) guest rooms would result in it having to be closed and sold, an undue hardship.

8. § 65.641(g) requires a minimum lot area of 8,000 square feet for a *bed and breakfast residence* with four (4) guest rooms. Given the large size (4,600 square feet) of the Dearing Mansion and the large lot size (14,810 square feet), it may be unnecessary and unreasonable to limit the *bed and breakfast residence* to four (4) guest rooms in this case. Allowing a maximum of six (6) guest rooms may be consistent with the intent and purpose of this special condition to limit potential negative impact on surrounding residential uses and provide for reasonable enjoyment of adjacent property
9. Zoning Code § 63.207 requires that a *bed and breakfast residence* shall have a minimum of one (1) off-street parking space per dwelling unit and 0.5 space per guest room. This is a requirement of four (4) off-street parking spaces for the *bed and breakfast residence* with six (6) guest rooms. The property owner states that there is adequate space to meet this requirement using the long, wide driveway on the east side of the site. A site plan showing this should be provided to and approved by the Zoning Administrator. On-street parking is not permitted on the north side of George Street in front of the property.

10. The City is working on Zoning Code amendments to specifically regulate short term rental uses such as Airbnb and VRBO. Draft language for this would generally limit occupancy of a short term rental dwelling unit to the definition of a *family* in Zoning Code § 60.207, consistent with the current Zoning Code occupancy limit for a *dwelling unit* city-wide. The provision in Zoning Code § 65.641(g) for a *bed and breakfast residence* to have up to four (4) guest rooms, subject to a conditional use permit, is one of the few existing exceptions to this. The draft new Zoning Code language for short term rental uses would also provide for occupancy that exceeds the definition of *family* for large one- and two-family dwellings on large lots if a conditional use permit is obtained. The criteria for determining total occupancy in these situations would include the dwelling size, lot size, provision of off-street parking, and a fire certificate of occupancy inspection for non-owner occupied dwelling units. The draft short term rental ordinance will likely be considered by the City Council in spring 2017.

The draft ordinance states that short term rental dwelling units shall not be open to the public, but shall be used exclusively by registered short term rental dwelling unit guests, similar to existing language in § 65.641(g) for a *bed and breakfast residence*, to make it clear that use of short term rental dwelling units for receptions, retreats, conferences, or any other group events is not permitted.

- J. **STAFF RECOMMENDATION:** Based on the above findings, staff recommends modification of the conditional use permit (Zoning File #14-326-683) to increase the number of guest rooms of the bed & breakfast residence at 241 George Street West from four (4) to six (6), subject to the following conditions.
  1. A site plan showing the layout of the required off-street parking spaces must be submitted to and be approved by the Zoning Administrator, and the four (4) required off-street parking spaces must be provided on the site according to the approved site plan by June 1, 2017.
  2. The property shall not be open to the public. Use of the property by anyone other than permanent residents or registered overnight guests is prohibited as is use of the property for receptions, retreats, conferences, or any other group event. Documentation by the Zoning Administrator of any such use or advertising for such use shall result in immediate revocation of the conditional use permit, which shall become null and void.



CITY OF SAINT PAUL  
Christopher B. Coleman, Mayor

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November 18, 2016

Barbara A. Wencil, Planning Commission Chair  
c/o Donna Drummond, Director of Planning  
25 West. 4<sup>th</sup> Street Suite 1400  
Saint Paul, MN 55102

Re: 241 W. George Street – Conditional Use Permit for a Bed and Breakfast

Dear Chair Wencil:

The Department of Safety and Inspections (DSI), Zoning Section is notifying the Planning Commission that the above referenced conditional use permit (CUP) is not in compliance with the conditions imposed according to Zoning Code Section 61.108 which states:

*The zoning administrator shall notify the planning commission or the board of zoning appeals when a development covered by a site plan, permit, variance, determination of similar use, or other zoning approval is not in compliance with any of the conditions imposed upon such use approval. The commission or the board may, at a public hearing, following notice to the owner of subject property and other adjacent property owners as specified in section 61.303(c), and upon determination that the conditions imposed by such approval are not being complied with, revoke the authorization for such approval and require that such use be discontinued. The commission or the board, in lieu of revoking the permission, may impose additional conditions, modify existing conditions, or delete conditions which are deemed by the commission or the board to be unnecessary, unreasonable or impossible of compliance.*

This property is a single family dwelling located in a RT1, one- and two-family dwelling zoning district. Bed and breakfast facilities are permitted uses in this zoning district provided that the following conditions are met, including, but not limited to:

- *One-family dwellings may contain no more than four (4) guest rooms. Two-family dwellings may contain no more than three (3) guest rooms.*
- *Dining and other facilities shall not be open to the public, but shall be used exclusively by the residents and registered guests.*

On October 3, 2014, the Planning Commission granted a CUP for the use of a bed and breakfast facility with four (4) guestrooms, to Scott Kramer for the Dearing Mansion, subject to the following conditions:

1. Final plans approved by the Zoning Administrator for this use shall be in substantial compliance with the plan submitted and approved as part of this application.
2. The permit holder must abide by any and all County or State licensing requirements applicable to bed and breakfasts.

The applicant indicated on their floor plan submitted with the CUP application that there are four (4) guestrooms available for his bed and breakfast facility. However, DSI received a complaint in May of 2016 stating that the proprietor of the Dearing Mansion, Scott Kramer, was hosting events such as wedding receptions and corporate retreats for up to 100 people. Upon further investigation I learned that Mr. Kramer was also advertising six (6) guestrooms available on several online websites, including the webpage for the Dearing Mansion, VRBO, Airbnb, and The Knot.

On March 16, 2016, Mr. Kramer was issued an enforcement notice stating that he can only advertise and provide four (4) guestrooms and may not use the property as a venue for special events. He was given until March 31, 2016, to comply with this order.

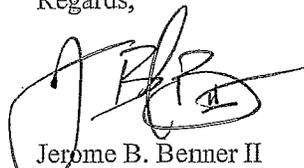
On March 29, 2016, I received an email from Mr. Kramer stating that he would remove the web advertisements listing the whole house for rent and eliminate language on the Dearing Mansion homepage that mentioned six (6) guestrooms available for the facility, and cease using the facility for events.

Shortly after I received his email, Mr. Kramer complied with the orders by reducing the number of available guestrooms to four (4) and removing the advertisements on the webpages that stated the Dearing Mansion could be used as an event space.

However, in October of 2016, we received another complaint regarding the same issue of hosting a wedding reception that caused noise and traffic issues for a neighboring property owner. Furthermore, the advertisements on the aforementioned webpages had been reestablished to indicate six (6) rooms available in his bed and breakfast and also showcasing the Dearing Mansion as an event space.

