5:30 p.m.  MEETING with REP. OMAR – community room

6:30 p.m.  CITY COUNCIL MEETING – council chambers

1. Call to order
   1a. Pledge of allegiance
   1b. Roll call

2. Presentations
   2a. Retirement recognition for Office Assistant Jean Zimmerman
   2b. Discover St. Louis Park (DSLP) update
   2c. Recognition of donations

3. Approval of minutes
   3a. City council meeting minutes of Jan.6, 2020
   3b. Study session minutes of Jan. 13, 2020
   3c. City council meeting minutes of Jan. 21, 2020
   3d. Special study session minutes of Feb. 3, 2020

4. Approval of agenda and items on consent calendar
   NOTE: The Consent Calendar lists those items of business which are considered to be routine and/or which need no discussion. Consent items are acted upon by one motion. If discussion is desired by either a Councilmember or a member of the audience, that item may be moved to an appropriate section of the regular agenda for discussion. The items for the Consent Calendar are listed on the last page of the Agenda.

   **Recommended action:** Motion to approve the Agenda as presented and items listed on the Consent Calendar; and to waive reading of all resolutions and ordinances. (Alternatively: Motion to add or remove items from the agenda, or move items from Consent Calendar to regular agenda for discussion.)

5. Boards and commissions – None

6. Public hearings
   6a. Public hearing to consider allocation of 2020 Community Development Block Grant (CDBG) funds
      **Recommended action:** Mayor to open public hearing, take testimony, and then close the hearing. Motion to adopt Resolution approving proposed use of 2020 Urban Hennepin County Community Development Block Grant (CDBG) funds and authorize execution of sub-recipient agreement with Hennepin County and third-party agreements.
   6b. Oak Park Village Apartments – private activity revenue bonds
      **Recommended action:** To conduct a public hearing and then consider a resolution authorizing the issuance, sale, and delivery of multifamily housing revenue obligations for the benefit of Oak Park Village Partners, LP and authorizing the execution and delivery of documents related thereto.
   6c. First Reading to rescind Ord. 535 and multiple resolutions supporting intersection traffic control (TS 713)
      **Recommended action:** Mayor to open public hearing, take public testimony, and close the public hearing. Motion to approve first reading of the ordinance and set second reading for March 2, 2020.
6d. Southeast area bikeway project
   **Recommended action:** Mayor to open public hearing, take public testimony, and close
   the public hearing. Council is asked to take final action on this project at the March 2
   meeting.

7. Requests, petitions, and communications from the public – None

8. Resolutions, ordinances, motions and discussion items -- None

9. Communications – None

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.
Meeting of Feb. 18, 2020  
City council agenda

Consent calendar

4a. Adopt Resolutions to recognize Firefighter Bill Ryan and Office Assistant Jean Zimmerman for their years of service.

4b. Approve an extension until February 18, 2021 for SLP Park Ventures to record the final plat for Platia Place.

4c. Adopt Resolution approving acceptance of a $25 donation from Jill Marks for the Westwood Hills Nature Center Be the Light Winter Solstice Walk, $300 donation from Joseph and Kristine Cook for the purchase of a memorial tree to be planted in Wolfe Park honoring Bev and Jerry Slavin and $2,500 donation from Minnesota Society of Arboriculture for Jim Vaughan to attend the 2020 International Society of Arboriculture Conference in Albuquerque, New Mexico.

4d. Approve replacement of 2003 Sterling L8500 Dump Truck.

4e. Approve the settlement agreement between the city and MSP Apartment, LLC for parcel 14, located in the northwest quadrant of Highway 7 and Louisiana Avenue and directs city manager and city attorney to execute terms of agreement.

4f. Approve the Affordable Housing Trust Fund (AHTF) Use Guide to direct the operation and use of the AHTF.

4g. Adopt Resolution accepting donation to the fire department from Park Coin for fire prevention programs and equipment.

4h. Adopt Resolution approving labor agreement between the city and the dispatcher employee bargaining group, establishing terms and conditions of employment for two years, from 1/1/2020 – 12/31/2021.

4i. Adopt Resolution accepting work and authorizing final payment in the amount of $13,370.74 for the annual sanitary sewer mainline rehabilitation project with Insituform Technologies - city contract No. 08-19.

4j. Approve for filing planning commission minutes of Nov. 20, 2019.

4k. Approve for filing planning commission minutes of Dec. 4, 2019.

4l. Approve for filing planning commission minutes of Dec. 18, 2019.

4m. Approve for filing planning commission minutes of Jan. 8, 2020.

St. Louis Park Economic Development Authority and regular city council meetings are carried live on civic TV cable channel 17 and replays are frequent; check www.parktv.org for the schedule. The meetings are also streamed live on the internet at www.parktv.org, and saved for video on demand replays. The agenda is posted on Fridays on the official city bulletin board in the lobby of city hall and on the text display on civic TV cable channel 17. The agenda and full packet are available by noon on Friday on the city’s website.
Executive summary

Title: Retirement recognition for Office Assistant Jean Zimmerman

Recommended action: Read resolution and present plaque to Jean for her years of service to the City of St. Louis Park.

Policy consideration: None at this time.

Summary: City policy states that employees who retire or resign in good standing with over 20 years of service will be presented with a resolution from the mayor, city manager and city council.

Office Assistant Jean Zimmerman from the MSC will be in attendance for the presentation at the beginning of the meeting. The mayor is asked to read the resolution and present the plaque to Jean in recognition of her years of service to the city.

Financial or budget considerations: Not applicable.

Strategic priority consideration: Not applicable.

Supporting documents: Resolution

Prepared by: Ali Timpone, HR manager
Approved by: Nancy Deno, deputy city manager/HR director
Resolution No. 20-____

Resolution of the
City Council of the City of St. Louis Park, Minnesota
recognizing the contributions and expressing appreciation to
Office Assistant Jean Zimmerman

Whereas, Jean Zimmerman began her employment with the City of St. Louis Park 21 years ago on February 22, 1999; and

Whereas, Jean has provided administrative assistance and support services in a professional and responsive manner to many city staff to ensure the city’s business needs were met; and

Whereas, Jean has provided exemplary customer service to thousands of residents regarding any and all imaginable forms of questions, complaints, concerns and compliments giving them the assurance that their issues are being responded to; and

Whereas, Jean has processed thousands upon thousands of invoices, created and managed hundreds of contracts and billing accounts, used her sheer determination and persistence to successfully track down late payments and challenge late fees from vendors who did not bill in a timely manner; and

Whereas, Jean has willingly shared her more than two decades of knowledge and experience with any and all employees that have sought her assistance throughout the years; and

Whereas, Jean plans to use her newfound free time to escape the harsh winters she has battled for years (most likely in Las Vegas), catch up on some reading, and most importantly, spend time with her family;

Now therefore be it resolved that the City Council of the City of St. Louis Park, Minnesota, by this resolution and public record, would like to thank Jean Zimmerman for her great contributions and 21 years of dedicated service to the City of St. Louis Park and wish her the best in her retirement.

Reviewed for Administration: Adopted by the City Council February 18, 2020

Thomas K. Harmening, city manager  Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
Executive summary

Title: Discover St. Louis Park (DSLP) update

Recommended action: No action required. Becky Bakken, President of Discover St. Louis Park, will be in attendance to provide an annual update on the activities of our destination marketing organization.

Policy consideration: Are the activities of DSLP in keeping with the expectations of the city council?

Summary: Every year DSLP prepares an annual report on their activities and results. Bakken will present a short annual review and answer any questions. Attached is a copy of the 2019 Annual Report and the 2019 Year-End Presentation.

As you will see in the report, 2019 proved to be another successful year with revenues up more than $42,000 and total estimated economic impact up 26% over 2018.

Per DSLP’s by-laws, the mayor and city manager have permanent seats on the DSLP board.

Financial or budget considerations: Pursuant to state law the city retains five percent of the lodging tax proceeds collected monthly from the hotels.

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

Supporting documents: 2019 annual report
2019 DSLP end of year presentation

Prepared by: Debbie Fischer, administrative services office assistant
Reviewed by: Nancy Deno, deputy city manager/HR director
Discover St. Louis Park’s mission is to strengthen the awareness of St. Louis Park and Golden Valley as a prime meeting and visitor destination, stimulate economic development and support community growth.

**TOURISM IN MINNESOTA**

- **$15.3 billion** in gross sales per year
- **$42 million** per day
- **270,000** full & part-time jobs
- **11%** of private sector employment
- **18%** of all MN sales taxes

Without the tax revenue generated by tourism the average Minnesota household would owe an additional $625 in state and local taxes each year.

**WHO ARE OUR VISITORS?**

- Average HHI: **$103,208**
- Average party: 2
- 72% are married
- Average age: 46 years old
- 74% leisure / 26% business
- Length of stay: 1.9 nights

**WHERE DO OUR VISITORS COME FROM?**

- 75% of metro area visitors are from MN, ND, SD, IA & WI
- 53% from Minnesota
- 80% arrive via car and travel an average of 300 miles one way

St. Louis Park and Golden Valley’s 9 hotel properties collectively employed more than **495** people in 2019.

Tourism generated 41 million in visitor lodging spending and $158 million in visitor spending throughout our communities.

