AGENDA
JUNE 10, 2019

(Councilmember Miller out)

6:30 p.m.  STUDY SESSION – Community room

Discussion items

<table>
<thead>
<tr>
<th></th>
<th>Time</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>6:30 p.m.</td>
<td>Future study session agenda planning</td>
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<tr>
<td>2</td>
<td>6:35 p.m.</td>
<td>Police advisory commission work plan update</td>
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<tr>
<td>3</td>
<td>7:05 p.m.</td>
<td>PLACE Via Sol and Via Luna projects update</td>
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<tr>
<td>4</td>
<td>7:50 p.m.</td>
<td>Accessory dwelling units/home-based businesses</td>
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<td></td>
<td>8:50 p.m.</td>
<td>Communications/updates (verbal)</td>
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8:55 p.m. Adjourn

Written reports

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<tr>
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<th>Topic</th>
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<tbody>
<tr>
<td>5</td>
<td>TexaTonka Small Area Plan</td>
</tr>
<tr>
<td>6</td>
<td>Mobility sharing update</td>
</tr>
</tbody>
</table>

Auxiliary aids for individuals with disabilities are available upon request. To make arrangements, please call the administration department at 952/924-2525 (TDD 952/924-2518) at least 96 hours in advance of meeting.
Executive summary

Title: Future study session agenda planning

Recommended action: The city council and city manager to set the agenda for the special study session scheduled for June 17, 2019 and the regularly scheduled study session on June 24, 2019.

Policy consideration: Not applicable.

Summary: This report summarizes the proposed agenda for the special study session scheduled for June 17, 2019 and the regularly scheduled study session on June 24, 2019. Also attached to this report is:
- Study session discussion topics and timeline

Financial or budget considerations: Not applicable.

Strategic priority consideration: Not applicable.

Supporting documents: Tentative agenda – June 17 and 24, 2019
- Study session discussion topics and timeline

Prepared by: Debbie Fischer, Administrative Services Office Assistant
Approved by: Tom Harmening, City Manager
June 17, 2019
(Mayor Spano and Councilmember Miller out)

5:45 p.m. Special study session – Community room

*Tentative discussion items*

1. **Comprehensive financial report for 2018 – auditors discussion and review** – Administrative services (45 minutes)
   The city auditor (Redpath and Company) will present the annual audit results and opinion issued on the 2018 Comprehensive Annual Financial Report.

2. **2020 Budget** – Administrative services (45 minutes)
   Staff will check-in on the 2020 budget parameters, strategic initiatives, upcoming schedule and communication plan.

June 24, 2019
(Mayor Spano out)

6:30 p.m. Study session – Community room

*Tentative discussion items*

1. **Future study session agenda planning** – Administrative services (5 minutes)

2. **Human rights commission work plan update** – Administrative services (30 minutes)
   The city council has requested a meeting with the chair of each board/commission to review 2019 work plans. Human rights commissioners will attend the study session on June 24 to discuss their 2019 work plan.

3. **Telecommunications advisory commission work plan update** – Information resources (30 minutes)
   The city council has requested a meeting with the chair of each board/commission to review 2019 work plans. Telecommunications advisory commissioners will attend the study session on June 24 to discuss their 2019 work plan.

4. **Fats, oils, grease and backflow ordinance discussion** – Inspections and Operations & recreation (30 minutes)
   Staff will provide information related the proposed ordinance to deal with fats, oils, grease and backflow prevention.

5. **Consent decree update** – Operations & recreation (30 minutes)
   Staff will be updating council on the status of the Reilly Consent Decree.

   **Communications/meeting check-in** – Administrative services (5 minutes)
   Time for communications between staff and council will be set aside on every study session agenda for the purposes of information sharing.

*Written reports*

6. May 2019 monthly financial report
7. Update on environmentally preferable purchasing policy
8. FEMA Community Rating System
## Study session discussion topics and timeline

<table>
<thead>
<tr>
<th>Discussion topic</th>
<th>Comments</th>
<th>Date Scheduled</th>
</tr>
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<tbody>
<tr>
<td>Ordinance regarding home occupations (Firearm sales)</td>
<td>Discussed 5/21/18 &amp; 7/23. Written report provided at 9/24 study session. PC currently reviewing ordinance options. Policy on city facilities adopted 10/15.</td>
<td>2nd reading June 17, 2019</td>
</tr>
<tr>
<td>Revitalization of Walker Lake area</td>
<td>Part of preserving Walker building reports: 8/28/17, 9/25/17, 1/22/18, design study 2/12/18, update 4/23/18, design study update 8/27/18; SS report 2/11/19; SS discussion 5/28/19</td>
<td>Written report update June or July, 2019</td>
</tr>
<tr>
<td>C-1 zoning district retail and service use restrictions</td>
<td>Discussed on 6/11/18; referred to PC. Discussed 11/26/18; SS report 2/25/19; Discussed 3/11/19 – further discussion requested by council</td>
<td>July 8, 2019</td>
</tr>
<tr>
<td>Election holiday discussion</td>
<td></td>
<td>3rd Qtr.</td>
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<tr>
<td>Crime free ordinance/affordable housing strategies</td>
<td>Discussed 5/14/18. 1st reading housing trust fund 10/1/18; Other affordable housing strategies/Crime Free Ordinance – Nov/Dec, 12/10 and 12/17/18 and 1/14/19 council discussion; Certain provisions of crime free ord. suspended; Work group being formed; CFO work group discussed on 3/25/19; Work group had first meeting in May; Next meeting is in June</td>
<td>TBD; Pending workgroup recommendation</td>
</tr>
<tr>
<td>Immigration &amp; supporting families</td>
<td>Discussed 8/6 and referred to HRC. HRC held comm. mtg. in Oct. Council/HRC discussion on 12/10; referred back to HRC for refinement of recommendations.</td>
<td>TBD</td>
</tr>
<tr>
<td>Discuss and evaluate our public process</td>
<td></td>
<td>TBD</td>
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<tr>
<td>Easy access to nature, across city, starting with low-income neighborhoods</td>
<td></td>
<td>TBD</td>
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<tr>
<td>One-for-one replacement policy for NOAH properties</td>
<td>Discussed on 1/14/19; Tom H, Derek R. and Astein O. toured the Central Community Center and are continuing discussions</td>
<td>TBD</td>
</tr>
<tr>
<td>STEP discussion: facilities</td>
<td>Discussed on 1/14/19; Tom H, Derek R. and Astein O. toured the Central Community Center and are continuing discussions</td>
<td>TBD</td>
</tr>
<tr>
<td>Westwood Hills Nature Center Access Fund</td>
<td>*On hold pending discussion with school district.</td>
<td>*On hold</td>
</tr>
<tr>
<td>SEED’s community greenhouse/resilient cities initiative</td>
<td>*On hold until Food Access and Security study is complete and recommendations have been made.</td>
<td>*On hold</td>
</tr>
<tr>
<td>Discuss Council Norms</td>
<td>Reviewed on 5/7/18; adoption postponed on 5/21/18. Discussed at Jan. Retreat; discussed on 3/18/19</td>
<td>TBD</td>
</tr>
</tbody>
</table>
Executive summary

Title: Police Advisory Commission 2019 annual work plan

Recommended action: Discuss the annual work plan with the representative(s) of Police Advisory Commission

Policy consideration: Does the annual work plan address strategic priorities of the city council, comprehensive plan goals and Police Advisory Commission duties?