DSI Zoning staff has given Mr. Kramer ample time to come into compliance with the conditions of his bed and breakfast facility. Please refer to the attached supporting documents regarding the web advertisements, enforcement letter and email correspondence. DSI staff is notifying the Planning Commission that Mr. Kramer's bed and breakfast facility is not in compliance with the conditions required for a bed and breakfast.

Regards,



Jerome B. Benner II  
DSI Zoning Inspector

Attachments: Conditional Use Permit Application  
Conditional Use Permit Resolution  
Web Advertisements  
3/16/2016 Enforcement Letter  
3/29/2016 Email



CITY OF SAINT PAUL  
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March 16, 2016

## Enforcement Notice

Scott Kramer  
241 George Street W.  
Saint Paul, MN 55107

Re: 241 George Street West (Dearing Mansion) – Violation of Conditional Use Permit

Dear Mr. Kramer:

On October 3, 2014, you were granted a Conditional Use Permit (#14-326683) in order to operate a bed and breakfast at the referenced location with no more than four (4) guest rooms. A bed and breakfast in Saint Paul specifies that, "dining and other facilities shall not be open to the public, but shall be used exclusively by the residents and registered guests."

The Department of Safety and Inspections (DSI) received a complaint stating that there were special events being held at the Dearing Mansion. Furthermore, a DSI inspector observed on the website for the Dearing Mansion that there are six rooms available for rent and an option to host wedding receptions, corporate retreats, meetings, and variety of other gatherings. Your property is also advertised on AirBNB for six (6) guest rooms. Please see enclosed images of the advertisements found on the web.

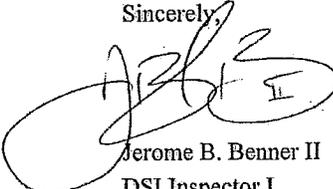
Based on the information provided from the complainant and the information found on the internet, you are violating the standards of your approved bed and breakfast. Additionally, one of the conditions of the Conditional Use Permit (CUP) is getting your final plans approved from the zoning administrator in this office. We have not approved any site plan or floor plans for this property.

Therefore, you must come into compliance by only renting a maximum of four (4) guestrooms, eliminating any use of the property for the purpose of hosting events open to the public, and submitting floor plans along with a site plan that indicates the layout of off-street parking. You have until March 31, 2016 to come into compliance.

If you fail to comply with this order we will request that the Planning Commission review your permit and under Section 61.108, they may require that you discontinue the use of property, impose additional conditions, modify existing conditions, or delete conditions which are deemed by the commission to be unnecessary, unreasonable or impossible of compliance.

If you have any further questions, please contact me at 651-266-9088 or [Jerome.benner.ii@ci.stpaul.mn.us](mailto:Jerome.benner.ii@ci.stpaul.mn.us)

Sincerely,



Jerome B. Benner II  
DSI Inspector I

To Whom It May Concern :

December 2, 2016

I am writing in response to a notification from Jerome Benner, DSI Zoning Inspector stating that I am in violation of the Conditional Use Permit that was issued in Oct 2014 for a Bed and Breakfast Facility in my home at 241 George St. W. The letter explained the process of how the conditional use permit would be sent back to the planning commission and the process that is followed in these cases. The letter did not describe or inform me how I was in violation of the permit.

I called and spoke with Mr. Benner. I asked for an explanation. I had spoken to Mr. Benner earlier in the year and had removed wording from my website and from my Airbnb posting that made mention of the fact that my house had 6 bedrooms. My bed and breakfast permit allows a maximum of 4 bedrooms. Six bedrooms was mentioned in the website and on the Airbnb website in reference to the occasions when I rent my entire residence under contract. I agreed to make changes to remove the language stating that the home had "6 bedrooms". I could see the reason for confusion and that it could be interpreted that I was renting 6 bedrooms even though in fact I was fully abiding by the Conditional Use Permit and not ever renting more than 4 bedrooms at any time.

I was informed by Mr Benner during that conversation that the City of St. Paul was in the process of reviewing Airbnb and VRBO and how to possibly regulate the rental of homes and bedrooms in the city. I believe Mr. Benner informed me that he or someone from the city would be back in touch with me once the City Council had determined the future of Airbnb and Vrbo in St. Paul. I have since learned that the process is still underway and determinations have yet to be made.

A little background information should be mentioned at this point. Although I do have a license to operate a Bed and Breakfast in St. Paul I do not operate my business in the traditional sense in that I do prepare or provide a cooked breakfast. Rather, I provide typical self-serve items as described on the Airbnb website. No breakfasts are prepared or served. This is also in compliance with the Minnesota Department of Health and their laws and guidelines. I have met any and all requirement and inspections made by the MN Health Department.

I believe the cause of the problem centers around the question of whether renting my home for private events is allowed under the terms of the Conditional Use Permit and the fact that I had one specific neighbor who made several complaints.

It is my position that as a private homeowner in St. Paul I can rent my residence on VRBO. This is currently true for all homeowners in St. Paul and I understand that changes may be coming regarding legality or regulations.

I believe the origin of the problem and why it came to the awareness of Mr. Benner is the result of several complaints by an individual, James Katz, who lives across the street to the north on 235 Robie St. W. Mr. Katz heard some noise on several occasions that he found unacceptable and when he complained to the police they evidently informed him that there were no laws being broken. I imagine the police believed the noise was minimal and also any sound was being made during non- curfew hours. I do not allow any amplified music of any kind or large gatherings. I have only had 3 outdoor events held in the back yard in 2015 and 2016 combined. If noise had been an issue I believe the police would have contacted me at least once or there would have been at least one other neighbor complaining. The fact that one person caused this issue to become a larger issue should be noted.

When Jim Katz did not receive satisfaction he contacted the City with his complaint. When Mr. Benner first informed me of the anonymous complaint regarding the noise I said that since it was an isolated incident and I would do whatever I could to avoid a further issues. This conversation between myself and Mr. Benner took place sometime in the spring of 2016 I believe.

In October of 2106 I was informed by a VRBO client that while she was preparing for an outdoor wedding in my back yard that Jim Katz had confronted her saying that what she was doing was illegal and that he was visibly upset. She called me immediately. This happened before any actual event had taken place. The wedding family had rented a tent in case of rain. This was the first time and only time that a tent had been set up in the back yard. The client was planning an afternoon wedding the following day. Luckily Jim Katz left his name and address so I could go meet and speak with him. I met him for the first time within an hour and heard all his concerns and promised him that there would be no late night noise of any kind. He had mentioned that that sound of silverware clanking had come down between the two houses across the street and had been heard by him in his front yard. After I spoke with him I followed up with him on both of the following two days. We left on very good terms with him welcoming me into his home to see some antiques he was thinking I might be interested in. I felt positive and satisfied that in addition to having my immediate neighbors on George St. approval and support I now feel that Jim is satisfied with how I conduct my business.