**MARKETING TACTICS**

- Digital Efforts
- Print Advertising
- Connected TV
- Radio
- Billboards
- Other Channels
EXECUTIVE SUMMARY

• St. Louis Park and Golden Valley lodging tax collection was up year over year by $43,459, even with 2018 being the year that Minneapolis hosted the Super Bowl.

• Tourism’s total Estimated Economic Impact was up 26% over 2018.

• Occupancy and Revenue Per Available Room (RevPAR) continue to remain up from years prior.

• Annual Average Occupancy is 71% - This remains an attractive number for potential hotel growth and expansion.
CLOSE TO MINNEAPOLIS.

FAR FROM ORDINARY.

Uber-close to Minneapolis attractions.
A stone’s throw from hiking and biking trails.
Walking distance to restaurants and shopping.

2019 End of Year Report
Discover St. Louis Park

MINNESOTA’S SWEET SPOT™

A Destination Marketing Organization Representing St. Louis Park And Golden Valley

*Discover St. Louis Park’s mission is to strengthen the awareness of St. Louis Park and Golden Valley as a prime meeting and visitor destination, stimulate economic development and support community growth.*
Minnesota State Statute

M.S. 469.190 Local Lodging Tax

Ninety-five percent of the gross proceeds from any tax imposed under subdivision 1 shall be used by the statutory or home rule charter city or town to fund a local convention or tourism bureau for the purpose of marketing and promoting the city or town as a tourist or convention center.

Discover St. Louis Park is a non-profit organization 501 (c) 6, governed by a 13-member board.
Tourism Means Economic Vitality for St. Louis Park and Golden Valley Valley

- St. Louis Park and Golden Valley’s nine hotel properties collectively employed more than 495 people in 2019.
- Tourism generated $41 million in visitor lodging spending and another $165 million in visitor spending throughout our communities.
- Tourism supports existing companies, while stimulating the development of new business and event opportunity.
Visitor Dollars:
20% spent on lodging
80% spent throughout the community

St. Louis Park Tourism Generates:

SLP Lodging Tax (3%): $1,074,002

$1,074,002 in SLP lodging tax collection (3%) = $35 million in lodging revenues (97%) =

Lodging is 20% of a visitors spend.
This equates to:
$140 million in visitor spending throughout the community.

80% of visitor spending is in the community while 20% is on lodging. Without tourism, many of your favorite businesses and establishments might not exist.

*Sources: Explore Minnesota Tourism, The Economic Expenditures by Travelers of Minnesota, Davidson-Peterson Associates, MN Dept. of Revenue, MN Dept. of Employment and Economic Development
Visitor Dollars:
20% spent on lodging
80% spent throughout the community

Golden Valley Tourism Generates:

GV Lodging Tax (3%): $194,844

$194,844 in GV lodging tax receipts (3%) = $6.3 million in lodging revenues (97%) =

Lodging is 20% of a visitors spend.
This equates to: $25 million in visitor spending throughout the community.

80% of visitor spending is on “Main Street” while 20% is on lodging. Without tourism, many of your favorite businesses and establishments might not exist.

*Sources: Explore Minnesota Tourism, The Economic Expenditures by Travelers of Minnesota, Davidson-Peterson Associates, MN Dept. of Revenue, MN Dept. of Employment and Economic Development
Who Are Our Visitors?

- Average HHI $103,208
- Average party 2
- 72% are married
- Average age 46 years old
- 74% leisure / 26% business
- Length of stay 1.9 nights
- 52% Day Trippers
Where Do Our Visitors Come From?

75% of metro area visitors are from MN, ND, SD, IA, and WI

53% are from Greater Minnesota

80% arrive via car and travel an average of 300 miles one way

68% of our web traffic comes from MN & the 4 surrounding states

- North Dakota - ↑80%
- Iowa - ↑983%
- South Dakota - ↑81%
- Wisconsin - ↑73%
Marketing Tactics

**Digital**
- Improved website homepage
- Robust digital marketing program, with site retargeting & geofencing
- Strong social media presence
- YouTube marketing
- Chinook Book app with mobile coupons
- Sweet Happenings newsletter

**Print Advertising**
- Explore Minnesota Travel Guide
- MPLS/St. Paul Official Visitors Guide
- Minnesota Meetings + Events
- Twin Cities Business
- Minnesota Bride
- Minnesota Monthly
- Midwest Living
- Lavender

**Videos**
- Sweet Escapes Video Itineraries

**Radio**
- Twins Radio Network
- Minnesota Public Radio
- The Current
- KFAN Network
- KOOL 108 Xmas

**Billboards**
- Greater MN, North and South Dakota
- MSP Airport – Concourses C, F, G & baggage claim

**Other Channels**
- Mall of America kiosk distribution
- MSP Airport brochure distribution
Website Statistics

40,231 unique visitors – ↑20% over 2018

- 56% Female
- 44% Male

Most Frequented Web Pages

- Entertainment: 32%
- Events: 26%
- Restaurants: 16%
- Shopping: 15%
- Hotels: 10%
- Contact: 7%
- Blog: 6%
- Plan: 5%
- 18-24: 3%
- 25-34: 6%
- 35-44: 7%
- 45-54: 8%
- 55-64: 9%
- 65+: 10%
Digital Marketing

Engaging Social Media

- Facebook – 8,285 followers, ↑3%
- Twitter – 1,270 followers, ↑4%
- Instagram – 1,281 followers, ↑32%

Bimonthly E-Newsletter

- “Sweet Happenings”
- 2,275 subscribers
- 17.8% open rate

December/January Newsletter

Minnesota’s Sweet Spot for Winter Fun

Think winter weather is frightful? We’ll show you 12 ways to make it delightful! St Louis Park and Golden Valley are your sweet spot for winter vacations and stay-cations. Try cross country skiing, ice skating, snowshoeing, tubing, cellding, shopping and more. We also have lots of fun things to do that will keep you locally warm indoors. Check out our list of winter activities!

[Read more]
Lead Generation &
Estimated Economic Impact

Groups Leads Sent – 249 (↓7%)
Total room night opportunities – 52,729
Average EEI* per lead – $79,378 (↑37%)
Group EEI – $19,765,171

Leisure Leads** – 13,680
Leisure EEI***– $443,232

TOTAL ESTIMATED ECONOMIC IMPACT: $20,208,403 (↑26%)

*Estimated Economic Impact:
Overnight visitor: $245 x # of nights stayed
Event attendee (no room night): $70 x # of days attended

**Leisure leads = Destination Guides distributed to visitors
and residents (print and digital)

***1,368 x $108 x 3

2019 Group Highlights

**Lutheran Church Missouri Synod 2019 Youth Gathering**
- Precursor to the 2021 ELCA Youth Gathering
- Over 1,500 rooms contracted for the event
- Estimated Economic Impact: **$367,500**

**Chinese Women’s National Hockey Team**
- Extended stay in the city while training at SLP Rec Center
- 20 nights in hotel upon arrival
- Estimated Economic Impact: **$58,800**

**MYHockey - Gopher State Outdoor Veterans Cup & Gopher State Presidents Cup**
- 39 teams (ages 9-14) from outside of MN
- Hosted at the SLP Rec Center & the ROC
- 1,101 Room nights in 2019 (1st and 4th Quarter)
- Estimated Economic Impact: **$451,675**

Community Partner:
St. Louis Park

- Children First – Ice Cream Social
- Common Sound Music Festival
- Community Link – Meadowbrook
- Dollars for Scholars
- Friends of the Arts
- Historical Society
- Parktacular – Ambassadors Sponsor
- Rotary Bundled Up Winter Fun Day
- SLP Annual Art Fair
- SLP Police Crime Prevention Fund
- STEP – Holiday Train
- Ugly Sweater Dash
Looking Ahead - Strategic Landscape

- Metro area is a competitive market - 22+ DMO’s
- Minneapolis had 2,000 more hotel rooms in 2019 than in 2018
- Metro visitors continue to increase
- We continue to foster relationships with appropriate regional partners
- Metrics for Occupancy and Revenue Per Available Room represent a 3-year high
- Annual average occupancy at 71% (a solid percentage)
2020 Board of Directors

Beth Anderson, Area Director of Sales – TPI Hospitality
Brad Bakken – Citizens Independent Bank *(Treasurer)*
Keith Broady, Attorney – Lommen Abdo, P.A.
Jodi Coyer, Senior Property Manager (West End) – Mid America Group *(Chair-Elect)*
Tim Cruikshank, City Manager – City of Golden Valley
Shannon Full, President/CEO – TwinWest Chamber of Commerce
Tom Harmening, City Manager – City of St. Louis Park
Claire Holder, Director of Sales – Minneapolis Marriott West & Courtyard by Marriott
Mike Kottke, Director of Sales & Marketing – DoubleTree by Hilton Minneapolis-Park Place *(Chair)*
Shannon Full, President/CEO – TwinWest Chamber of Commerce
Felicia Schaefer, Co-Owner – Twin Cities Road Crew
Jatin Setia – Twin Cities Film Fest
John Smith – Smith Architects *(Past Chair)*
Jake Spano, Mayor – City of St. Louis Park
Executive summary

Title: Recognition of donations

Recommended action: Mayor to announce and express thanks and appreciation for the following donations being accepted at the meeting and listed on the consent agenda:

<table>
<thead>
<tr>
<th>From</th>
<th>Donation</th>
<th>For</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jill Marks</td>
<td>$25</td>
<td>Westwood Hills Nature Center Be the Light Winter Solstice Walk</td>
</tr>
<tr>
<td>Joseph and Kristine Cook</td>
<td>$300</td>
<td>Purchase of a memorial tree to be planted in Wolfe Park honoring Bev and Jerry Slavin</td>
</tr>
<tr>
<td>MN Society of Arboriculture</td>
<td>$2,500</td>
<td>Jim Vaughan to attend the 2020 International Society of Arboriculture Conference in Albuquerque, NM in Aug. 2020</td>
</tr>
<tr>
<td>Park Coin</td>
<td>$250</td>
<td>Fire prevention programs and equipment</td>
</tr>
</tbody>
</table>

Strategic priority consideration: Not applicable.