Summary: The complete Police Advisory Commission annual work plan is attached for review. There are four initiatives identified. The St. Louis Park Police Advisory Commission was formed to increase awareness of police department capabilities and services, provide an opportunity for citizen involvement and input in police services, and encourage positive interactions between the police department and the community. The initiatives identified are:

- Review of the St. Louis Park Police Department body-worn camera 2019 implementation.
- Host second annual St. Louis Park Trail 5k Run/Walk on April 28th, 2019. Fundraising for Perspectives Inc., Furnishing Hope program, and Park Flyers Track and Field.
- Fundraising and staffing for the 12th annual Crime Prevention Golf Tournament. Date to be determined.
- Participate in the Community Development Task Force for Crime-free Rental Ordinance review.
  - One noteworthy item in the “Parking Lot” section of the work plan mentions the initiative of race data collection on police/citizen contacts.

The attached work plan was also shared with the city council at the February 25, 2019, annual meeting of boards and commissions.

Financial or budget considerations: None.

Strategic priority consideration: St. Louis Park is committed to creating opportunities to build social capital through community engagement.

Supporting documents: Police Advisory Commission annual work plan

Prepared by: Jon Parker, Police Lieutenant
Reviewed by: Mike Harcey, Police Chief
Approved by: Tom Harmening, City Manager
### Police Advisory Commission

<table>
<thead>
<tr>
<th>Time Frame</th>
<th>Initiative</th>
<th>Strategic Priorities</th>
<th>Purpose (see page 2 for definitions)</th>
<th>Outcome (fill in after completed)</th>
</tr>
</thead>
</table>

City of St. Louis Park Strategic Priorities

1. St. Louis Park is committed to being a leader in racial equity and inclusion in order to create a more just and inclusive community for all.
2. St. Louis Park is committed to continue to lead in environmental stewardship.
3. St. Louis Park is committed to providing a broad range of housing and neighborhood oriented development.
4. St. Louis Park is committed to providing a variety of options for people to make their way around the city comfortably, safely and reliably.
5. St. Louis Park is committed to creating opportunities to build social capital through community engagement

OR Other
Purpose: definitions

- **Commission Initiated Project**
  - Project initiated by the board or commission

- **Council Initiated Project**
  - Project tasked to a board or commission by the city council

- **Report Findings**
  - Initiated by the city council
  - Board and commission will study a specific issue or topic and report its findings or comments to the city council in writing
  - No direct action is taken by the board/commission

- **Formal Recommendation**
  - Initiated by the city council
  - Board and commission will study a specific issue or topic and makes a formal recommendation to the city council on what action to take
  - A recommendation requires a majority of the commissioners' support

Modifications:

Work plans may be modified, to add or delete items, in one of three ways:

- Work plans can be modified by mutual agreement during a joint work session.
- If immediate approval is important, the board or commission can work with their staff liaison to present a modified work plan for city council approval at a council meeting.
- The city council can direct a change to the work plan at their discretion.
Parking Lot

Items that are being considered by the board/commission but not proposed in the annual work plan. Council approval is needed if the board/commission decides they would like to move forward with an initiative.

<table>
<thead>
<tr>
<th>Initiative</th>
<th>Comments:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Race data collection on police/citizen contacts</td>
<td>Commissioner Kinney would like to develop a tool to measure interactions between police officers and citizen’s interactions.</td>
</tr>
<tr>
<td>Neighborhood surveys</td>
<td>Continue to meet about possible changes to the neighborhood survey issued by the SLP Police Department.</td>
</tr>
<tr>
<td>Continue to participate in community events</td>
<td>PAC members continue to participate in community events: Children’s First Ice-cream social, National Night Out, Parktacular.</td>
</tr>
<tr>
<td>Review PAC bi-laws</td>
<td>The Administrative Service Department has asked that all Commissions review their bi-laws and update if needed</td>
</tr>
</tbody>
</table>
Executive summary

**Title:** PLACE Via Sol and Via Luna projects update

**Recommended action:** Provide staff with direction relative to PLACE’s requested revisions to its Purchase and Redevelopment Contract with the EDA.

**Policy consideration:** Does the EDA wish to consider extending the deadline for conveyance of the South Parcels, reducing the number of housing units within the Via Luna project and extending the construction completion dates for both Via Sol and Via Luna projects?

**Summary:** PLACE is completing remediation work on the North Parcels and expects to commence foundation work on the Via Sol building shortly thereafter.

PLACE is working with a tax credit investor, R4, that is considering purchasing the housing bonds for the Via Luna apartment building (to be constructed on the South Parcels) prior to their expiration on June 28, 2019. R4 would replace Old National Bank and become the new holder of the Note until the project’s permanent financing occurs. However, the investor is requiring that PLACE guarantee the financial performance of the project’s 33 market-rate units, which PLACE is unable to provide. PLACE therefore is requesting to remove those units from the project and add two more affordable units, for a total of 50 units, all affordable at 60% AMI. This would result in a 38% reduction in units from the currently required 81.

As stated in the May 13, 2019 staff report, design work on the Via Luna apartment and hotel buildings is progressing but will not be construction approval-ready by the required closing date of June 28, 2019, per the fourth amendment to the Purchase and Redevelopment Contract. PLACE therefore is requesting that the closing date for acquisition of the South Parcels be extended to December 31, 2019. PLACE will also provide an update on the agreement with the hotel and financing status for that component.

Given the current construction status of Via Sol and the additional time needed to close on the South Parcels, PLACE is requesting that the construction completion dates for both Via Sol and Via Luna projects be extended to December 31, 2020 and July 31, 2021, respectively. The above requested revisions would require a fifth amendment to the Redevelopment Contract. The reduction in the number of units in Via Luna would also require a PUD amendment.

**Financial or budget considerations:** Reducing the number of housing units in Via Luna would reduce the project’s market value and consequently would require either an extension of the term of the TIF Note for the South Components or a reduction in the principal amount of the Note. This will require further analysis by Ehlers. PLACE has previously pledged the increment generated from the South Components as security for the financing for the North Components.