Virtually all my business comes from the Airbnb and Vrbo website. I have my own private informational website, [www.dearingmansion.com](http://www.dearingmansion.com) as well. I have recently advertised one time on Minnesota Bride. I will not be advertising in the future with that company or any other company besides Airbnb and Vrbo. There is a company called "The Knot" which is a promotional company that does not have my permission to list my house. Their company sell leads and I am in the process of having them remove my house from their website.

Since the house is my home I am very mindful of who I rent it to because all the personal household items and art that has meaning to me. My clientele is respectful of my home and my neighbors and neighborhood. On occasion my VRBO clients have asked and been granted permission to park in their private adjacent church parking lot. I have been careful to prevent and minimize parking issues when events are held at my home.

I have not received a single complaint on George Street for noise or for parking congestion. I asked for and received the cooperation and approval of all my neighbors on George St. within 350 feet when I applied for the conditional use permit over two years ago. Since then I have giving them yearly updates to keep them informed and to garner continued cooperation.

It is my hope I will be allowed to continue to operate my house as both a bed and breakfast in full compliance with the City of Saint Paul Conditional Use Permit and also separately as VRBO rental. During 2014 and 2015 I paid approximately \$18,000 in Minnesota Sales taxes and City of St. Paul Lodging taxes. Airbnb only accounted for approx \$2500 of that City and State revenue.

Thank you for your consideration.

Scott Kramer  
241 George St. W.  
Saint Paul, MN 55107

## Dadlez, Kady (CI-StPaul)

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**From:** Scott Kramer <skramer241@gmail.com>  
**Sent:** Monday, February 06, 2017 9:10 AM  
**To:** Dadlez, Kady (CI-StPaul)  
**Subject:** Re: 241 Geogr Street West

Hello Kady,

Here are my additional thoughts regarding the hardship that I would be facing.

I can edit my statement down to a few lines or you can take a short excerpt from the paragraph below that outlines the financial reality involved. Please call me with any questions or requests for modifications or other information. Thank you Kady.

Not unlike the many beautiful mansions and homes on Summit Ave, I feel that the Historic Dearing Mansion is an extraordinary asset to the City of St. Paul and the surrounding community in many ways. It is my hope that I will be able to maintain and continue to restore this 131 year old Queen Anne architectural gem and make it available for wide use, appreciation and enjoyment in the manner that has been recently established.

The conditional use permit was acquired several years ago when I started renting rooms in the home which is my primary residence. After an extensive \$285,000 restoration of the neglected home (purchased in 2005) my ex-wife and I and our children lived in the house for 7 years before we divorced. I chose to keep the house and rent rooms on Airbnb to enable me to pay the various ongoing costs which were substantial. Airbnb income helped but I realized that it wouldn't be enough. I also began to use VRBO to create more rental income. At somewhere early in this process I was approached by the State of Minnesota and the City of St. Paul and was told I needed a license to rent rooms. While no other private homeowners that I know of in St. Paul were required to obtain conditional use permits to operate as an Airbnb or VRBO host I readily obliged.

The financial reality of operating my home as a business is as follows:

My 1099 income from Airbnb on average since starting to host has been \$10,565.00 per year. Meanwhile my average total expenses to operate this property as a Bed & Breakfast over the past two years (2015 and 2016) has been just over \$69,336.00/per year. That includes the interest on my loan, real estate taxes, supplies, cleaning, administrative costs, lawn and snow services, utilities, insurance, repairs and maintenance - among other costs.

The revenue from VRBO 6 bedroom rentals has made up the difference.

Simply stated is the fact that if I am not allowed to rent 6 bedrooms in the manner I have been doing so via VRBO I will immediately have to close the operation and put the house on the market for sale. That is the simple truth of the situation. My income from my small remodeling company is not nearly sufficient to cover the costs.

I have worked hard not only to restore and maintain this property but also to gain neighborhood support and create good will. I believe I have operated my business as responsibly as possible with as little impact as possible.

In fact, in three years I have not had a single complaint about parking on George St. or neighboring streets. And I have had only one or two complaints from a specific neighbor who complained on one or two occasions

specifically of noise during one of the only three outdoor events that have been held during the past three years in the back yard - all during non-curfew hours. No amplified music was ever allowed and the complaint had to do with the sound of "clinking silverware" and voices during the afternoon and early evening. He also complained last fall (before we met each other and spoke) that I had a tent in my back yard before an event was held. That is when I discovered who was making the complaint (he had come up to my house) The neighbor and I have discussed the matter and he is no longer in opposition to my business as long as he isn't unduly disturbed. He and I are now on good terms and I inform him of my plans. His name is Jim Katz and he lives at approximately 239 Robie St. W. He may come to the public hearing.

I would also like to state that I would be willing to cease having any outdoor gatherings in order to avoid the loss of my conditional use permit.

Lastly, I do have the 4 parking spots in the configuration required in my driveway to allow proper parking and movement of vehicles.

Thank you!

Sincerely,

Scott Kramer

On Sun, Feb 5, 2017 at 11:03 PM, Scott Kramer <[skramer241@gmail.com](mailto:skramer241@gmail.com)> wrote:  
Hello Kady,

I just re-read your email and saw your question about how often this is likely to happen. Currently I have the house reserved for 4 weekends and one mid-week rental this year in 2017. I expect that number to increase at least two or three times by the end of 2017.

Thanks!  
Scott

On Mon, Jan 30, 2017 at 4:25 PM, Dadlez, Kady (CI-StPaul) <[Kady.Dadlez@ci.stpaul.mn.us](mailto:Kady.Dadlez@ci.stpaul.mn.us)> wrote:

Hi Scott-

I have another question for you. Is 241 George Street West your full time residence? What happens when six guest rooms are rented, where do you reside? How often is this likely to happen? Trying to anticipate questions the Zoning Committee may have and provide answers before they ask them.

Thanks.

-Kady

**Dadlez, Kady (CI-StPaul)**

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**From:** Scott Kramer <skramer241@gmail.com>  
**Sent:** Monday, January 30, 2017 11:01 PM  
**To:** Dadlez, Kady (CI-StPaul)  
**Subject:** Re: 241 Geogr Street West

Hi Kady,

241 George St. is my primary full time residence.

For customer privacy, when the house is fully rented on those short term occasions I reside in a small apartment 4 minutes away just below Summit Ave. I don't know if that is the "correct" answer they will be looking for but it is the way I have rented my home at 241 George St. when I rent it using VRBO. When I rent rooms on Airbnb, however, I stay in the home (241 George St. ) and host my guests.