Supporting documents: None

Prepared by: Debbie Fischer, administrative services office assistant
Approved by: Nancy Deno, deputy city manager/HR director
Mayor Spano called the meeting to order at 6:30 p.m.

Councilmembers present:  Mayor Jake Spano, Tim Brausen, Rachel Harris, Larry Kraft, Anne Mavity, Nadia Mohamed, and Margaret Rog.

Councilmembers absent: None.

Staff present:  City Manager (Mr. Harmening), City Attorney (Mr. Mattick), City Clerk (Ms. Kennedy), Communications Manager (Ms. Smith), Senior Management Analyst (Ms. Solano), and Recording Secretary (Ms. Pappas).

Guests:  Community Members

1.  Call to order

1a.  Elected Officials Oath of Office

The following newly elected officials of the City of St. Louis Park city council were sworn in for four-year terms commencing January 6, 2020:

- Mayor – Jake Spano
- Councilmember At Large A – Larry Kraft
- Councilmember At Large B – Nadia Mohamed

Oaths were administered and each official signed a copy of the oath which is kept on file in the city clerk’s office.

Mayor Spano asked the two new councilmembers to share their thoughts.

Councilmember Kraft stated he is excited to get to work and very focused on climate change. He stated we are in a climate crisis and will want to address these issues. He thanked his family and key volunteers for their work on his campaign, stating this has been a humbling and energizing experience, and he feels a real responsibility to make this a reality now. He thanked outgoing Councilmembers Hallfin and Miller for their support and looks forward to building on the excellent work being done by the council.

Councilmember Mohamed stated she was very excited to take the oath of office this evening, adding this is a momentous occasion for her, and a huge deal. She thanked outgoing Councilmember Miller for giving her the idea to run as a councilmember and thanked those who ran her campaign, along with her parents and all who voted for her. She stated there are many issues to address and she hopes the council will get them
done. She added she hopes her colleagues will be patient with her, and stated she is happy and thrilled to get this started.

Mayor Spano added his thanks to all who have supported the council these last years, especially during a challenging time. He stated this community cares about governance, and while he will miss both Councilmembers Halfin and Miller, he is very happy to have new Councilmembers Kraft and Mohamed on the council.

1b. Pledge of allegiance
1c. Roll Call

2. Presentations – none

3. Approval of minutes – none

4. Approval of agenda and items on consent calendar
   4a. Approve for filing city disbursement claims for the period of Nov. 23 through Dec. 27, 2019.
   4b. Adopt Resolution No. 20-001 designating the St. Louis Park Sun-Sailor as the city’s official newspaper for 2020.
   4c. Adopt Resolution No. 20-002 declaring 2020 city council meeting dates.
   4d. Adopt Resolution No. 20-003 appointing councilmembers to the office of mayor pro tem for the 2020 calendar year.
   4e. Adopt Resolution No. 20-004 authorizing execution of a renewed lease with the State of Minnesota Department of Transportation (MnDOT) for Webster Park.
   4f. Approve a temporary on-sale intoxicating liquor license for Midwest Rett Syndrome Foundation for their event to be held Jan. 31 – Feb. 2, 2020 at 3700 Monterey Drive.
   4g. Adopt Resolution No. 20-005 declaring the official intent of the City of St. Louis Park to reimburse certain expenditures from the proceeds of bonds to be issued by the city.
   4h. Adopt Resolution No. 20-006 setting liquor license fees for the license term March 1, 2020 – March 1, 2021 pursuant to Minnesota statute 340A.408 and section 3-59 of the St. Louis Park City Code.
   4i. Approve for filing Planning Commission meeting minutes Nov. 6, 2019.

   It was moved by Councilmember Brausen, seconded by Councilmember Rog, to approve the agenda as presented and items listed on the consent calendar; and to waive reading of all resolutions and ordinances.

   The motion passed 7-0.

5. Boards and commissions - none

6. Public hearings - none

7. Requests, petitions, and communications from the public – none
8. Resolutions, ordinances, motions and discussion items

8a. Second reading prohibiting the sale of e-cigarettes and vaping products
Ordinance No. 2580-20.

Mr. Hoffman presented a short overview of the proposed ordinance. He noted if passed this evening, the ordinance will be effective Feb. 1, 2020. He added the requirements prohibiting the sale of e-cigarettes and vaping products would be the same for all tobacco retailers within the city, and following adoption, notice will be sent to all licensed establishment detailing the requirements of the ordinance. Staff will conduct the regular annual license inspections near the effective date to assist store operators in removing all e-cigarettes and vaping products from their premises.

Councilmember Brausen asked if this ordinance will prohibit the sale of vaping material ingested into the system. Mr. Hoffman stated yes.

Councilmember Mavity noted the FDA has recently taken action regarding this issue and asked how it will impact the ordinance. Mr. Hoffman stated the FDA actions would limit the manufacture and sale of certain types of nicotine delivery systems.

Councilmember Harris asked if all businesses affected were notified of the proposed ordinance. Mr. Hoffman stated yes, they were. Councilmember Harris asked if other suburban communities have taken up similar legislation. Mr. Hoffman stated some have limited sales to tobacco shops, but in St Louis Park, there are no tobacco shops, and this would be the first city to prevent the sale of e-cigarette products.

Mustafa Garwhal, 7120 Cedar Lk. Rd, stated he has multiple tobacco shops, and last year purchased a building at Louisiana and Cedar Lake Road for half a million dollars. He stated he did not receive the notice from the city at his building, and would like to ask the city to not approve this ordinance, or change the policy, as 40% of his business is vaping products. He noted that if people do not buy from tobacco shops, they can still purchase online or in other shops outside of St. Louis Park.

Cap O’Rourke, executive director, Midwest Vapor Coalition, stated there are three health concerns related to tobacco use – that people can die from overuse, that in 2019, there are 40 confirmed deaths from elicit vapor products that used vitamin E acetate and were added THC products, and there has been an increase of vapor usage among teens and also among regular users, which seems to align with when JUUL appeared on the market. He noted that JUUL was created as an alternative to tobacco and to help curb nicotine use, and there has been much success with it. He added that the council’s actions on the ordinance will leave only cigarettes on the market in St. Louis Park, adding that cigarettes kill people.

Mike Hindin, 7708 W 13 1/2 St., stated he supports the ordinance and agrees with the council on what they are doing.

Kristen Ackert, 4626 – 16th Ave S., Minneapolis, thanked the council for their leadership on this issue.
Mr. Garwhal’s employee, Grace, stated she knows of people, along with herself, who were able to quit smoking and get off nicotine with the use of vaping.

Carl Genrud, a St Louis Park resident and former smoker and vaper, stated the vitamin E and acetate was the cause of earlier problems with vaping, and noted this ordinance will not prevent access, as folks will just buy online or in different cities where available.

Councilmember Rog stated she is empathetic to the merchants, but she will support the ordinance for many reasons including those supported by medical advocates. She stated the main reason she supports the ordinance is she wants the city to contribute to the momentum going on in the state and nationwide for restricting access to tobacco and nicotine products, which has harmed generations of individuals and families and is hooking a new generation of addicts, through vaping and e-cigarettes. She hopes this is one small step in a wide-ranging effort to restrict access to more tobacco and vaping products, including mint and menthol. She noted marketing efforts by big tobacco are aggressive and are difficult for many, especially from vulnerable populations, to resist. She stated policy is one way to push back on behalf of the public, to exert the city’s influence.

Councilmember Mohamed stated she is satisfied with findings of the staff report. She stated with the health risks, which are detrimental to youth, she recognizes this as a real problem that needs solutions. She stated the ordinance is the first of many steps, and she encourages the city to take further steps, to implement and then educate residents and talk about the health risks. She added the city’s school board is addressing this issue, and she looks forward to working with them on this also.

Councilmember Kraft stated he is a parent of high school and middle school students and he is very concerned about how this is targeted and marketed to youth. He is supportive of the action to keep this out of the hands of students and would be happier if these products did not exist. However, he noted he has some concerns with the ordinance, and he will not support it this evening.

Councilmember Kraft recited the ordinance, and then noted that on December 31, 2019, the CDC website clearly indicated that Vitamin E acetate is associated with the problems being experienced, with black market THC being sold. He added cases have been declining since a peak in September and it no longer appears there is a major health crisis around vaping.

Councilmember Kraft noted he found a similar ban that was done in Massachusetts for about two months last year and cited a study by Dr. Michael Segal. The study reported the temporary ban caused an increase in vapers returning to smoking tobacco.