**Strategic priority consideration:** St. Louis Park is committed to providing a broad range of housing and neighborhood oriented development.

**Supporting documents:** PLACE Memo to staff

**Prepared by:** Greg Hunt, Economic Development Coordinator

**Reviewed by:** Karen Barton, Community Development Director

**Approved by:** Tom Harmening, EDA Executive Director and City Manager
MEMORANDUM

DATE: May 31, 2019

TO: Karen Barton, Community Development Director

FROM: Chris Velasco

RE: PLACE Update for Extension Request

Because of necessary engineering and design rework, PLACE requests an extension of our Purchase & Redevelopment Agreement until December 31, 2019.

EXECUTIVE SUMMARY

Via Sol is under construction, and is expected to be completed by December 2020.

PLACE intends to redesign the Via Luna building to comply with St. Louis Park's Building Code based on the Minnesota and IBC 2012 Code. This redesign will necessitate a PUD amendment. The attached Gantt Chart outlines the schedule leading to four important milestones:

1. R4 purchases PLACE's housing bonds from Old National on June 25
2. PUD Amendment Approval received on September 16
3. Building Permit issued on October 29
4. Closing on November 25

The Via Luna building program will change slightly due to financing. There will be more affordable spaces. PLACE intends to increase the number of affordable live work apartments to fifty. There will be no market-rate live work apartments. Our traditional co-working space will transform into Creative Co-Working, which will better serve our creatives and become more of an attraction for hotel guests and visitors.

PLACE has received a term sheet from R4 for Via Luna financing, and purchase of the bonds and tax credits.

A feature of Via's second phase is a green hotel at the light-rail station. The hotel will be a Fairfield Inn & Suites. PLACE is the first nonprofit to ever be awarded a Marriott franchise. The hotel building does not require a redesign, and includes the cafe and coffee house.

The hotel building (Fairfield Inn & Suites, cafe, and coffee house) has received financing terms from PACE Equity, a firm specializing in financing hotels using PACE financing. There is a second offer from our previous PACE lender, Twain Financial Partners.

Our E-Generation facility has all financing assembled. E-Generation will be built last.

All Phase II components will be in operation by July of 2021.

PLACE is a nonprofit with a mission to create places that foster a sustainable, just, and inspiring world.
VIA LUNA

* 50 affordable live work suites for creatives (all affordable at 60% AMI)
* Storefront spaces activate 36th and woonerf
* Creative Co-Working

Creative Live Work Community

Via Luna serves as the creative pulse of the Via community. Combined with live work spaces in Via Sol, PLACE expects to have a hundred creatives living and working at Via. Creatives will have shared use of a performance/exhibit space and a fiber-optic backbone for high bandwidth internet.

Creative Co-Working

Creative Co-Working is a concept to enhance interaction between the creatives and visitors. It will be much more “visitable” than traditional co-working, and focused on creatives. The street level will be activated by storefronts and 24/7 activity.
Executive summary

Title: Accessory dwelling units/home-based businesses

Recommended action: No formal action at this time. Provide initial input on the policy questions provided by staff.

Policy consideration: Staff has identified several broad policy questions related to accessory dwelling units (ADUs) and home occupations for city council consideration. Staff emailed an online poll containing these policy questions to city councilmembers to respond to in advance of the meeting. Staff will report a summary of the responses to city council at the meeting. Since there are potentially many items to cover, staff would like to try this method to help focus the discussion in the time available. The full set of questions are also provided as an attachment to the report.

Summary: In January 2019, city council decided to discuss ADUs and home occupations. These two issues may have overlapping policy considerations. Specifically, occupying accessory buildings was highlighted. This will be an initial discussion to provide direction to staff and planning commission as we study the issue and prepare ordinances. The 2040 comprehensive plan indicates ADUs will be allowed. Developing ADU regulations is a high priority in the planning commission’s approved 2019 work plan. A comprehensive review of home occupation rules is a low priority in the work plan.

An ADU is a self-contained residential unit with its own living space, kitchen, and bathroom. ADUs are permanent installations that are legally part of a larger property that includes a standard single family house. This housing is designed to be flexible for evolving family circumstances and could generate rental income for the homeowners. ADUs may be located inside the principal building or may be in a detached accessory building on the same parcel.

A home occupation is an occupation, profession, or activity conducted in a dwelling unit, which is clearly an incidental and subordinate use to the residential use and which does not alter the exterior of the property or affect the residential character of the neighborhood.

Financial or budget considerations: As the number of ADU’s and/or home occupations increases, increased staff time and potentially added staff may be necessary to address complaints and ensure compliance with city codes.

Strategic priority consideration: St. Louis Park is committed to providing a broad range of housing and neighborhood oriented development.

Supporting documents: Discussion,
Policy questionnaire
ADUs: Housing Options for a Growing Region
Overview of Twin Cities municipal ADU policies.

Prepared by: Sean Walther, Planning and Zoning Supervisor
Reviewed by: Karen Barton, Community Development Director
Approved by: Tom Harmening, City Manager
**Discussion**

**Background:** *Accessory dwelling unit (ADU):* An accessory dwelling unit (ADU) is a self-contained residential unit with its own living space, kitchen, and bathroom. ADUs are permanent installations that are legally part of a larger property that includes a standard single family house. This housing is designed to be flexible, and can generate rental income for the homeowners. There are various types of ADUs.

*Internal ADUs could take up an entire level of a principal building or just part of any level. Also, they may be built as additions.*

*Detached ADUs could be stand-alone buildings, built as additions to garages or replace existing garage storage with housing.*
Benefits of ADUs:
1. Expands housing options for neighborhoods already built out in ways that do not alter the character of the existing neighborhoods.
2. Homeowners can earn income to pay other household expenses.
3. Serves lifecycle housing needs (i.e. can assist people aging in place and downsizing).
4. Provides independent housing for friends, family, and caregivers that is less expensive than assisted living or skilled nursing facilities.
5. Reduces environmental impacts by less energy consumption and reduce transportation-related environmental impacts.
6. Provides more affordable housing option to address housing market challenges.
7. Supports the local economy through the construction and maintenance of ADUs.

ADU benefits based on type:
- Interior: little perceived change from the exterior.
- Attached: easily made ADA accessible, more ideal for supportive living arrangements (caregivers, elderly relatives).
- Detached: provides the most independent living arrangements, does not affect design of primary home.

Challenges of ADUs:
- For many private homeowners, financing is the biggest obstacle to developing an ADU on their own.

ADU challenges based on type:
- Interior: Adding a separate entrance, cannot exceed square footage of primary dwelling unit.
- Attached: Loss of yard area, must conform to zoning code (height, ground floor area, yard setbacks, etc.).
- Detached: Height requirements may make the ADU infeasible, fire separation between dwelling units. Additional significant costs may be incurred to connect water and sewer.