If it means having a more successful outcome I am happy to report that I am planning a remodel of the attic to allow for me to stay in the home during the rentals. I would imagine for a Bed and Breakfast to be seen as and run as a conventional Bed and Breakfast a host would need to be there onsite at all times but as you know I am not running it as a conventional bed and breakfast. I am running it as an Airbnb with separate VRBO rental contracts for those clients.

The partial attic remodel will be started March 1 and will be completed April 20. It will allow me to stay onsite. Please advise what might be the most acceptable response at this point. Or write and present your narrative as you see best fit.

I do not know what is important from the zoning committee's perspective. I am a legal LLC and I have a commercial loan on the home and am fully insured with a commercial policy to be operating as I have been operating with regard to my insurance company. I have legal contracts with all clients that require a damage deposits and stipulate in detail noise and curfew and instructions on how to further reduce impact on the neighborhood.

Your feedback is welcome!

Thank you!!

Scott

On Mon, Jan 30, 2017 at 4:25 PM, Dadlez, Kady (CI-StPaul) <[Kady.Dadlez@ci.stpaul.mn.us](mailto:Kady.Dadlez@ci.stpaul.mn.us)> wrote:

Hi Scott-

I have another question for you. Is 241 George Street West your full time residence? What happens when six guest rooms are rented, where do you reside? How often is this likely to happen? Trying to anticipate questions the Zoning Committee may have and provide answers before they ask them.

**From:** Scott Kramer [mailto:skramer241@gmail.com]  
**Sent:** Wednesday, April 20, 2016 1:07 PM  
**To:** Benner II, Jerome (CI-StPaul) <jerome.benner.ii@ci.stpaul.mn.us>  
**Subject:** Re: 241 George St. W

Hello Jerome!

It took a while for me to find this but here is the floor plan. If you need anything more from me while we wait let me know. If you have any information for me on approximate dates when you may have some new information for me please let me know. Thank you,

Scott Kramer  
241 George St W.  
Saint Paul, MN 55107

On Tue, Mar 29, 2016 at 4:33 PM, Scott Kramer <[skramer241@gmail.com](mailto:skramer241@gmail.com)> wrote:  
Hello Jerome,

I just wanted to follow up our conversation. I appreciate your understanding and willingness to further investigate my options. While you pursue this bit of research I wanted you to know that I have removed the whole house listing from Airbnb and have temporarily taken the Dearing mansion website down. The website is currently off-line while we remove the wording that was advertising the availability of the house (with mention of 6 bedrooms) for rental or events.

It is my sincere hope that a way can be found to allow for whole house rental because quite frankly the size of the house (and the mortgage) requires a certain amount of income to sustain it and keep it viable. I understand the concern of the neighbors and have been committed to limit the impact. I feel sad and responsible that a neighbor complained. Let me know if there have been other complaints of any kind. The overnight B & B rental guests that have come and stayed at the house have been extremely respectful. And I also understand that noise and any other complaints are things that cannot be condoned or tolerated by neighbors or the city. If a modification to the conditional use permit is possible I would expect it to be possibly contingent on neighborhood approval. I am prepared to speak with all my neighbors again and hopefully get unanimous approval. I believe that would be possible. (When I was preparing for the conditional use permit I thought I needed to get a certain level of approval so at that time I did speak with virtually all neighbors within the required distance but apparently once I obtained the signatures I learned that that requirement turned out not to be necessary. And, for the record I obtained 100% approval from everyone I spoke with at that time. I do still have those signatures and would be happy to go door to door again.)

I also do know that several houses have been sold since that time so I no longer know every one of my neighbors.

One other thing I'd like to share is my future desire to apply for "National Register of Historic Places" status. And that could take 5 to 10 years. If and when that happens I may be eligible for grants to allow for much needed exterior repairs. But at this point I am hoping to fund the

In addition to calling me at your convenience this afternoon could you also possibly scan and email me a copy of the the Enforcement Notice? The notice got damaged when the envelop was opened and there is a little bit of important wording that I can't read/understand.

I look forward to talking with you and resolving this issue.

If I don't pick up your call please leave a message and I will return your call this afternoon.

Thank you!

Scott Kramer

city of saint paul  
planning commission resolution  
file number 14-66  
date October 3, 2014

WHEREAS, Scott Kramer, file # 14-326-683, has applied for a conditional use permit for a bed & breakfast residence with 4 guest rooms under the provisions of §61.501 of the Saint Paul Legislative Code, on property located at 241 George St W, Parcel Identification Number (PIN) 072822130175, legally described as Dorhardt Rearrangement The W 15 Ft of S 35 Ft of Lot 2 & The S 41.53 Ft of Lot 3 & All of Lot 6 & W 15 Ft of Lot 7; and

WHEREAS, the Zoning Committee of the Planning Commission, on September 25, 2014, held a public hearing at which all persons present were given an opportunity to be heard pursuant to said application in accordance with the requirements of §61.303 of the Saint Paul Legislative Code; and

WHEREAS, the Saint Paul Planning Commission, based on the evidence presented to its Zoning Committee at the public hearing as substantially reflected in the minutes, made the following findings of fact:

1. The home was constructed in 1886 and designed by notable architect Augustus Gauger. It was originally constructed as a single family home, but was divided into several apartments in the 1940's or 1950's. The property owner prior to the applicant made several necessary repairs and removed the majority of walls, doorways and kitchens that made up the apartments. The applicant is interested in preserving and continuing to restore the home while being able to share this resource via use as a bed and breakfast.
2. §65.641 defines 'bed and breakfast residence' and lists the standards and conditions for a bed and breakfast located in a residential district.
  - (a) *In residential districts, a conditional use permit is required for bed and breakfast residences with two (2) or more guest rooms, and for any bed and breakfast located in a two-family dwelling.* The applicant has made the required conditional use permit application.
  - (b) *The bed and breakfast residence may be established in a one-family detached dwelling or a two-family dwelling, located within a single main building.* The property was originally constructed as a one-family dwelling, therefore this condition is met.
  - (c) *The guest rooms shall be contained within the principal structure.* This condition is met. All guest rooms will be located within the principal structure.
  - (d) *There shall be no more than one (1) person employed by the bed and breakfast residence who is not a resident of the dwelling.* This condition is met. The applicant has stated that there will be no more than one employee who does not reside on the premises.

moved by Nelson  
seconded by \_\_\_\_\_  
in favor Unanimous  
against \_\_\_\_\_