Councilmember Kraft stated in general items such as alcohol, marijuana, and tobacco are better to be legal and well-regulated vs. being illegal with a risky black market. He stated the FDA must approve or not approve these devices, adding this is also what the American Medical Association is looking for. He stated he will vote against the ordinance for four reasons:
City council meeting of February 18, 2020 (Item No. 3a)  Page 5
Title: City council meeting minutes of January 6, 2020

- open ended ban and not dependent on the FDA properly regulating the industry
- concern for folks turning back to smoking, which is what seems to have happened in Massachusetts
- ordinance states main reason is in light of threat of E-valley, but this is no longer the case
- Has had discussions with folks at the schools, and he does not think this will curb vaping at the schools

Councilmember Mavity stated she will support the ordinance, and while she agrees with Councilmember Kraft on most of the points he outlined, she has concluded differently. She stated there is not a good regulatory framework from the FDA at this time for residents in general, adding when the FDA provides clarity and a stronger regulatory framework, she will be open to reconsidering the ordinance.

Councilmember Mavity stated she is also troubled about the small business owner, adding she wants to support them, and she hopes that staff will connect with Mr. Mustafa and have him work with the city’s small business consultant.

Councilmember Harris explained she is also alarmed by the numbers of youth who are vaping. She stated the ordinance will not completely prevent people from accessing the products; however, it does convey a message that the city cares about our youth. She added she is also empathetic to the business owner seeking a license and she proposed a 30-day hold on the ordinance in order to work through any details on behalf of the small business community.

**Councilmember Harris made a motion to delay implementation of the ordinance for 30 days. This motion failed for lack of a second.**

Councilmember Brausen stated he will continue to support this ban, adding that like any local legislation, this is temporary in nature and another council could change it later. He also stated the current council can change it later as well but at this time, he would like to prevail on the side of caution. He stated perhaps if this had been done years ago with cigarettes, many people including his parents, himself, and others maybe would have quit smoking earlier. He added he realizes prohibitions don’t work; however, he is in favor of anything that can be done to slow the growth of vaping.

Mayor Spano added the US Health and Human Services secretary called out this issue recently and this topic will soon be on the State of Minnesota agenda as well. He stated he will support the ordinance.

*It was moved by Councilmember Mohamed, seconded by Councilmember Brausen, to approve second reading and adopt Ordinance No. 2580-20, prohibiting the sale of e-cigarettes and vaping products and to approve the summary for publication.*

*The motion passed 6-1 (Councilmember Kraft opposed).*
9. **Communications**

Councilmember Harris stated on Saturday, Jan. 25, from noon – 4 p.m. the annual “Bundle up for Winter” event will be held at Oak Hill Park.

Councilmember Rog added on Tuesday, Jan. 7, at 5 p.m. at city hall, there will be an open house regarding the Fern Hill pavement management project.

Councilmember Mavity stated a neighborhood meeting will be held at Union Congregational Church at 7 p.m. on Tuesday, Jan. 7.

Councilmember Brausen welcomed the new councilmembers to the city council stating he looks forward to working with them over the next 2 years. He stated it takes energy and passion to get out and ask for votes - adding he also admires the departing councilmembers and thanked them for their service to the city.

Mayor Spano noted the Empty Bowls STEP Fundraiser event to be held on Feb. 13, 2019 at Westwood Lutheran Church, adding STEP is looking for volunteers to help.

Mayor Spano also read the preamble of the city charter, stating the document lays out the city’s cause, and is important for folks to hear and know.

10. **Adjournment**

The meeting adjourned at 7:16 p.m.

__________________________________________  ____________________________________________
Melissa Kennedy, city clerk                      Jake Spano, mayor
The meeting convened at 6:30 p.m.

Councilmembers present: Mayor Jake Spano, Tim Brausen, Rachel Harris, Larry Kraft, Anne Mavity, Nadia Mohamed, and Margaret Rog.

Councilmembers absent: none.

Staff present: City Manager (Mr. Harmening), CFO (Mr. Simon), Building and Energy Director (Mr. Hoffman), Engineering Director (Ms. Heiser), Economic Development Coordinator (Mr. Hunt), Director of Community Development (Ms. Barton), Planning/Zoning Supervisor (Ms. McMonigal), Senior Planner (Mr. Walther), Planner (Ms. Kramer), Communications Manager (Ms. Smith), Senior Management Analyst (Ms. Solano), and Recording Secretary (Ms. Pappas).

Guests: Vic Moore, St. Louis Park lobbyist, Sharon Rodning Bash, consultant; Jamie Marshall, Friends of the Arts executive director; George Hagemann, Friends of the Arts board member; Chris Wilson, director of real estate development at Project for Pride in Living; Reverend Barbara Martin, Union Congregational Church; Jay Moore, developer with Oppidan.

1. Future study session agenda planning and prioritization

Councilmember Kraft proposed an in-depth discussion on the climate crisis and asked for the topic to be included in the Feb. 10, 2020 study session.

Councilmember Mavity and Brausen agreed that the climate crisis is concerning, and asked staff for a summary report on benchmarks that have been reported in the city thus far, prior to discussing this at the study session.

Councilmember Harris agreed that this conversation is needed and noted she would like to hear what sort of influential conversations have been held to expand this to neighboring communities.

Mayor Spano stated he is interested in discussing this as well, along with other topics the council needs to address such as community sidewalks and STEP facilities. He agreed an update from staff is needed prior to discussion.

Councilmember Rog agreed a staff update is needed, adding it will be important to continue talking about this in the near term on an ongoing basis.

Councilmember Mohamed also agreed, stating she would like to see where the city is on the Climate Action Plan and how it fits into the strategic plan. She noted the council will need to remain proactive vs. reactive on this topic.
Councilmember Rog stated she would like to discuss the banning of mint/menthol as a study session topic.

Councilmember Harris stated she would like to discuss this, noting this flavor is popular among African Americans, so the council will want to keep the needs of this group in mind when discussing.

Councilmember Rog agreed and encourage staff to reach out to Patricia Bataw, who is with the Menthol Coalition, and could be a helpful resource in discussing the topic of mint/menthol.

Councilmember Brausen stated he is causally interested in discussing this but would like some statistics and is not sure if the topic merits staff and council time, adding he is not sure it has a large impact.

Councilmember Rog stated the reason she brought this up now is because of the state-wide momentum currently on this topic.

Councilmember Mohamed added she is open to discussing this in relation to racial equity in St. Louis Park.

Mayor Spano stated he is less interested in discussing this, but if the majority want to discuss, staff will need to determine next steps.

Mr. Harmening stated staff will bring back more data to the council and ideas about outreach.

Councilmember Kraft also would like a study session discussion on conversion therapy in St. Louis Park. He stated one clinic in St. Louis Park does practice this, and it is a dangerous, discredited practice, which he hopes the city will ban and the state legislature will take action on.

Councilmember Mavity stated she abhors this practice and would support this discussion but would like to be limited in scope and staff time, while gathering information from Minneapolis and Duluth on their bans.

Councilmember Brausen agreed, but added he worries about limited bandwidth and the ability to legislate on every issue, precluding the council from getting to the most important topics that need to be addressed.

Councilmember Harris and Councilmember Mohamed stated they are conflicted on whether to pursue this topic; however, noted they do support human rights protections.

Councilmember Mohamed added she sees the need for a ban, would like to discuss this, and get to the heart of the problem, while searching for actual solutions.

Mayor Spano stated he is in favor of discussing this topic as well. He added he would like to better understand this issue and not go quickly to banning.
Councilmember Mavity stated the topic of future study sessions called for five minutes on the agenda and went over time. She stated since there is a new council now, it would be helpful to discuss new agreements on topics and what deserves time vs. focus and attention.

2. **Arts and culture strategic framework focus group**

Ms. Rodning Bash, a consultant with the St Louis Park Friends of the Arts, conducted a focus group with the council, along with Jamie Marshall, executive director, and George Hagemann, board member, as well as Ms. McMonigal and Ms. Solano from city staff.

The consultant asked the council when they think about creativity, culture, or history in St. Louis Park, what comes to mind? The councilmembers replied:
- Unity sing, mural creation in different venues
- Opportunities for youth in schools
- Developments and streets all have art in them
- Wolfe Park music series, cultural and community activities at the Roc, and more to come at the nature center
- Statue at Excelsior and Grand
- Seeing children play piano at Byerlys
- Piece missing in arts is a connection between young people working through their creativity and how this can be a vocation for them
- Would like to see better connection between school district and arts community for young people
- Taking art to a higher level – creativity is not always about music, arts, it’s about our city government, and the need to look at things within government from a different angle

The consultant asked the council for their thoughts on how the city has in the past supported arts and culture and where can more be done? The councilmembers replied:
- Friends of the Arts has been helpful for artists in our community and been helpful with city events
- Allowing home occupation would be helpful for artists, city resources and helpful staff, city’s financial contribution to friends of the arts
- Absent – pop up bus license to ease the burden of opening new business, find out what creative entrepreneurs want and need, help to set up grants or co-op workspaces
- Strength are Friends of the Arts and people are willing to participate in cultural events and want to be engaged, incorporating public art in development projects
- Barriers – the city does not have a community arts facility, possibly the Jr high school theater can be this facility, however this has not been addressed by the school district as yet
- Facilities – not necessarily a school – could be The Nest
- The Nest supports art by showing rotating art, having open mic nights, along with storytelling at the library
- Barriers – lack of performance space, not enough art in schools to feed community in future, arts are still in silos within the community, and there are all kinds of ways art could be more integrated
- Make a business case on why art matters, and then can leverage this
- Art brings out emotions, and want St. Louis Park residents to feel they can contribute, or they can engage and own art, and have it represent our community
- Unique identity of St Louis Park, hyper local and creates a unique sense of place with art – so people love their community
- Identity and landmarks, reflecting identity of the city through logos and icons for city identity
- Love most about city’s art is it’s participatory and all can get involved
- Opportunities also to do a theme i.e.: climate change thereby bringing more folks into art

Mayor Spano asked the members to highlight from the annual report, things that went well and things that they might do less of.