ADUs in the Twin Cities: Based on Family Housing Fund research as of 2018, approximately 18 cities in the Twin Cities metro region have policies allowing ADUs. Approximately 150 permitted ADUs exist in the region; many more unpermitted ADUs may exist throughout the metro. The majority of permitted ADUs are located in Minneapolis (100+), Minnetonka (30) and Stillwater (16).

Common Policy Practices: Cities with longstanding ADU ordinances include Vancouver (BC); Portland, Oregon; Seattle, Washington; and Santa Cruz, California. Common design guidelines include:
- One ADU per lot
- Homeowner required to live on site
- Off street parking for ADU unit not required
- Exterior design regulations
- Floor area limits
Staff has generated a number of policy questions to help gauge level of support and consensus among city council members. They are included in the attached “policy questionnaire.” This information will be helpful to staff and the planning commission as we undertake further study of this issue and begin to prepare ordinances for later formal consideration.

Further information on ADUs can be found in recently released research and materials from the Family Housing Fund, including a policy brief, *ADUs: Housing Options for a Growing Region*, and an *Overview of Twin Cities municipal ADU policies*.

**Home occupations:** In St. Louis Park zoning code, home occupation means an occupation, profession, or activity conducted in a dwelling unit, which is clearly an incidental and subordinate use to the residential use and which does not alter the exterior of the property or affect the residential character of the neighborhood.

Home occupations are allowed as an accessory use in residential zoning districts, provided they meet certain conditions. These conditions are meant to further regulate when home occupations are acceptable and consistent with the definition.

The planning commission has been discussing home occupations over the past few months and expressed interest in a comprehensive review of the regulations. In particular, they would like to review: the city’s limits on outside employees that do not reside on the property; the prohibition on conducting a home occupation in an accessory building (attached or detached); the floor area or percentage of a dwelling unit that may be used for a home occupation; and lifting the prohibition of certain uses if they meet all other criteria.

As of July 12, 2019, home occupations that comply with all of the following conditions will be allowed as accessory uses:

a. The city has approved a Registration of Land Use for any home occupation established after July 12, 2019, that has customers or students coming to the site.

b. The home occupation and structure housing the home occupation meets all applicable fire and building codes, as well as any other city, county, state, or federal regulations.

c. The home occupation is clearly incidental and subordinate to the residential use of the property and does not change the character of the property.

d. Space within the dwelling devoted to the home occupation does not exceed one room or ten percent of the floor area, whichever is greater.

e. No portion of the home occupation is conducted within any attached or detached accessory building.

f. Operation of the home occupation is not apparent from the public right-of-way.

g. Only equipment, machinery, and materials which are normally found in the home are used in the conduct of the home occupation.

h. All material or equipment is stored within an enclosed structure.

i. The home occupation does not produce nuisance noise, odors, smoke, heat, glare, vibration, or electrical interference beyond the residential lot occupied by the home occupation.

j. No person is employed at the residence who does not legally reside in the home.

k. Persons do not come to the location of the home occupation to be dispatched to other locations.
l. Sale of products related to the home occupation is allowed with the following conditions:
   1. products are shipped to and from the premises, or
   2. products sales occur off-site at a permissible location, or
   3. customers visit the premises by appointment only, or
   4. products are sold on the premises at garage sales as regulated by this chapter.

m. No more than one non-illuminated wall sign up to two square feet in area is used to identify the home occupation.

n. The home occupation does not include any of the following uses: auto body/painting, motor vehicle sales, motor vehicle service and repair, small engine repair, massage, medical/dental office, animal handling, beauty shop and barbershop, firearm sales, currency exchange, payday loan agency, sexually-oriented business or high-impact sexually oriented business.

**Next steps**: Based on the discussion and direction, staff will work with the planning commission on updates to zoning code to allow accessory dwelling units. Staff expects ADU regulations could be adopted by the end of the year. The planning commission and city staff will also review the home occupations regulations when the higher priority items on the commission’s approved 2019 work plan have been completed. The city council’s discussion and direction will inform both efforts.
Policy Questionnaire

ADU Policy Questions:

1. Do you think ADUs should be limited to owner-occupied properties? Y/N

2. Should ADUs be limited to one per lot (in other words, prohibit two ADUs on a property where the principle use is a single-family or a two-family building)? Y/N

3. Do you think there should be a minimum lot size to allow an ADU? Y/N

4. Should the minimum lot size be the same as the minimum lot size for a single-family house? Y/N/Not sure

5. What types of ADUs should the city allow?
   - Allow ADUs that are interior to the existing principal building? Y/N
   - Allow attached ADUs that are attached to the existing principal building and require additions to the existing principal building? Y/N
   - Allow detached ADUs (stand-alone buildings in the rear yard, side yard, or that are attached to, replace, or are above a detached garage)? Y/N
   - Not Sure.

6. Should there be design criteria that require ADUs to be less obvious from the front yard and/or street(s) or should they be allowed to be clearly visible from the street?

7. Should there be size limits for ADUs? Y/N

8. Which of the following floor area limits should be explored? (choose all that apply)
   - No minimum size
   - No less than 300 square feet
   - No less than 400 square feet
   - No more than 500 square feet
   - Include ADUs in current detached accessory building requirements (no more than 800 sq. ft. or 25% of the rear yard, whichever is less)
   - Smaller than the principal building (by some percentage 10%, 25%, 50%)
   - No more than 1,200 square feet
   - Other __________________________________________________________

9. Which of the following height limits should be explored? (choose all that apply)
   - No taller than 15 feet (to the peak)
   - No taller than 24 feet (to the peak)
   - No taller than the district allows for the principal building (i.e. 30 feet and as measured for principal buildings)
   - No taller than the existing principal building
   - Other __________________________________________________________
10. How many people should be allowed to live in an ADU?
   - 1 person
   - 2 people
   - No more than 4 unrelated people
   - No zoning code restriction for people related by blood, marriage or adoption
   - No zoning code restriction

11. Should off-street parking be required for ADUs?

12. How should ADUs be allowed?
   - Administratively
   - Conditional use permit

Home Occupation Policy Questions:
1. Do you think home occupations should be allowed to be conducted in an accessory building (attached or detached)? Y/N

2. Do you think the city should consider allowing home occupations to have outside employees that come to the property that do not reside on the property? Y/N
   If yes, then how many: 1, 2, 3 or more?

