

8. In 2014, the City approached me and told me that I should have a conditional use permit if I was going to be renting out my home, and so I applied for and received a conditional use permit to operate a bed and breakfast at my home.

9. I allowed the bed and breakfast guests to rent the entire home on occasion and use the Dearing Mansion for events (which I had already been doing on VRBO), as it was my understanding that my guests were free to invite others to the property so long as the residence was not open to the public and the other guests did not stay overnight.

10. At that time, event rentals formed a substantial part of my income from the bed and breakfast.

11. Then, 2016, the City of St. Paul received information that events were being held at the Dearing Mansion, and the City sent me a notice stating that events were in violation of my conditional use permit because.

12. In February and March of 2017, I met with the Zoning Committee twice to modify my CUP to allow me to rent a total of 6 bedrooms at my home.

13. From that point forward, I stopped advertising for rentals and stopped renting out my home for events altogether, and I only accepted reservations for individual guests through AirBnb, or reservations for "whole-house" rentals through VRBO and AirBnB.

14. I voluntarily came into full compliance with the City ordinance and modified CUP as they were explained to me at the time, and it came at a steep cost in terms of the business I had been running.

15. In one case, and as a result of the prohibition against my renting my home for events, I returned around \$4,000.00 to a guest who had made a reservation to have an event at my home.

16. Before 2017, a significant portion of my revenue from the bed and breakfast, which averaged about \$27,000 per year, had come from event rentals.

17. The ability to host events was by far the biggest attraction to potential guests, and without that, my income plummeted and in 2017 I actually sustained a loss of around \$14,000.

18. Had I understood from the beginning that the City code did not permit me to rent the Mansion for events, I truly never would have started.

19. However, even during this time (before 2017), when I rented for events, the events were *always* directly associated with a full house lodging rental by the people who were staying in the house overnight, *without exception*—at no time did I rent my home to be made accessible to the general public.

20. I made a real and concerted effort to be an honest, legal, and legitimate short-term rental business long before the City even considered writing a short-term rental ordinance, and while hundreds of other short-term rentals were operating illegally.

21. Every step of the way, I have done my best to operate my bed and breakfast within the law, and within the terms of my conditional use permit.

22. Which is why I do not understand why or how a party that I have been throwing each and every year for more than 10 years could put my bed and breakfast business in jeopardy.

23. My understanding had been and continues to be that the conditional use permit had no effect on what I could do in my own home—that I was only restricted from renting out the property to people to hold their own private events.

24. But I (with my ex-wife before our divorce) have been throwing large parties at my home at the Dearing Mansion since I remodeled it. I thoroughly enjoy hosting a good party, and the Dearing Mansion was built for entertaining and socializing.

25. In 1885 when the Dearing Mansion was completed its owner, Sam Dearing and his wife held a gala party that was written up in the Pioneer Press as being “the most lavish event the West Side had ever seen.”

26. Every year, my wife and I had a large Fourth of July party, and every year we held a large New Year’s Eve party. I’ve continued those traditions.

27. We had other large social events as well, including a large party and fundraiser in 2013 for the “Vote No” campaign when the marriage prohibition amendment was on the state-wide ballot.

28. We never received any complaints—about noise, traffic, parking, littering, loitering or anything else—and the police have never been called to my home.

29. With regard to my 2017 New Year’s Eve party, I am aware that there has been some confusion about who was in charge of the party, and I would like to clarify those points now:

- This was my party.
- I decided who could come.
- I invited and collaborated with the DJs, who were also my friends.
- One of the DJs had even played at two of my New Year’s Eve parties in the past.
- I told my friends—including the DJs—that they could invite their friends.