- (e) *Dining and other facilities shall not be open to the public, but shall be used exclusively by the residents and registered guests.* This condition is met as the applicant has agreed to abide by this condition.
- (f) *No additional exterior entrances shall be added to the structure solely for the purpose of serving guest rooms.* This condition is met. The applicant has stated that there is no need for additional exterior entrances to the structure to serve residents or guests.
- (g) *The zoning lot shall meet the minimum lot size for the one-family dwelling or two-family dwelling in the district in which it is located, and shall have a minimum size according to the table noted in §65.641.* This condition is met. The table referenced indicates that a one-family dwelling with four guest rooms must have a minimum lot area of 8,000 square feet. The lot area is over 14,000 square feet, which is more than sufficient.
- (h) *One-family dwellings may contain no more than four (4) guest rooms. Two-family dwelling may contain no more than three (3) guest rooms.* This condition is met. The property was built as a one-family dwelling and the applicant has proposed four (4) guest rooms.
- (i) *No bed and breakfast residence containing two (2) through four (4) guest rooms shall be located closer than one thousand (1,000) feet to an existing bed and breakfast residence containing two (2) through four (4) guest rooms, measured in a straight line from the zoning lot of an existing bed and breakfast residence.* This condition is met. City records indicate no existing bed and breakfast with 2 to 4 guest rooms within 1,000 feet.

3. §61.501 lists five standards that all conditional uses must satisfy:

- a) *The extent, location and intensity of the use will be in substantial compliance with the Saint Paul Comprehensive Plan and any applicable subarea plans which were approved by the city council.* This condition is met. The Housing Chapter of the Saint Paul Comprehensive Plan lists the need to preserve and promote established neighborhoods. Additionally, the Historic Preservation Chapter generally supports the preservation of historic structures and character. The West Side Community Plan generally supports the preservation and rehabilitation of housing, particularly those with historic designation potential and elements that are indicative of historic resources.
- b) *The use will provide adequate ingress and egress to minimize traffic congestion in the public streets.* This condition is met. The point of ingress/egress is located on George Street and the proposed use will not generate a significant amount of traffic nor contribute significantly to congestion the public streets.
- c) *The use will not be detrimental to the existing character of the development in the immediate neighborhood or endanger the public health, safety and general welfare.* This condition is met. The proposed bed and breakfast use is compatible with the surrounding single and two family residences and will not alter the character of the immediate neighborhood.
- d) *The use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.* This condition is met. The proposed bed and breakfast use is a permitted use in the RT1 district and is compatible with surrounding uses.

- e) *The use shall, in all other respects, conform to the applicable regulations of the district in which it is located.* This condition is met. The use will conform to the applicable regulations in the RT1 zoning district. The parking requirement for the bed and breakfast residence is three spaces (1 space for each dwelling unit and 0.5 for each guest room). The applicant has stated that there is room for two vehicles side-by-side in the driveway, and the length of the driveway allows for a third vehicle to park behind either vehicle and leave sufficient maneuvering room.

NOW, THEREFORE, BE IT RESOLVED, by the Saint Paul Planning Commission, under the authority of the City's Legislative Code, that the application of Scott Kramer for a conditional use permit for a bed & breakfast residence with 4 guest rooms at 241 George Street W is hereby approved subject to the following additional conditions:

1. Final plans approved by the Zoning Administrator for this use shall be in substantial compliance with the plan submitted and approved as part of this application.
2. The permit holder must abide by any and all County or State licensing requirements applicable to bed and breakfasts.

## Dadlez, Kady (CI-StPaul)

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**From:** Tom Fitch <thomas.fitch@gmail.com>  
**Sent:** Monday, February 06, 2017 8:19 PM  
**To:** Dadlez, Kady (CI-StPaul)  
**Subject:** Dearing Mansion. 241 George St. W.

Ms. Dadlez,

It has come to my attention that my neighbor has received some complaints from another nearby neighbor. There is one house in between ours and Scott's large, brick house, and from our backyard we can see Scott's. We have never had any issues with any of the events that have been hosted there (inside or out). I've enjoyed seeing new people come to the mansion that he has poured a lot of sweat and tears (and, I'm sure, money) into over the years. We've been here for 14 years now. So years before Scott bought the place and the changes and improvements he has made are pretty incredible. It has been a boon for a neighborhood that has seen its share of difficulties. Any excess noise or "disturbance" (I'm not sure how the issues were characterized by the neighbor down the hill on Robie) is nothing compared to the disturbances from helicopters searching for shooters or the cars and motorcycles that routinely speed by on George St. or the ridiculous amounts of fireworks being lit off during the weeks around the 4th of July. Not to discount this neighbor's feelings on the matter. Perhaps we weren't around that day and they were having a rough day. Just trying to describe my perspective. I'm not sure if I can make it to the hearing next Thursday, but as the 2nd closest neighbor to Scott, I have to say he has only done good things for this neighborhood. I think it is great that people are staying at his house through the VRBO. People are visiting the West Side and get to stay in the neighborhood rather than just driving through it. If St. Paul makes a hasty decision and revokes his permit I will be very disappointed. He has been a great neighbor and he should be allowed to keep his license. We have never had any problems with noise or traffic from events that have been hosted at his house.

Thank your for listening.

Regards,

Thomas Fitch

247 George St. W.

St. Paul, MN 55107

West Side

## Dadlez, Kady (CI-StPaul)

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**From:** Andy Mork <andymcoach@gmail.com>  
**Sent:** Tuesday, February 07, 2017 9:33 AM  
**To:** Dadlez, Kady (CI-StPaul); skramer241@gmail.com  
**Subject:** Scott Kramer house

To the Zoning Committee,

I strongly support working with Scott and allowing him to rent 4 bedrooms, 6 bedrooms, or his entire house. He has found a way to restore a historic home, and to operate a business within a historic neighborhood. To me this is an issue of the city not being to keep up with innovations in home rental that meet the demands of travelers with different needs. If St. Paul wants to continue to be known as a national and international tourist destination it seems important to find ways to meet demand for lodging other than just hotel rooms. For us and for many of the families we know, the first accommodations we seek when traveling are through airbnb and VRBO, and then comparing with the cost of hotels.

We strongly encourage working with Scott. Scott has spoken with us many times. He has asked us if we have concerns, and he has communicated his plans. He has consistently been proactive and cooperative with neighbors and with the process of working with the city. To our understanding, Scott has worked to be compliant, instead of working around the city and the permits. We know other St. Paul residents who are renting homes and rooms without permits. Scott has the full intent to operate his business legally, stay in the neighborhood, and continue to build strong relationships in the neighborhood and the community. It seems silly to not allow him to continue to operate this business with the high integrity that he has shown and continues to show because of one or two complaints. Instead, it seems like the city has the opportunity to innovate, and update policies to reflect current practices in home and room rental which will continue to make St. Paul a travel destination for many families who are looking for non-hotel accommodations. I don't think the practice is going to go away, and it seems wise to work with Scott and develop a model for an ethical practice of this type of business.