Mr. Marshall stated the group facilitated its first public art for the city, with selected artists creating work, and focused on local artists.

Mr. Hagemann noted the successful St. Louis Park art fair, and the diversity of artists that participated. He noted smaller events that were successful as well such as the poetry jams, which he stated were impactful.

Mayor Spano noted the city made it affordable to rent the Roc also, adding the city will need to continue to support folks to be creative in these public spaces.

3. **Draft legislative priorities and local options sales tax**

Ms. Solano noted the state legislature will reconvene on Feb. 11, 2020, and as in previous years, staff has prepared a draft list of legislative topics for the council to review. Staff will make changes based on council discussion and a final draft will be reviewed at the Jan. 27, 2020 study session, prior to being presented to the city’s legislators.

Ms. Solano stated additionally, information on a local option sales tax to fund regionally significant municipal state-aid road projects is provided in the staff report.

Ms. Heiser noted the city can look at one local road improvement program with improvements at the following locations:
- Cedar Lake Road
- Louisiana Avenue
- Shelard Parkway
- Oxford Industrial Area
- Texas Avenue/Minnetonka Boulevard intersection

Ms. Heiser noted the majority of these projects are already in city’s CIP, adding that big data was run on these areas, which showed a large percentage of non-local traffic.

Ms. Heiser stated the estimated costs for the road improvements noted above is $37.5 million, and with the city sales tax, it will propose a 0.5% sales tax (one half of one percent), which generates $5 million per year for approximately 7.5 years, from 54.8% non-residents and from 45.2% residents. She added the project would conclude when all the funds are collected.

Ms. Solano noted the timeline and stated that a referendum would be needed within 2 years if the issue was to move forward.
Mr. Moore stated because the legislature has failed to fund a new transportation bill in recent years and gas taxes will continue to decline, the city must look for other options. Data shows St. Louis Park is a destination. As such, he explained, the city can add the sales tax in order to have those who use the roads, pay for the improvements, vs. putting that burden on city taxpayers.

Councilmember Mavity stated this makes sense rather than asking taxpayers to pay for these regional roads. She stated she wants to know the actual cost to the city to run a referendum, along with costs for a marketing team to educate folks, adding this feels like a big job. She stated she supports moving forward on the sales tax, and recommended talking to Discover St. Louis Park and the city’s Rotary groups in order to inform and create buy-in.

Mr. Harmening noted the city is not allowed to promote or encourage voting yes on a referendum but can provide information on what is being proposed. He stated local citizens committees would be required to promote the sales tax, but the city would not fund that group. Mr. Harmening added staff has already reached out to the city business council, met with the chamber of commerce president, and Discover St. Louis Park.

Councilmember Mohamed asked what exactly would be taxed. Mr. Moore stated everything but food and clothing, adding that restaurants would be included, but most services would not be taxed.

Councilmember Mohamed asked if other methods of funding had been researched. Mr. Harmening stated there are limited options and the funding would come from either a tax increase, special assessments, or increased franchise fees. He noted there would be some funding from MSA and possibly grants but other than that, there is no other funding source.

Councilmember Mohamed stated she is very conflicted but understands the need. She is concerned about a sales tax on top of the levy, which was just raised, adding it will be a burden for low income families. She added she will be glad if it goes to a referendum so residents can decide.

Councilmember Rog stated the sales tax could have a significant impact on residents, upwards to $100 per household, and if so, she would not support this. Councilmember Rog added this feels very rushed and she too is very conflicted and would like to examine the data more before proceeding.

Councilmember Mavity noted she wants to be sure the city takes advantage of a potential opportunity, and also encourages folks to get on committees in order to encourage pushing this forward.

Councilmember Kraft added he is also conflicted on this issue and asked if this could be put off until next year.

Mr. Harmening stated the council can wait a year; however, staff assumption is that they would want to work on this sooner, rather than later.
Councilmember Brausen stated the other driver on this is that construction costs have gone up 25% in the last year and will only get worse. So, it is better to share the burden with those who use the roads, adding he is in favor of this.

It was the consensus of the council to include this item on the agenda for the Jan. 21, 2020 city council meeting.

Mayor Spano noted the list of city priorities for the state legislators is not manageable with 25 pages of items. Mr. Harmening stated the council should note their highest priorities, but staff wanted to be sure not to miss anything, so included all items council has been interested in.

Councilmember Brausen stated if marijuana legalization goes before the legislature, he would like to see a portion of the tax go back to cities and would like this added to the priority list. He added the mint/menthol and conversion therapy topics might also be added to the list.

Councilmember Kraft stated he would like to see energy and climate concerns, 100% renewable energy, and low emission vehicles added to the list.

Councilmember Rog stated she would like to add community development state match for local housing trust funds and using pool TIF for affordable housing trust funds to allow for greater flexibility.

Councilmember Harris stated what is most impactful for the legislature to hear from St. Louis Park, and noted the focus from the 3.0 visioning is affordable housing and its impact on all ages in the city.

Ms. Solano noted the final document will be reviewed by council on Jan. 27, prior to the meeting with legislators on Feb. 3, 2020.

4. Union Congregational Church affordable housing redevelopment

Reverend Barbara Martin stated due to decreasing church membership, and the fact that the church has space available, the congregation decided they wanted to do something to help with affordable housing, which would help those in need, while also helping the church financially and with their facility. She added the church community would also want to work with residents and volunteers on programs and projects to help residents.

Mr. Wilson stated Project for Pride in Living (PPL) proposes to develop approximately 80 units of new affordable and sustainable housing at 6027 37th St. W. and the northern portion of 3700 Alabama Ave. The church would sell a portion of their property to an affiliate of PPL, and PPL will own and manage this new housing for the long term. The church will preserve the existing sanctuary building, update the narthex, and continue to operate on the southern portion of the property.

Mr. Wilson stated the proposed building would be four stories tall and include a mix of studios, 1, 2, 3 and 4-bedroom units. Rents will be affordable to households ranging from 30% of the area median income (AMI) to 80% of AMI or $80,000 for a household of 4 people. He noted
that most of the units will be set aside for households at or below 50% and 60% of AMI and average incomes for the building will be below 60% of AMI.

Councilmember Mavity stated she has been a consultant in the past with PPL for the Downtown View Project, but currently is not involved with PPL. She appreciates the congregation coming forward and leading on this, especially since developers are interested in the land around light rail, and many higher-end proposals are coming in. She stated she appreciates the church has chosen this path and it aligns nicely with the city’s affordable housing goals and the city’s strategic plan, in looking to leverage light rail.

Councilmember Mavity added she appreciates the entrances on the 1st floor and making it more family friendly and wants to continue to work with neighbors so the project is appropriately sized for the area. She asked if PPL might look at a program with shared cars, to help mitigate parking especially in relation to neighbor concerns.

Councilmember Harris also appreciated the church bringing this project forward. She asked if there are alternatives within the design to make the fronts look more like townhomes and then have apartments behind the façade, which might also help to mitigate some neighbor concerns. She stated she is in favor of parking for one car per unit and added that PPL cannot always count on street parking to be available, especially with city snow removal requirements.

Councilmember Rog stated she would prefer to see greater affordability in the larger bedroom units and asked if there will be support services for residents. Mr. Wilson stated yes, there are services as needed, and PPL is speaking with Perspectives in St. Louis Park at this time, while PPL also has in-house services that can be used as well.

Councilmember Rog asked if there will be any rent to own opportunities for residents. Mr. Wilson stated no, these are all rental units.

Councilmember Rog supported the parking request and liked Councilmember Mavity’s shared car idea. She encouraged Mr. Wilson to look at landscaping while keeping sustainability in mind.

Councilmember Mohamed stated she would like to explore using public art on the façade and hopes the city can get creative on that and explore possibilities, so as to diminish the affordable housing feel.

Councilmember Kraft appreciated that this fits into the values of the church, adding he likes the sustainability plans included. He asked if there is any possibility of creating net zero heating with the use of solar panels. Mr. Wilson stated that would be difficult, especially with the number of people on site and electricity needed, but added there will be a much lower electric usage in the development.

Councilmember Brausen stated he is supportive of this concept and is familiar with the area.

Councilmember Mavity asked if the historic playground in the area can be incorporated into the plans.
Mayor Spano stated he is very interested to see this move forward and asked if Kid Zone will be relocated. Reverend Martin stated Kid Zone will be moving and the church will help them with their expenses.