3. What percentage of the floor area of the building(s) should the city consider allowing home occupations to use?
   - 10% or one room, whichever is greater (current rule)
   - 25%
   - 30%
   - Less than 50%
   - Other?_________________

4. Which, if any, of the following uses should the city consider allowing as home occupations, if they meet all other requirements?
   - auto body/painting
   - motor vehicle sales
   - motor vehicle service and repair
   - small engine repair
   - massage
   - medical/dental office
   - animal handling (i.e. kennels)
   - beauty shop and barbershop

5. What other regulations for home occupations that you think the city should consider adding in order to meet the intent of the home occupations definition in the zoning code?
Accessory Dwelling Units (ADUs) are a flexible, neighborhood-scale solution to regional housing needs. Cities can encourage ADUs as part of their overall housing strategy by adopting proven policies.
What makes ADUs good for cities?

ADUs provide affordable options in the private market: Most ADU rents are affordable to a household earning less than $56,000 annually.¹

- ADUs represent gentle, or “hidden” density as a form of small-scale infill housing.
- ADUs provide access for renters to established, well-connected neighborhoods.
- ADUs are built by homeowners on existing lots, providing new housing without expensive land acquisition costs, and add value to the property, which can lead to increased property tax revenue for a city.
- ADUs typically serve one- and two-person households, a growing demographic segment which comprises the majority of Twin Cities households.²

- ADUs support stable homeownership by serving lifecycle housing needs. Over time, rental income provided by an ADU can help homeowners pay their mortgages or save up. Homeowners may use their ADU to house family members who need care, or they may move into the ADU themselves to downsize.
- ADUs are environmentally-friendly housing options because they are smaller and use less energy than the average home. They help reduce transportation-related environmental impacts when they are located near employment centers and established public transit routes.³
- ADUs support the local economy, as homeowners typically hire local construction and design firms to build them.
- ADUs help create vibrant neighborhoods as new residents increase the customer base for nearby businesses and services.

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Why do we need ADUs as a housing option?

ADUs can help reduce pressures on the regional housing market, including:

- **Increasing demand** for more housing units: To meet the needs of anticipated workforce growth and other population trends, the seven-county Twin Cities region needs to add nearly 13,000 units of housing each year through 2040. ADUs engage private homeowners as a new set of partners addressing this housing need, without public subsidy.

- **Low supply** of rental housing stock: Throughout the Twin Cities metro area, vacancy rates for studio and one-bedroom units are 2.1% and 2.3%, respectively—far below a healthy rate of 5% or more. Adding ADUs in existing neighborhoods helps to address this gap.

- **Cost** pressures for renters: The greatest demand over the next 20 years will be for rental units priced below $1,875/month (in 2019 dollars), as ADUs typically are.

- **Smaller households**: The type of new housing needed in the coming decades will be affected by changing demographic trends. Nearly half of the region’s projected household growth will be individuals living alone, and ADUs are typically designed for these smaller households.

- **Aging population**: Four-fifths of household growth will be in older households headed by individuals aged 65 and older, many seeking options to downsize in their own neighborhoods; ADUs provide this option.

Where can I find ADUs?

Currently, an estimated 18 cities in the Twin Cities metropolitan area have policies permitting ADUs and approximately 150 permitted ADUs exist in the region. However, ADUs have always existed in the Twin Cities.
Encouraging ADUs: Best Practices for Cities

**REMOVE REGULATORY BARRIERS**
- Allow different types of ADUs as an accessory to all single-family or small multifamily homes, permitted by right rather than conditionally
- Designate ADU experts within departments to facilitate a clear permitting process
- Remove or reduce parking minimums
- Remove owner-occupancy restrictions
- Make design standards more flexible

**LOWER COSTS AND INCREASE ACCESS TO CAPITAL**
- Offer homeowners waivers, discounts, tiered pricing, and payment plans for fees
- Develop an ADU loan program for homeowners
- Work with developers to incentivize building ADUs in new construction

**PROMOTE ADUs AND INCREASE ACCESS TO INFORMATION**
- Create a dedicated webpage and resource materials for ADU development
- Host quarterly informational workshops about ADUs
- Sponsor, promote, and participate in ADU tours

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**How can local policies support ADU development?**

The evidence is clear: local government policies and practices that reduce regulatory and cost burdens make a critical difference in whether ADUs can reach their full potential for communities.

- **In Austin, Texas**, allowing larger ADUs (up to 1,100 square feet) and reducing other requirements[^10] paved the way for permit requests to rise nearly tenfold.

- **In Portland, Oregon**, annual ADU permit volume increased from just 24 (in 2009) to 615 (in 2016) when it waived development fees for ADUs, saving homeowners $8,000-12,000 per unit.[^11]

- **In Los Angeles, California**, ADU permits jumped from 80-90 per year to 1,980 in 2017, after California’s state legislature required cities to adopt ADU policies.[^12]

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[^10]: Austin Development Services Department. Accessory Dwelling Units. [ww.austintexas.gov/page/adu](http://www.austintexas.gov/page/adu)
## Encouraging ADUs in Your City

### REMOVE REGULATORY BARRIERS

<table>
<thead>
<tr>
<th>Allow ADUs to be permitted by right for all single-family and two-family developments.</th>
<th>In California, allowing ADUs to be processed ministerially (i.e. administratively/by right) has had a major impact, with a rapid rise in ADU permit applications after the enactment of SB 1069 and AB 2299 in January 2017. The City of Oakland had a sevenfold increase, from 33 permit applications in 2015 to 247 in 2017. The City of Los Angeles had a nearly 25-fold increase in applications, from 80 in 2016 to 1,980 in 2017.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remove or reduce parking minimums.</td>
<td>In Oregon, a survey conducted by the Department of Environmental Quality found that ADUs had a negligible impact on parking congestion. ADU residents had a below-average vehicle ownership rate (less than one per household), and the dispersed nature of ADU development meant any additional on-street parking impact was also dispersed throughout the city.</td>
</tr>
<tr>
<td>Remove owner-occupancy and household size restrictions.</td>
<td>Most peer cities nationally and three Minnesota cities (Crystal, Stillwater, and Northfield) do not have owner-occupancy requirements. These requirements limit the use of the property over time and may be a disincentive to homeowners considering ADU development or limit their financing options.</td>
</tr>
<tr>
<td>Make design standards more flexible.</td>
<td>After adjusting its regulations in 2015 to allow larger floor areas, Austin, Texas saw a marked increase in ADU development, from 250 issued permits from 1994 to 2015 to more than 600 in the three years since the change.</td>
</tr>
<tr>
<td>Designate ADU experts in departments to facilitate a clear permitting process.</td>
<td>To clear its backlog of ADU applications, San Francisco is working with multiple city departments to define a checklist of consistent guidelines to help homeowners successfully navigate city processes.</td>
</tr>
</tbody>
</table>