Thank you for your time.

--

Andy Mork, EdD.

Art Teacher  
Instructional Technology Consultant  
Life and Professional Coach

"The Spirit searches all things, even the deep things of God. For who knows a person's thoughts except their own spirit within them? In the same way no one knows the thoughts of God except the Spirit of God." ~ I Corinthians 2:10-11

**Dadlez, Kady (CI-StPaul)**

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**From:** Kate Moos <katemoos@gmail.com>  
**Sent:** Wednesday, February 08, 2017 11:49 AM  
**To:** Dadlez, Kady (CI-StPaul)  
**Subject:** 241 George Street--please grant conditional use permit for Scott Kramer

To Whom It may Concern,

I am writing in support of Scott Kramer, who operates his property on George Street as an Air B and B and as a VRBO.

Scott is a reliable and trustworthy neighbor and community member who operates his business with respect for city ordinance and for the concerns of his neighbors.

As a community we would suffer negative consequences if Scott were no longer able to operate his business at 241 George Street.

He has exquisitely maintained this historic property to the benefit of all of the tax payers on George Street.

I am writing to ask you to grant his request for a continuation of his conditional use permit.

The effect of denying Scott Kramer this permit would be extremely negative on the community of upper George Street neighbors. To have a vibrant community entrepreneurs like Scott should be encouraged to thrive on George Street and everywhere on the West Side.

Best,

Kate Moos

261 George Street West  
St. Paul

612 309 1276

## **Dadlez, Kady (CI-StPaul)**

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**From:** Laurie <lasovell@yahoo.com>  
**Sent:** Wednesday, February 08, 2017 3:49 PM  
**To:** Dadlez, Kady (CI-StPaul)  
**Subject:** Dearing mansion

Dear Zoning Committee members,

I am writing to express my support for the continuation of Scott Kramer's conditional use permit to operate his bed and breakfast at 241 George St W.

Scott has been an excellent neighbor and business owner. Scott has always been very open and communicative to us about his plans for running his bed and breakfast. He always lets us (and all his immediate neighbors) know ahead of time when a larger event is coming up and urges us to let him know if we ever have any concerns about his guests. In my experience, he is very sensitive to meeting the neighbors' needs and making sure we are not inconvenienced by his bed and breakfast or its guests.

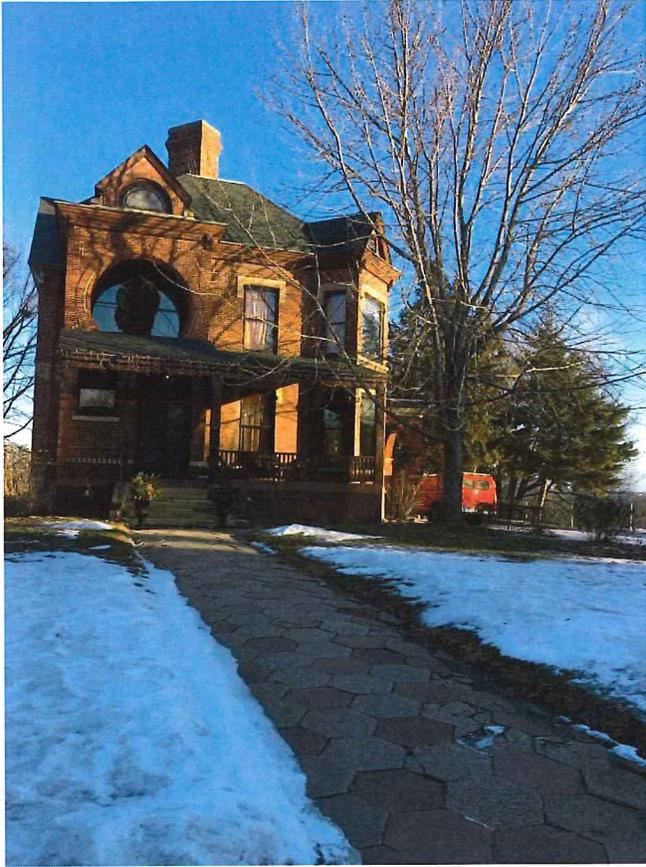
I encourage you to modify the "Conditional Use Permit" to allow 6 bedrooms to be rented so that Dearing Mansion can be in full compliance and continue to operate.

I consider Scott a great asset to our neighborhood. Without his hard work and passion, I highly doubt that the historic Dearing Mansion would have been restored to its current amazing state. It would be a great loss to all of us on West George, and the West Side, if Scott could no longer be our neighbor and run Dearing Mansion as a bed and breakfast.

Thank you for considering my comments!