Mayor Spano added the scaling integrates with the neighborhood and asked staff to shift the curb cut onto West 37th Street vs. having it on Alabama Avenue, as it might create car stacking. He stated he appreciates the affordability and sustainability within the project and hopes to see more of this type of project as time goes on.

5. Sam’s Club development proposal

Mr. Walther introduced the developer, Jay Moore from Oppidan, and stated staff is looking for feedback from the council on this proposal.

Councilmember Mavity stated she is delighted to see the reuse of this existing building, along with the green space, sees this as a job growth area, and fitting the vision well. She asked about the large amount of surface parking with 500 spots, if the proposed business needs all those spots, and if they might also utilize the nearby light rail. She added this parking does not seem to be a good land use adjacent to the light rail.

Councilmember Rog stated she supports reuse of the building; however, she is really disappointed by the minimum affordability provided with the plan for apartments here. She stated there is opportunity to provide affordability near the transit station and she is not happy with only 14 affordable units, adding this does not match the discussions about this area and the goals outlined. She stated the plan seems very car-centric and this is not something she wants to see.

Councilmember Harris stated with the light rail proximity, it seems that reducing the surface parking to maximize land use would be better. She asked if there might be expansion here as well. Mr. Moore stated yes, expansion would be part of the plan, but because of the difficulty with the land and underground stormwater detention system which cannot be undone, the residential needed to be pushed to the east side of the land. He added the environmental clean-up would be very costly and dangerous, so is not feasible.

Councilmember Brausen stated he understands about the environmental issues in this area and asked if they could have 6 floors and increase TIF so as to increase parking as well. He stated he is supportive of the reuse of the site.

Councilmember Mavity stated this is a signature project near the light rail and asked if the housing could be denser, with 12 stories if appropriate.

Councilmember Kraft stated he likes the idea of 500 more jobs coming to the city and asked if solar panels and artwork could be added to the project, in the area facing the light rail.

Councilmember Mohamed stated she is very impressed with this project but hopes to make it more affordable on a larger percent of the units.
Councilmember Rog added this project does not meet the city’s affordable goals for the site, and she does not see the rush in doing this project, especially since it is a significant site for the city. She noted the goal is to have the site align with affordability and neighborhood goals.

Councilmember Mavity, however, noted the project does comply with the city’s policy regarding affordability.

Councilmember Brausen added this project will positively impact the city’s tax base and allow more affordability in other areas, and he will support this.

Mayor Spano stated perhaps the surface parking could be shared by the business and residents, which could lessen the number of parking stalls and then use funds to create more affordability. He stated he is interested in this project but wants to look at the parking again.

Mayor Spano summarized that the majority of the councilmembers indicated support for staff to continue work with the developer to advance the concept, and that there was not consensus as Councilmember Rog did not agree with this direction.

**Communications/meeting check-in (verbal)**

Councilmember Brausen referred to the written reports and noted he is supportive of the former Santorini site and the additional TIF.

Councilmember Mavity noted the written report about the Prince of Peace site and stated the project should be reversed with the building facing north vs. south in order to move it away from pointing towards Highway 7.

Councilmember Kraft asked about the St. Louis Park Ventures project and how the numbers work.

Mayor Spano suggested he and Councilmember Mohamed meet with staff to learn more about and understand TIF.

The meeting adjourned at 10:15 p.m.

Written Reports provided and documented for recording purposes only:

6. Traffic Study 713 – Installation of stop controls on Quebec Avenue at 29th Street
7. 2020 Pavement Management Project Update – Fern Hill (4020-1000)
8. Prince of Peach affordable housing project
9. Update on Purchase and Redevelopment Contract with SLP Park Ventures, LLC
10. Texa-Tonka small area plan
11. November 2019 monthly financial report

______________________________________  ____________________________________
Melissa Kennedy, city clerk        Jake Spano, mayor
1. Call to order

Mayor Spano called the meeting to order at 6:30 p.m.

Councilmembers present: Mayor Jake Spano, Tim Brausen, Rachel Harris, Larry Kraft, Anne Mavity, Nadia Mohamed, and Margaret Rog.

Councilmembers absent: None.

Staff present: City Manager (Mr. Harmening), City Attorney (Mr. Knutson), Deputy City Manager/Human Resources Director (Ms. Deno), Director of Community Development (Ms. Barton), Engineering Director (Ms. Heiser), Communications Manager (Ms. Smith), Project Engineer (Mr. Wiesen), Planning and Zoning Supervisor (Mr. Walther), Planner (Ms. Monson), Associate Planner (Ms. Kramer), Transportation Engineer (Mr. Manibog), Senior Management Analyst (Ms. Solano), and Recording Secretary (Ms. Pappas).

Guests: Mr. Berg, DJR Architects; residents of Fern Hill Neighborhood, Minnetonka Mayor Brad Wiersum; Dave Unmacht, League of MN Cities Executive Director; Ted Akers, Bill Byer, Henry Solmer, St. Louis Park Historical Society; Fr. Joseph Johnson.

1a. Pledge of allegiance
1b. Roll call

2. Presentations

2a. League of MN Cities presentation

Mayor Wiersum of the City of Minnetonka and Mr. Unmacht, Executive Director, thanked the council and City of St. Louis Park for their active involvement and collaboration with the League of MN Cities, along with their collaboration with other cities represented by the League. They also thanked city staff for their time and effort, and Councilmembers Kraft and Mohamed for attending the upcoming conference.

Councilmember Mavity stated in her ten years on the council, she has found the work League of MN Cities does to be useful, adding when the League focused on race equity issues, hosted learning sessions about it, and policies and procedures around it, there was an enormous impact felt in St. Louis Park and across the state. She added she appreciates and thanks the League for their courage here.

Councilmember Kraft asked if there is a policy committee around climate change.
Mr. Unmacht stated yes there is, adding Councilmember Kraft will be able to learn and contribute to those conversations. Minnetonka Mayor Wiersum added there will also be a conference held on climate change.

Mayor Spano stated all cities face challenging issues and can get great benefit and cost-saving measures when cities collaborate, and this is what the League helps to do, along with being an effective and strong voice for Minnesota in Washington, DC. He thanked the League for their help in making sure issues are addressed at the legislature.


Historical Society president Ted Akers, along with members Henry Solmer and Bill Byer, presented the “Places in the Park” book to the council members, which is a collection of St. Louis Park history. They are very excited about the new book, and referred residents to their website, SLPhistory.org, to purchase copies or learn more about the history of St. Louis Park.

Mayor Spano thanked the members, on behalf of the council, for their work on the book. Mr. Akers noted all monies raised from the sale of the book, at $20 per copy, go directly back into the Historical Society, as does all money generated from fundraising efforts.

3. Approval of minutes

3a. City council meeting minutes of Dec. 2, 2019

Councilmember Harris noted an addition to her comments on page 5 which should read, “Councilmember Harris stated she appreciates residents and staff taking a pause to talk. She stated over the past six months she received dozens of requests about the design of the roadway, both in opposition and in support. She noted neighbor requests are sometimes at odds with one another and staff. Councilmember Harris discussed methods to reduce speeding, create safer crossings for people who walk, minimize potential parking impacts, and add safe bike lanes. She stated she supports the project which results in added parking; and buffered bike lanes through a pilot project.”

It was moved by Councilmember Rog, seconded by Councilmember Brausen, to approve the Dec. 2, 2019 meeting minutes as amended.

The motion passed 7-0.

3b. Study session minutes of Dec. 9, 2019

It was moved by Councilmember Mavity, seconded by Councilmember Rog, to approve the Dec. 9, 2019 study session meeting minutes as presented.

The motion passed 7-0.
4. Approval of agenda and items on consent calendar

4a. Adopt Resolution No. 20-007 rescinding Resolution 00-045 and authorizing the installation of timed parking restrictions at 3381 Gorham Avenue.

4b. Adopt Resolution No. 20-008 rescinding Resolutions 89-143, 90-10, and 92-139 and authorizing the installation of permit parking restrictions on the 3900 block of Princeton Avenue.

4c. Adopt Resolution No. 20-009 authorizing the installation of parking restrictions on the east side of Joppa Ave. between Minnetonka Blvd. and the north County Road 25 Service Drive.

4d. Adopt Resolution No. 20-010 authorizing the installation of parking restrictions on the south side of Wayzata Boulevard from Louisiana Avenue to Zarthan Avenue.

4e. Adopt Resolution No. 20-011 authorizing all-way stop controls on Toledo Avenue at 42nd Street.

4f. Approve replacement of 2013 Elgin Pelican street sweeper.

4g. Approve the appointment of Lt. Greg Weigel as the secondary representative from the police department to the Metropolitan Emergency Services Board (MESB), 9-1-1 Technical Operations Committee (TOC). Lt. Weigel would replace Deputy Chief Bryan Kruelle who was approved in October 2018 as the secondary member for the police department.

4h. Approve the 2019 Pay Equity Report.

4i. Adopt Resolution No. 20-012 authorizing the special assessment for the repair of the sewer service line at 5512 West 25 ½ Street, St. Louis Park, Minnesota. P.I.D. 09-117-21-24-0045.

It was moved by Councilmember Brausen, seconded by Councilmember Mavity, to approve the agenda as presented and items listed on the consent calendar; and to waive reading of all resolutions and ordinances.