### LOWER COSTS AND INCREASE ACCESS TO CAPITAL

<table>
<thead>
<tr>
<th>Offer waivers, discounts, tiered pricing, and payment plans for fees.</th>
<th><strong>WAIVER FOR AFFORDABILITY:</strong> The City of Santa Cruz, California waives permit fees on a sliding scale in exchange for a commitment to renting an ADU to a low-income household. Approximately 39 households have used this waiver since 2016. <strong>TIERED PRICING:</strong> Most cities already offer tiered pricing in some form, such as for building permits. Offering tiered pricing for other fees, such as sewer access charges, can help reduce what would otherwise be a larger fixed cost for homeowners wishing to build an ADU.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop an ADU loan program.</td>
<td>The County of Santa Cruz in California, the City of Portland, Oregon, and the West Denver Renaissance Collaborative (WDRC) in Colorado are developing low- or no-interest loan programs for ADU development. Each program has an affordability focus, either creating affordable rental units or building wealth and stability for lower-income homeowners. Santa Cruz County also has a specialized My House, My Home ADU loan program to help low-income senior homeowners build ADUs so that they can afford to age in place.</td>
</tr>
<tr>
<td>Work with developers to incentivize building ADUs in new construction.</td>
<td>The City of Lakes Community Land Trust (CLCLT) builds and sells multigenerational-living homes with attached ADUs in Minneapolis. The homes are designed for flexibility, with ADUs at the back of the first floor that can open to the inside of the main home or can be accessed through a separate entrance, allowing the home to meet changing housing needs over multiple generations.</td>
</tr>
</tbody>
</table>

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**Study session meeting of June 10, 2019 (Item No. 4)**

**Title:** Accessory dwelling units/home-based businesses

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**FAMILY HOUSING FUND | ADUs: Housing Options for a Growing Region | February 2019**

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**Continued on next page**
PROMOTE ADUs AND INCREASE ACCESS TO INFORMATION

Create a dedicated webpage and host informational workshops on ADU development.

City of Santa Cruz, California has become a national model by appointing dedicated staff to the development of its ADU program, creating a guide for homeowners, sharing prototypes of architectural plans, hosting workshops, and creating a webpage with ADU information.22

Sponsor, promote, and participate in ADU tours.

The city of Portland boasts an annual ADU tour, run in partnership between advocates and the City. It has been a successful beginning point for many ADU homeowners, who embarked on their developments after attending the tour.23 Locally, a few ADUs already have been popular stops on the Minneapolis & Saint Paul Home Tour.24

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22 Garcia, David.
23 Oregon Department of Environmental Quality.
24 Northfield is noted here but is not counted as part of the 18 cities that have an ADU policy as it is outside the Twin Cities metro area.
25 City of Austin. Open Data. data.austintexas.gov
27 City of Santa Cruz 2016 Accessory Dwelling Units Fee Waiver Information and Application www.cityofsantacruz.com/home/showdocument?id=53802
30 Martinez-Stone, Renee. 28 June 2018.