Sincerely,

Laurie Sovell  
240 George St W  
651-330-7803



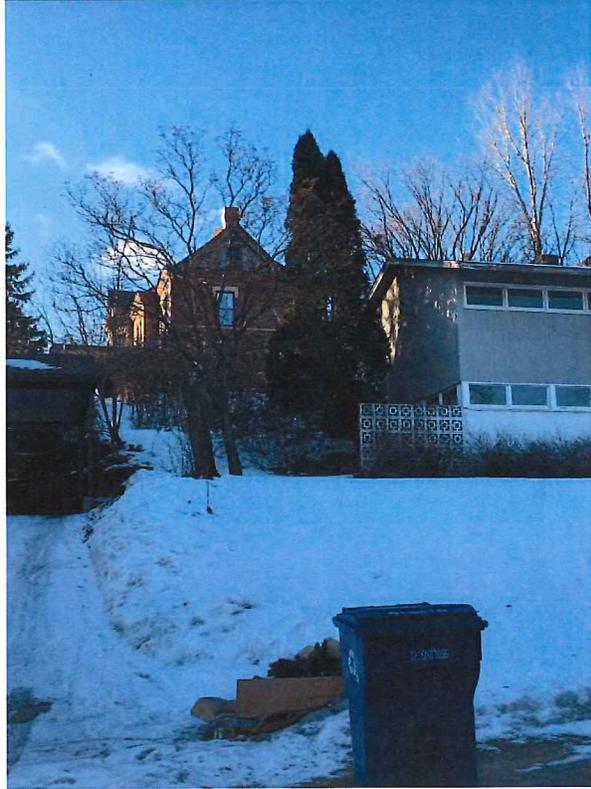
241 George Street West and driveway





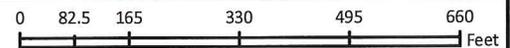
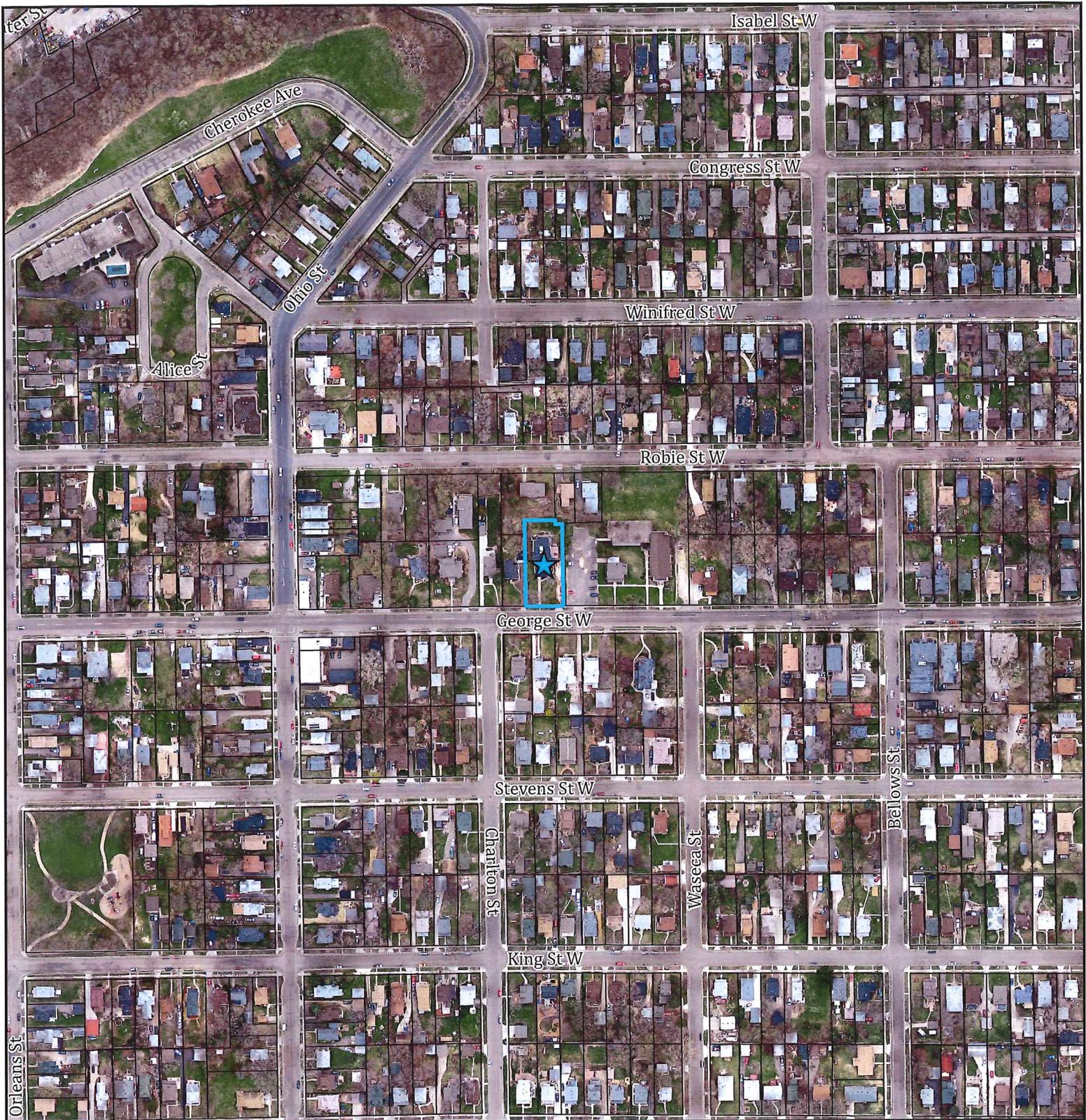
Top – Church and parking lot to the east