The motion passed 7-0.

5. Boards and commissions - none

6. Public hearings

6a. 2020 Pavement Management Project – Fern Hill (4020-1000)

Mr. Wiesen presented the staff report.

Councilmember Rog asked how many trees would be removed on Basswood Road. Mr. Wiesen stated staff is hoping to save all but two trees on Basswood Road.

Councilmember Rog asked about the city’s success rate on saving trees. Ms. Heiser stated staff works closely with the city forester and in the last ten years, has had a good success rate and not lost any trees.
Councilmember Rog stated she is concerned with emergency vehicles passing on the street, which is planned to go down to 28 feet wide. Mr. Wiesen stated police and fire have reviewed our street width standards and there have been no concerns raised about the 28 feet, with parking on both sides. Likewise, he added, there are no concerns from staff about snow removal and parking.

Councilmember Harris noted resident feedback related to sidewalk segments and gap sidewalks and asked which will be added here. Ms. Heiser stated these areas are identified by staff, as it relates to neighborhood livability, and not to Connect the Park projects.

Mayor Spano asked about the cost of the project noting CIP budgeted $5.6 million and yet it comes in under that. He asked staff what changed. Mr. Wiesen stated costs are initially calculated in the planning phase and then after gathering design information and resident feedback, the cost of the project was less than anticipated.

Mayor Spano opened the public hearing.

Shereen Rahamim, 4248 Basswood Rd., stated she is a longtime resident and respectfully requests the council leave her street alone. She is concerned about narrowing the street, as it is many times blocked already, and will not leave enough room for cars to maneuver. She is also opposed to adding sidewalks, adding that many folks in the neighborhood walk in the street to synagogue, and she has concerns about neighbors losing their landscaping and trees.

Susan Landwher Marshall, 4241 Basswood Rd., stated she does not want sidewalks added and decreasing pavement and then adding more concrete does not make sense to her. She stated they are very unhappy with the proposal and losing trees, lampposts and sprinkler systems, noting it will be impossible for them to shovel sidewalks, and their expenses would double. She stated their street traffic is very modest and she is firmly opposed to narrowing the street and adding sidewalks.

Toni Halleen, 4255 Basswood Rd., stated she is opposed to curbs, sidewalks, and narrowing the street. She moved here from Chicago and has been in Fern Hill for ten years. Ms. Halleen stated this is the best place to live, with wide streets, sprawling lawns, and groups able to walk across the whole street. She is concerned about impact to her landscaping and being responsible for shoveling and salting and does not want the liability if anyone were injured. She asked the council to not remove the green and put in sidewalks.

Megan Prindville, 4221 Basswood Rd., stated she is a hypocrite here tonight, because she almost didn’t move into the neighborhood because of the lack of sidewalks. However, over time, she fell in love with her house and the neighborhood and now loves the wide streets. She is opposed to narrowing the street and adding sidewalks and asked the council to consider this.
Steven Schoonberger, 4235 Basswood Rd., stated he agrees with all his neighbor’s comments and wants to preserve trees and the nature of the street. He stated biking on sidewalks will be dangerous, and his neighbors walk to synagogue all the time in the street. He has concerns related to costs and no significant benefit.

Edward Jorczyk, 4100 Basswood Rd., stated he moved to St. Louis Park in 1981 and chose this neighborhood because of the wide streets and large lawns. He is opposed to narrowing the streets and adding sidewalks in this park-like setting and encouraged the council to leave it as it is.

Steve Duncan, 4100 Basswood Rd., stated this is an amazing street and neighborhood, and he does not want to see it change. He stated there are some sidewalks in the area, but no one uses them. He added he works from home, his office faces the street, he does not see many cars go by during the day, and the cars do not speed. He stated this plan might deter the sale of homes in the area as well, and he is opposed to it.

Tim Engstrom, 4013 Basswood Rd., stated he has concerns that the concept of narrowing streets at this location is based on a National Council of Cities Transportation Committee recommendation; however, this is a local issue. He stated this is decreasing bituminous areas, but then increasing sidewalks, which is troubling. He asked the council to not change the area and leave it as it is.

Howard Bach, 4237 W. 25th St., asked if sidewalks are added, what will be gained, noting it will most likely increase traffic in the area. He is opposed to the project and asked the council to vote against it.

Arielle Kaufman, 4421 W. 25th St., has concerns with traffic if streets are narrowed and asked to keep the street as it is.

Jeremy Wunsch, 2510 Monterey Ave., stated the neighborhood wants to keep the street width as is, adding his back-yard floods every year, but he still loves their space, location, and uses the front yard to entertain. He does not want to lose the front yard, along with a raised flower bed at the triangle end of the block that his wife has planted to keep bees and butterflies in the area. He asked the council to keep it as it is.

Ann Drew Yu, 2636 Lynn Ave., stated she has lived there 24 years and is asking that the width not be reduced to 28 feet. She stated many of their neighbors are Orthodox Jews, and she worries about their safety walking along the street, if the street is narrowed. She also has concerns about the winter months and cars being able to pass on the street if it is narrowed and with snow piles. She stated it will be a further challenge to get their cars out of their garages, especially during significant snow falls. She thanked the council for their consideration and looking at these issues in advance of taking a vote.

Bernie Vlosky, 4330 W. 25th St., thanked the council for reviewing this in advance and staff for their assistance and allowing neighborhood feedback. He stated he is concerned about folks walking to synagogue, and also wants to look into rain gardens in the area to help with rain runoff.
Bob Kusnetz, 2530 Inglewood Ave. S., stated he has concerns with backing out of his driveway and about emergency vehicles if the streets are narrowed. He stated the danger will be more than the benefit if the street is narrowed.

Andrea Zuckman, 2617 Lynn Ave. S., stated emergency vehicles will not be able to get down the street if cars are parked on both sides of the street. She also noted that backing out of garages will be difficult and there will be issues with pedestrian traffic. She stated she is opposed to narrowing the street.

Peggy Weller, 4013 Basswood Rd., stated she is wishy-washy about this but had communication with staff which has been helpful. She stated her preference is to leave it all alone, while she has concerns about underground sprinklers having to be removed and concerns about cyclists and where they would be – on the street or sidewalks. She stated; however, if the street is narrowed, she then prefers sidewalks be added.

Mayor Spano closed the public hearing.

Councilmember Mavity asked if the city would be involved in moving resident’s underground irrigation. Mr. Wiesen stated that is the responsibility of the homeowner but noted the city would be responsible for replacing any trees removed or retaining walls.

*It was noted council will take final action on this item at the Feb. 3, 2020 meeting.*

**6b. Public Hearing Parkway Residencies alley vacation**

Ms. Monson presented the report which includes recommended action in agenda item 8a.

Mayor Spano opened the public hearing. No speakers were present. Mayor Spano closed the public hearing.

*The recommended action to vacate the alley is included in agenda item 8a.*

**7. Requests, petitions, and communications from the public – none**

**8. Resolutions, ordinances, motions and discussion items**

**8a. Parkway Residences Redevelopment Project Resolution No. 20-013 and Resolution No. 20-014**

Ms. Monson presented the staff report.

Councilmember Rog stated this is a really good location for high density and she is very happy the plan to support the displacement of NOAH property residents is working. She stated she will support this. Councilmember Rog asked if there is access to the Cedar
Lake Trail from this property. Ms. Monson stated there is no direct access, but concept plans for CSAH 25 include bike and trail connections to the Beltline Station where the trail is accessed.

Councilmember Harris stated it is a terrific project, which cares about affordable housing. She asked if there is on-street parking included as part of the proof of parking, and if there is a snow emergency in the winter, where will residents park.

Ms. Monson stated there are exemptions in high density areas, and the assumption is this will be handled in a similar way, along with extra parking created on the development. She added there most likely will also be less demand for parking in the future.

Councilmember Harris asked if residents might have access to park in other adjoining buildings. Ms. Monson stated no, as there will be secure access for the other buildings.

Councilmember Kraft agreed this is a good location for high density and asked about meeting the requirements of the Climate Action Plan, the heating methods for the development, and if solar readiness will be utilized as part of the development plans.

Mr. Berg, DJR Architects, stated the buildings are being designed as solar ready, and solar will be investigated as an attribute. He added they are looking at using electrical for heating vs. natural gas, working with Xcel on energy usage costs, and using the most efficient plan as the project moves forward.

Councilmember Kraft asked if Parkway 25 is LEED Silver. Mr. Berg stated yes, adding they are working beyond this to extend elements in order to be more energy efficient.

Councilmember Mavity stated she will support the amendments this evening and agrees this is a very creative project, which addresses multiple city goals. She applauded Councilmember Rog’s early leadership on this to ensure affordable housing was retained and being visionary. She stated the project is a good balance, with lower density buildings that provide affordability, while it also supports higher density as well and is two blocks from the Lake Street light rail station. Councilmember Mavity stated she would dissuade the developer from overusing the parking especially since the project is so close to light rail.

Councilmember Mohamed stated she is happy to hear about the climate action work taking place here and that the developer is compensating existing residents. She asked how many NOAH units are at the development. Ms. Monson stated there are 24 units.