<table>
<thead>
<tr>
<th>Local Cities</th>
<th>Where are ADUs allowed?</th>
<th>Special Permit Required?</th>
<th>Parking for ADU</th>
<th>Owner Occupancy</th>
<th>Water/ Sewer</th>
<th>Min. Lot Size</th>
<th>Lot Coverage</th>
<th>Min. ADU Size</th>
<th>Max. ADU Size</th>
<th>Type</th>
<th>Ordinance Section</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Apple Valley</td>
<td>In R-1 zoning district</td>
<td>Conditional Use Permit</td>
<td>2 off-street for the ADU and 2 off-street for the main home</td>
<td>Yes</td>
<td>Must connect to main house</td>
<td>40,000 SF</td>
<td>Cannot exceed 35%</td>
<td>300 SF</td>
<td>Shall be no larger than 40% of the main home's footprint</td>
<td>Attached, Internal</td>
<td>155.382</td>
<td>ADU occupancy limited to 3 people; ADUs must be 2 bedrooms or fewer</td>
</tr>
<tr>
<td>Bloomington*</td>
<td>In R-1 and RS-1 zoning districts</td>
<td>Primary home must have 4 off-street parking spaces</td>
<td>Yes</td>
<td>Must connect to main house</td>
<td>11,000 SF</td>
<td>300 SF</td>
<td>960 SF or 33% of the 4-season living area of the main home</td>
<td>Attached, Internal</td>
<td>§ 21.302.03</td>
<td>ADU occupancy limited to 2 people; ADUs must be 2 bedrooms or fewer</td>
<td>1 permitted and constructed</td>
<td></td>
</tr>
<tr>
<td>Burnsville</td>
<td>In R-1 and R-1A zoning districts</td>
<td>1 off-street for the ADU and 2 off-street for the main home</td>
<td>Yes</td>
<td>Must connect to main house. If not on municipal lines, must meet private well and septic standards</td>
<td>10,000 SF for attached 1 acre for detached</td>
<td>300 SF</td>
<td>960 SF or 33% of the footprint of the main home</td>
<td>Attached, Detached, Internal</td>
<td>10.7.52</td>
<td>ADUs must be 2 bedrooms or fewer; require park dedication and utility fees</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>Chaska</td>
<td>In Planned Unit Developments</td>
<td></td>
<td>Yes</td>
<td>Can be connected to property or utility main</td>
<td>6,000 SF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Attached, Detached, Internal</td>
<td>Chapter V, Subsection 515.23, Subdivision 3</td>
<td>10</td>
</tr>
<tr>
<td>Crystal</td>
<td>In R-1 and R-2 zoning districts</td>
<td>1 additional for the ADU</td>
<td>No</td>
<td>Can be connected to property or utility main</td>
<td>6,000 SF</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Attached, Detached, Internal</td>
<td>Section 11.70, subdivision 32</td>
<td>1 permitted</td>
</tr>
<tr>
<td>Eagan</td>
<td>In Estate and R-1 zoning districts</td>
<td>Annual Registration</td>
<td>2 off-street for the ADU and 2 off-street for the main home</td>
<td>Yes</td>
<td>Must connect to main house</td>
<td>Cannot exceed 20%</td>
<td>300 SF</td>
<td>960 SF or 33% of the 4-season living area of the main home</td>
<td>Attached, Detached, Internal</td>
<td>10.18.1</td>
<td>ADU occupancy limited to 2 people; ADUs must be 2 bedrooms or fewer</td>
<td>1 constructed and 1 legalized</td>
</tr>
<tr>
<td>Inver Grove Heights</td>
<td>In R-1, R-1A, R-1B, and R-1C zoning districts</td>
<td>2 off-street for the ADU and 1 off-street for the main home</td>
<td>Yes</td>
<td>Must share with main house</td>
<td>1 acre for detached</td>
<td>250 SF</td>
<td>1,000 SF</td>
<td></td>
<td></td>
<td>Attached, Detached, Internal</td>
<td>Section 11.50.11.F, 11.51.11.F, 11.52.11.F, 11.53.11.F</td>
<td>5 registered</td>
</tr>
<tr>
<td>Lakeville</td>
<td>In RS-1, RS-2, RS-3, and RS-4 zoning districts and Planned Unit Developments</td>
<td>3 garage stalls for the ADU and main home</td>
<td>Must share with main house</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Attached, Internal</td>
<td>11.50.11.F, 11.51.11.F, 11.52.11.F, 11.53.11.F</td>
<td>Must be accessed from inside the main home</td>
</tr>
<tr>
<td>Long Lake</td>
<td>In the R-1, R-1A, R-2, R-3, and R-4 zoning districts</td>
<td>Conditional Use Permit</td>
<td>2 for the ADU</td>
<td>Yes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x2 the minimum lot size required by the zoning district</td>
<td></td>
<td>Cannot be rented to non-family members</td>
</tr>
<tr>
<td>Local Cities</td>
<td>Where are ADUs allowed?</td>
<td>Special Permit Required?</td>
<td>Parking for ADU</td>
<td>Owner Occupancy</td>
<td>Water/ Sewer</td>
<td>Min. Lot Size</td>
<td>Lot Coverage</td>
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</tr>
<tr>
<td>Minneapolis</td>
<td>As an accessory to a permitted or conditional single-family or two-family dwelling.</td>
<td>0 for the ADU, 1 space each for other units</td>
<td>Yes</td>
<td>Connect to main home or the street</td>
<td>300 SF</td>
<td>Internal: 800 SF not to exceed the first floor of the main home. Attached: 800 SF Detached: 1,300 SF (incl. parking areas) or 16% of the lot area. Footprint not to exceed 676 SF or 10% of the lot area, not to exceed 1,000 SF</td>
<td>Attached, Detached, Internal</td>
<td>537.11</td>
<td>–120 permitted and built</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Minnetonka</td>
<td>In R-1 and R-2 zoning districts</td>
<td>Conditional Use Permit</td>
<td>Determined on a case by case basis</td>
<td>Yes</td>
<td>Must connect to main home</td>
<td>No more than 35% of the gross living area of the home, including the ADU or 950 SF, whichever is smaller.</td>
<td>Attached, Detached, Internal</td>
<td>Section 300.16.3.d</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Plymouth</td>
<td>Within residential subdivisions in RSF-R, RSF-1, RSF-2, and PUD zoning districts, that have received preliminary plat approval on or after June 1, 2001 and that include 10 or more single-family lots</td>
<td>2 off-street for the ADU</td>
<td>Yes</td>
<td>Detached must connect to utility main</td>
<td>300 SF</td>
<td>800 SF or the gross floor area of the principal dwelling, whichever is less</td>
<td>Attached, Detached, Internal</td>
<td>2190.04</td>
<td>Can only be constructed at the same time as the primary home, as part of a subdivision of 10 or more homes</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Richfield</td>
<td>In R and R-1 zoning districts</td>
<td>3 off-street spaces are required</td>
<td>Yes</td>
<td>Attached and Internal may connect to home</td>
<td>300 SF</td>
<td>800 SF or the gross floor area of the principal dwelling, whichever is less</td>
<td>Attached, Detached, Internal</td>
<td>514.05 Subd. 8, 518.05 Subd. 8</td>
<td>Detached units are only allowed as part of a garage</td>
<td>2 existing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roseville</td>
<td>In the LDR-1 zoning district</td>
<td>1 additional off-street space for the ADU</td>
<td>Yes</td>
<td>Attached and Internal may connect to home</td>
<td>300 SF</td>
<td>650 SF or 75% of the 4-season living area of the main home</td>
<td>Attached, Detached, Internal</td>
<td>11.011.12.B.1</td>
<td>ADU occupancy limited to 2 people; ADUs must be one bedroom or fewer</td>
<td>5, 2 of which were legalized; 1 in processing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shoreview</td>
<td>In RE and R-1 zoning districts</td>
<td>Accessory Apartment Permit</td>
<td>3 off-street spaces are required</td>
<td>Yes</td>
<td>Must share with main house</td>
<td>No more than 30% of the building's total floor area nor greater than 800 SF</td>
<td>Attached, Detached, Internal</td>
<td>207.01</td>
<td>ADUs must be two bedrooms or fewer</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Paul</td>
<td>R1-R4, RT1, RT2, RM1, RM2</td>
<td>Annual affidavit of owner-occupancy</td>
<td>No additional spaces If principal home meets minimum parking requirement</td>
<td>Yes</td>
<td>Must connect to principal home</td>
<td>800 SF, if interior to the principal structure, the principal structure must be at least 1,000 SF and the ADU must not exceed 1/3 of the total floor area</td>
<td>Attached, Detached, Internal</td>
<td>Chapters 61, 63, 65, and 66</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Cities</td>
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<td>-----------------------------------------------------------</td>
</tr>
<tr>
<td>Stillwater</td>
<td>In TR, CTR, and RB zoning districts</td>
<td>In CTR and RB: Special Use Permit</td>
<td>4 off-street for the ADU and main house</td>
<td>No</td>
<td>Can be connected to property or utility main</td>
<td>TR and RB: 10,000 SF</td>
<td>CTR: 10,000 SF</td>
<td>CTR: 500 SF, one story attached or 720 SF above a detached garage RB: 800 SF</td>
<td>TR and CTR: Attached, Detached, Internal RB: Detached, above garage</td>
<td>Sec. 31-501</td>
<td>16 approved, but likely more that were permitted by right in RB</td>
<td></td>
</tr>
<tr>
<td>White Bear Lake</td>
<td>Where single-family homes are permitted</td>
<td>Conditional Use Permit Annual Certificate of Occupancy renewal</td>
<td>Determined on a case by case basis</td>
<td>Yes</td>
<td>Can be connected to property or utility main</td>
<td>200 SF for the first occupant plus 100 SF for each additional occupant</td>
<td>880 SF or 40% of the habitable area of the main home</td>
<td>Attached, Detached</td>
<td>Section 1302.125</td>
<td>Maximum of 4 occupants</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Updated policy is currently under consideration as of February 2019
Executive summary

Title: TexaTonka Small Area Plan

Recommended action: None at this time. This report is for information only.

Policy consideration: None at this time.

Summary: In May 2019, the city began working on a small area plan for the commercial properties near the intersection of Texas Ave. and Minnetonka Blvd., also known as TexaTonka. The city contracted with SEH and a team of planners, architects, engineers, outreach, and market specialists to create the TexaTonka Small Area Plan. The plan will include: a market overview, concept site and building plans, design guidelines, a traffic capacity analysis, and a parking study. The planning process is anticipated to take eight months and includes a project committee, several pop-up events, community surveys and neighborhood workshops.

The project committee is comprised of 12 area residents and commercial property owners. The first project committee meeting was held on May 16, 2019 and included a walking tour of the area followed by a placemaking event. The meeting summary is posted to the city’s website.