Bottom – Residential uses to the west



Top – Residential uses to the south

Bottom – Residential uses to the north



FILE NAME: Dearing Mansion Bed & Breakfast

**Aerial**

APPLICATION TYPE: Revocation

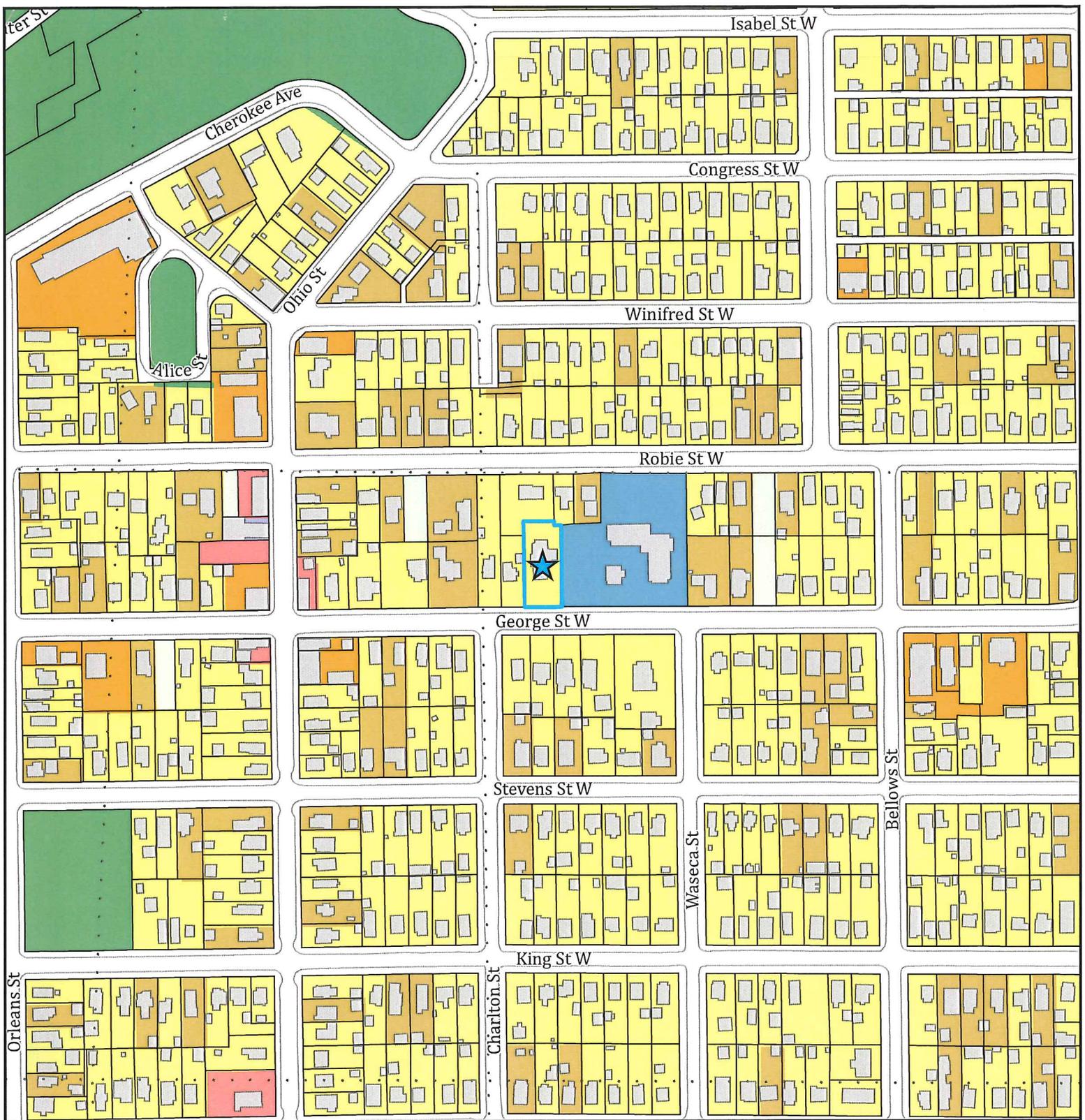
 Subject Parcels

FILE #: 17-000-688      DATE: 1/4/2017

PLANNING DISTRICT: 3

ZONING PANEL: 22





FILE NAME: Dearing Mansion Bed & Breakfast

APPLICATION TYPE: Revocation

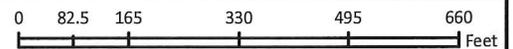
FILE #: 17-000-688      DATE: 1/4/2017

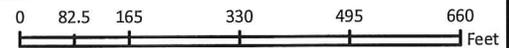
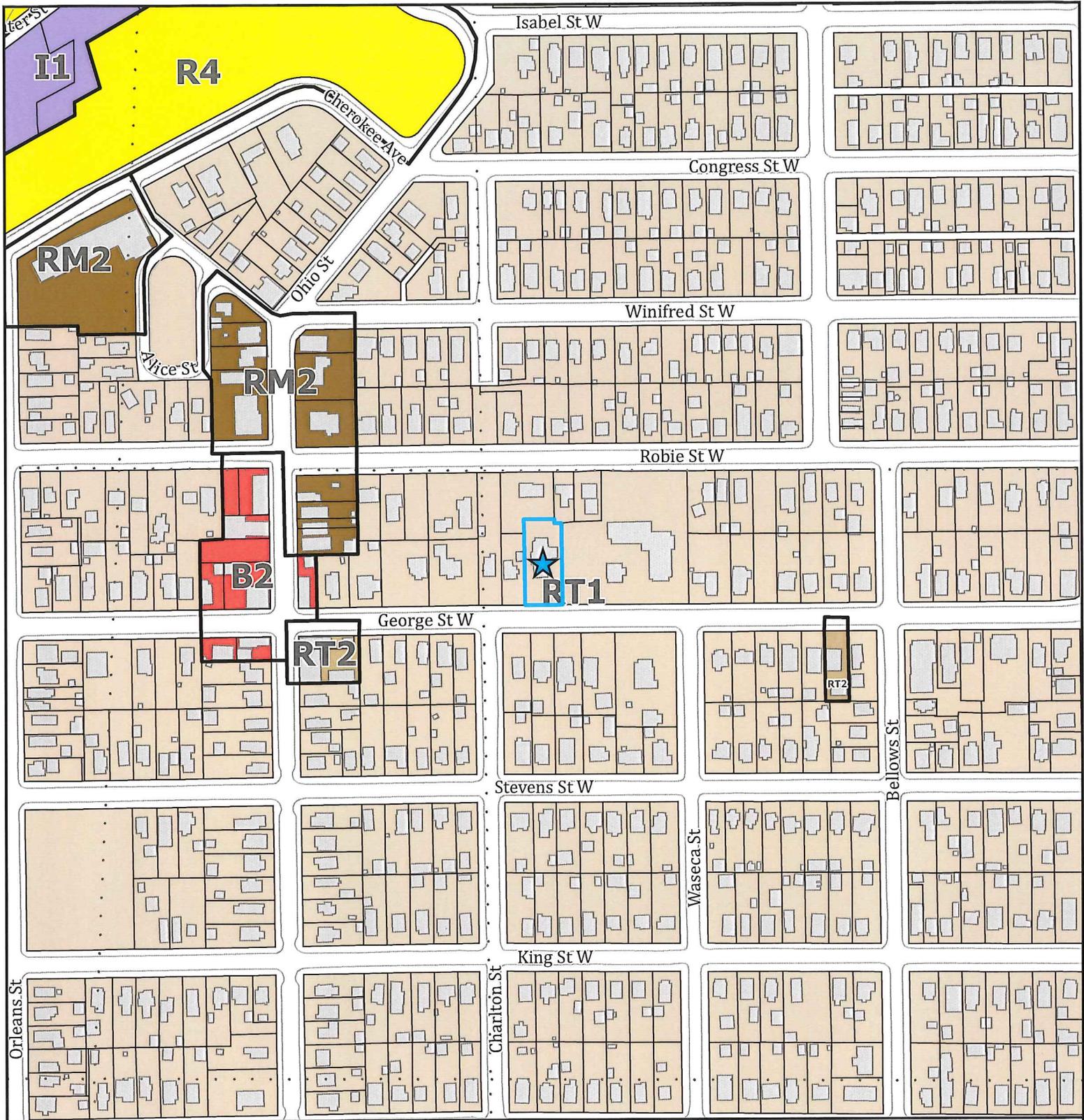
PLANNING DISTRICT: 3

ZONING PANEL: 22

**Land Use**

- Single Family Detached
- Single Family Attached
- Multifamily
- Retail and Other Commercial
- Industrial and Utility
- Institutional
- Undeveloped
- Subject Parcels
- Section Lines





FILE NAME: Dearing Mansion Bed & Breakfast

APPLICATION TYPE: Revocation

FILE #: 17-000-688 DATE: 1/4/2017

PLANNING DISTRICT: 3

ZONING PANEL: 22

**Zoning**

- Subject Parcels
- · Section Lines
- R4 One-Family
- RT1 Two-Family
- RT2 Townhouse
- RM2 Multiple-Family
- B2 Community Business
- I1 Light Industrial