- I approved the flyer.
- As I have explained the party invitation was sent to my friends and was put on the DJ's Facebook page intended for their friends.
- I am not one to need a lot of public recognition so it didn't bother me in the least that my name was not on the invitation. I had the pleasure of meeting and greeting guests in my home and that was sufficient recognition and acknowledgment.
- I arranged for the food and drinks.
- I did not rent out the Mansion to any bed and breakfast guests—or to anyone else—to have a party.
- In fact, I closed my bed and breakfast business over that New Year's weekend.
- I completely blocked out the house on both AirBnB and VRBO for four days so that I could throw my annual party for me and my friends, making Dearing Mansion completely unavailable for bed and breakfast rentals during the 2017 New Year's weekend.
- This was not a "Dearing Mansion Bed and Breakfast Party"—my party had absolutely nothing to do with my business under the conditional use permit.
- I did not have this party to make money, even though I asked for financial contributions from the people attending by selling tickets.
- The truth is that I could not have afforded to throw this party without getting other people to help cover the expenses.
- I readily chose to take a loss of income by turning down inquiries and commercial requests for a whole house rental over the New Year's weekend.
- My friends have always been willing to pitch-in for my New Year's parties in the past.
- I only collected the amount of money that I thought was necessary to cover my out-of-pocket costs.

- I actually lost money on this party, due to the fact that I closed the bed and breakfast over New Year's weekend in 2017.
- Although I have never actually rented out my house over New Year's (because I always have a party on New Year's Eve), it has been my experience that holidays—especially holiday weekends—are very popular and often book up quickly, so it is very likely that instead of losing money I would have made between \$3,000 and \$4,000 had I kept my business open over the 2017 New Year's weekend.
- The truth of the matter is that I thought I was allowed to have parties for my friends and family in my home as a private citizen regardless of whether I had a conditional use permit.
- It was never explained to me that I would need to stop throwing my yearly party for my friends as a condition of having a bed and breakfast.
- If the City could not prevent me from having a private party for my friends before I had the conditional use permit, I don't understand how the City can revoke my conditional use permit for doing the same thing.
- The reality is that this is a large home—around 10,000 square feet—that can entertain a lot of people, and I enjoy throwing the occasional large party.
- So long as I own the Dearing Mansion, I will continue to do so.
- And, as I always do when I have a party, I will continue to be very respectful of my neighbors, such by as by limiting amplified music and making sure my party guests know to keep the noise down and stay inside the house as much as possible.
- Quite frankly, my home is right next door to a church, and they often have events—much more often than I do—and their events are always significantly louder than mine.
- The events held by the church next door to me include carwashes, garage sales, barbecues, and other food sales and events.
- If my neighbors down the hill are complaining of noise, I think it would be more likely to be coming from the church than from my house. They

certainly have many more people there on a more regular basis than I do at my home.

30. To be clear, I do not operate my home as a small conference center, a private retreat center, or a reception house.

31. I am the only person who has large events at my house and those are events put on by me, because I sometimes like to have parties—approximately twice a year.

32. To be honest, I feel like this has been a continued campaign of harassment by one neighbor who seems to have a personal vendetta against me and has successfully labeled my NYE party as a technical violation of my conditional use permit—even though it has nothing to do with my bed and breakfast and everything to do with my tradition and love of hosting New Year's Eve parties.

33. As far as I am aware, the noise from my home has always been below the levels required by City ordinance, and the reality is that some noise is always going to carry down to my neighbor's house—whether from my house, the church next door to me, or from some other place in the City—and revoking my conditional use permit is not going to change that.

34. In fact, as was testified to at the public hearing at the Zoning Committee meeting on March 29th, 2018 when 8 people spoke in support of my bed and breakfast business two neighbors directly across the street stated that they were unaware that a New Year's party going on that night.

35. Moreover, I talked to my neighbor down the hill, and he told me that he did not even know I had a party on New Year's Eve until his daughter's friend who was at my party told him about it after the fact.

36. I really feel like I have been caught in the middle during the time that short-term rentals have risen all over, and the City has been figuring out how to regulate them.

37. I respectfully request that the Council vote not to revoke my conditional use permit for a bed a breakfast at 241 George St. West in Saint Paul.

Thank you for your consideration.

[Signature page follows.]

I declare under penalty of perjury that everything I have stated in this Affidavit of Scott Kramer in Support of Conditional Use Permit is true and correct. Minn. Stat. § 358.116.

Signed in Ramsey County

6/20/18
DATE



Scott Kramer