A survey is also posted on the city’s website and will be available until August 1. It will be advertised in the Park Perspective, through mailings, workshops, social media, and Nextdoor.

The first pop-up event is planned for the evening of June 11 to gather information from area renters. The city hired a mobile ice cream vendor and will utilize the city’s engagement vehicle, music and games to draw participation to the event.

The first planning workshop will be held on June 27 at the Lenox Community Center. The workshop will include small-group conversations where participants will create a set of study area issues, identify opportunities for improvement and preservation, and draft a vision statement. A free light supper and childcare will be provided to attendees.

The remaining process will include an existing conditions report, a second online survey, additional project committee meetings, another planning workshop and pop-up event, and a draft of the plan.

Financial or budget considerations: None at this time.

Strategic priority consideration: St. Louis Park is committed to providing a broad range of housing and neighborhood oriented development.

Supporting documents: TexaTonka study area map (link and attached)
Small area plan website

Prepared by: Jennifer Monson, Planner
Reviewed by: Sean Walther, Planning and Zoning Supervisor
Karen Barton, Community Development Director
Approved by: Tom Harmening, City Manager
TexaTonka Study Area Map

TexaTonka Study Area
Small Area Plan

Source: Community Development 2019
Executive summary

**Title**: Mobility sharing update

**Recommended action**: None at this time. This report is to inform council on staff’s progress regarding the implementation of a mobility sharing pilot program in St. Louis Park. Please inform staff of any questions or concerns you might have.

**Policy considerations**: Does the city council want to move forward with the implementation of a mobility sharing pilot program within the city?

**Summary**: Staff is continuing to work on creating a mobility sharing pilot for St. Louis Park this year. The goal of the pilot is to decrease the use of personal vehicles, increase access to public transit, increase the use of active transportation, ensure safe and equitable access to emerging transportation technologies, and to ensure alignment with the work of the city’s strategic priorities, Comprehensive Plan, Climate Action Plan, and other city policies.

On March 27, 2019 city staff began an RFQ process with mobility sharing companies with interest in the Twin Cities market. Of the two submittals received, staff selected Spin as a candidate for approval to operate in St. Louis Park.

City staff, the city attorney, and Spin have agreed on license agreement language. Therefore, staff will bring Spin’s license to operate for approval to council at the June 17 council meeting.

**Financial or budget considerations**: Any selected vendors would pay a license fee to help to cover staff time and infrastructure costs. Any other costs related to this policy are negligible and would come from the general operating budget.

**Strategic priority consideration**:
- St. Louis Park is committed to continue to lead in environmental stewardship.
- St. Louis Park is committed to providing a variety of options for people to make their way around the city comfortably, safely and reliably.

**Supporting documents**: Discussion
- [Study Session report February 26, 2018 (page 34-38)](#)
- [Study Session report May 29, 2018 (page 13–18)](#)
- [Study Session report March 25, 2019 (page 71-94)](#)
- [Council staff report April 15, 2019 (page 72 – 80)](#)

**Prepared by**: Ben Manibog, Transportation Engineer

**Reviewed by**: Debra Heiser, Engineering Director

**Approved by**: Tom Harmening, City Manager
Discussion

Background: On February 26, 2018 staff provided council with an informational study session report to introduce dockless mobility sharing (dockless bikes) as it was an emerging technology and was spreading throughout the country. The report, which is attached, includes the following:

- What are dockless bicycles?
- Types of dockless bicycles
- Dockless bicycles across America and the Twin Cities
- Municipal bike share policies

For the May 29, 2018 study session staff provided council with a report to ask for direction regarding implementation of mobility sharing. Staff provided recommended directions for council to consider:

- [Take] no action at this time/Monitor activities in other cities
- Actively pursue bicycle sharing in St. Louis Park

Council directed staff to take no action and to prepare to implement mobility sharing in 2019.

On March 25, 2019 staff provided council with a study session report detailing staff’s recommendation on moving forward with a mobility sharing pilot for 2019. The mobility sharing pilot would include the flexibility for bicycles, as discussed before, as well as scooters. Scooters as a mobility sharing device gained much more popularity throughout 2018. The detailed report included:

- Public engagement
- Council concerns
- Mobility sharing pilot program description
- Equity

Mobility sharing ordinance: On April 15, 2019 council approved an ordinance regulating mobility sharing operations within St. Louis Park. The ordinance defines mobility sharing, authorizes the city’s ability to impound mobility sharing devices, requires mobility sharing providers to have a city license, and establishes corresponding fees for licensing and impoundment. The ordinance also notes there are three permits available to operate mobility sharing (bikes, low power vehicles (scooters), or vehicle sharing). The ordinance took effect in the city on May 10, 2019.

Request for qualifications: On March 27, 2019 an email was sent to all known mobility sharing providers that had interest in the Twin Cities market. The email invited them to respond to a request for qualifications (RFQ) regarding operating mobility sharing as a pilot in St. Louis Park.

It was explained that the goal of the pilot was to decrease the use of personal vehicles, increase access to public transit, increase the use of active transportation, ensure safe and equitable access to emerging transportation technologies, and to ensure alignment with the work of the city’s strategic priorities.

We received two responses to the RFQ. The responses were reviewed by the city’s mobility sharing work group. The work group did not recommend one submittal package due to the quality of the submittal and issues relating to compliance with Minnesota State Statute.
The work group recommended the response from Spin, a mobility sharing company based in San Francisco, California. Spin is owned by Ford Motor Company.

**Twin Cities update**: As it stands today, mobility sharing is operating in Minneapolis and St. Paul. Both cities undertook a RFQ process similar to St. Louis Park. Minneapolis selected four companies to operate scooter sharing (Jump, Lime, Lyft, and Spin) and St. Paul selected three companies to operate scooter sharing (Bird, Lime, and Spin).

It is understood that Lime will also be operating in Edina this year. They will be working under a memorandum of understanding (MOU) similar to their operation last year. It is also understood that Golden Valley has opened a permit process for mobility sharing companies to operate in their city. This process is similar to the one that St. Louis Park used. We are not aware of any companies approved to do so yet.

**Remaining mobility sharing permits**: If Spin is approved to operate mobility sharing in St. Louis Park, there are two remaining mobility sharing permits with the city. These permits are available for those that want to operate bike share, low power vehicle (scooter) share, or vehicle sharing. It is understood that the companies currently operating in Minneapolis may be interested in operating in adjacent cities once established.

**Next steps**: Staff recommends moving ahead with launching this pilot project with Spin. They are a competent provider of mobility sharing and staff, the city attorney, and Spin have agreed to license agreement language. Spin’s license to operate will be brought to council for approval on June 17, 2019. The pilot would end in March, 2020.