Councilmember Mohamed asked if the developer is replacing all NOAH at a 1 to 1 ratio. Ms. Monson stated yes, and because the developer chose to do 10% at 50% AMI, the amount is actually higher than 1 to 1, adding 4 more additional affordable units under the inclusionary housing policy.
It was moved by Councilmember Rog, seconded by Councilmember Brausen, to adopt Resolution No. 20-013, approving the amendments to the 2040 Comprehensive Plan Future Land Use Plan Map, as well as related figures, tables, and text.

The motion passed 7-0.

It was moved by Councilmember Rog, seconded by Councilmember Brausen, to adopt Resolution No. 20-014, approving the preliminary and final plat for Manhattan Park Second Addition. Additionally, this change is conditional on Metropolitan Council approval.

The motion passed 7-0.

It was moved by Councilmember Rog, seconded by Councilmember Harris, to approve the first reading of an ordinance vacating the alley between 31st Street West and the Highway 7 Frontage Road between Glenhurst Avenue and Inglewood Avenue and set the second reading for Feb. 3, 2020. Additionally, this change is conditional on Metropolitan Council approval.

The motion passed 7-0.

It was moved by Councilmember Rog, seconded by Councilmember Brausen, to approve the first reading of an ordinance adding Section 36-268-PUD 15 to the Zoning Code and amending the Zoning Map from C-2 General Commercial and R-4 Multiple Family Residential to PUD 15, and set the second reading for Feb. 3, 2020. Additionally, this change is conditional on Metropolitan Council approval.

The motion passed 7-0.

8b. Holy Family Academy expansion Resolution No. 20-015 and Resolution No. 20-016

Ms. Kramer presented the staff report.

Councilmember Kraft asked if the roof will be solar ready and if they will consider installing solar panels when doing construction. Fr. Joseph Johnson stated this is currently under consideration.

Councilmember Rog stated she is excited about the potential here, and complimented Fr. Johnson and his group on recognizing the history and reaching out to the neighbors to provide information. She was interested that the school will not be increasing the number of students in the building, and yet are expanding the building and also saving the rectory. Councilmember Rog added she does not foresee any added traffic to the area, in light of the expansion.

It was moved by Councilmember Rog, seconded by Councilmember Brausen, to adopt Resolution No. 20-015, approving the amendment to the conditional use permit subject
to the conditions recommended by staff and to adopt Resolution No. 20-016, approving the preliminary and final plat subject to the conditions recommended by staff.

The motion passed 7-0.

8c. TS 713 – Authorize traffic control changes on Quebec Avenue at 29th Street

Mr. Manibog presented the staff report. He noted in order to approve the traffic committee’s recommendation, a change to the ordinance is required. Therefore, staff recommends rescinding the ordinance in its entirety and implementing the traffic controls included in it through resolutions.

It was moved by Councilmember Harris, seconded by Councilmember Brausen, to approve the traffic committee recommendation to install two-way stop signs on Quebec Avenue at 29th Street.

The motion passed 7-0.

8d. Local option sales tax

Ms. Solano presented the staff report.

Councilmember Mavity stated the council has looked at this issue extensively and she thanked staff for all their work on this, along with the U of MN study on how many folks use the city’s roads. She stated this is a simple and straightforward question and would preserve and ensure others contribute for road repairs and maintenance of the city’s roads, thereby residents would not have to pay 100% for the road maintenance.

Councilmember Mavity added funding by the legislature is hard to predict, and other cities may also do a sales tax, so St. Louis Park should be a part of that as well. She noted there will be ample time to educate residents and ensure they understand the sales tax, and ultimately, this won’t happen unless residents vote in favor of this. She stated the city should not miss this opportunity to send a clear message to legislators, and she will support moving this forward.

Councilmember Brausen agreed and stated from the U of MN study, it was noted the majority of purchases made in the city are from those not living in city. This will shift the burden to non-residents. He supports continuing to look into this and added the city’s legislators will carry this forward while the political climate is ripe for this to move ahead. He noted this does not hurt the city by asking for this authority, and then spending time studying and educating and listening to what residents want. He stated he will support this.

Councilmember Harris stated she has had several conversations with small business owners and residents, to learn how this might impact them or their business. She stated as a representative of the residents and businesses in the community, her goal is to reduce what residents would pay, adding this measure would fulfil this goal. She stated
there will need to be a groundswell of support created to help this as a long-term game plan. She stated she would like to research this further.

Councilmember Mohamed stated she understands the issue here, but growing up in a family with 5 children, going to movies and restaurants was a luxury, and many in the city would not be able to have fun in their own city, if this sales tax were implemented. She stated she would like to research this further before moving ahead.

Councilmember Rog stated she has not had enough time to study this either, and once momentum starts on this, it is likely it will move forward. She added the city needs to hear more feedback from the business community and she would like to know the administrative costs to the city for doing this. She added it is difficult to imagine there will not be collaboration to find sources of funding for this need, and if this happens, it will reduce the need for the state to support St. Louis Park on this.

Councilmember Kraft added conceptually he is drawn to having those outside the community that use the city roads pay for them; however, this is a complex issue. He stated he is interested in the overall tax burden to city residents and will oppose moving forward on this.

Mayor Spano stated he discussed this during his campaign and is interested in sharing the burden; however, he does agree it is regressive. He continued that in the absence of action from state, it should be studied. He stated he wants to see this move forward, but also wants to be sure the community understands what is happening, so he will not support moving ahead at this time and would like to study it more.

*It was moved by Councilmember Mavity, seconded by Councilmember Harris, to continue studying the use of a local option sales tax over the next year and determine next steps for the 2021 legislative session.*

*The motion passed 7-0.*

9. **Communications**

Councilmember Harris noted this Saturday, Jan. 25, is the city’s annual winter fun day from 12 noon – 4 p.m. at Oak Hill Park, where there will be hayrides, presentations from the nature center, and Discover St. Louis Park will be in attendance as well. More information is available on the city website and admission is free.

Councilmember Rog noted on Wednesday, Jan. 22, at 7 p.m., the city clerk’s office and the secretary of state will present on the presidential primary and caucus processes at the Lenox Community Center. All are welcome to attend.

Councilmember Rog noted on Friday, Jan. 31, the Friends of the Arts will showcase an artist, and more information is available on their website.
Ms. Solano stated applications for the city’s boards and commissions will be accepted until the end of February, and those interested can check the city’s website for further information.

Mayor Spano noted the annual Empty Bowls STEP fundraising event will take place on February 3, in the afternoon and evening, at Westwood Lutheran Church.

Councilmember Harris noted there are franchise agreement focus groups open to public participation and there is more information on the city website.

10. **Adjournment**

The meeting adjourned at 9:21 p.m.

______________________________________  _________________________________________
Melissa Kennedy, city clerk            Jake Spano, mayor
The meeting convened at 5:30 p.m.

Councilmembers present: Mayor Jake Spano, Tim Brausen, Rachel Harris, Larry Kraft, Anne Mavity, Nadia Mohamed, and Margaret Rog.

Councilmembers absent: none.

Staff present: City Manager (Mr. Harmening), Engineering Director (Ms. Heiser), Director of Community Development (Ms. Barton), Senior Management Analyst (Ms. Solano), and Recording Secretary (Ms. Pappas).


1. 2020 legislative priorities – meeting with elected and appointed representatives

Mayor Spano noted the top strategic priorities for St. Louis Park and presented a draft list of legislative issues and priorities for the city to the elected and appointed representatives. He stated the top priorities are: affordable housing, climate action, multimodal transportation, and in the general category, noted funding the Pathways to Policing program, and support of a statewide system to track race data for police traffic stops, as being priorities.

Councilmember Brausen added marijuana legislation should have consideration for a portion of tax revenues from sales to come back to the city.

Councilmember Harris noted capital investments bonding requests which provide service to young children as another priority, as well as partnerships and funding on road maintenance projects.

Councilmember Mavity thanked the legislators, noting she continues to be impressed with the city’s delegation and their depth of expertise, which aligns well with St. Louis Park. She stated affordable housing and climate change are the two main areas of priority in St. Louis Park.

Councilmember Kraft stated climate action is his main priority and asked the legislators what might be helpful to keep this issue moving forward. Rep. Youakim stated continuing to relate stories and showing collaboration on the part of the city with others will help to keep pressure on the issue and create momentum.

Councilmember Mohamed stated while she is very impressed with the priorities noted, racial equity is her main concern. She would like representatives to know this priority is embedded in
all the city does, and she would like them to be cognizant of it as well, in all they do in their work.

Councilmember Rog stated climate action on a statewide basis, along with affordable housing are priorities, as well as livable wage concerns.

The meeting adjourned at 6:20 p.m.

Melissa Kennedy, city clerk

Jake Spano, mayor
Title: Retirement recognition for Firefighter Bill Ryan and Office Assistant Jean Zimmerman

Recommended action: Motion to adopt Resolutions to recognize Firefighter Bill Ryan and Office Assistant Jean Zimmerman for their years of service.

Policy consideration: None at this time.

Summary: City policy states that employees who retire or resign in good standing with over 20 years of service will be presented with a resolution from the mayor, city manager and city council. Bill has chosen not to be honored with a presentation and will not be attending the council meeting. Jean will be in attendance for a presentation.

This consent item will officially adopt the resolutions that honor Bill and Jean for their years of service.

Financial or budget considerations: Not applicable.

Strategic priority consideration: Not applicable.

Supporting documents: Resolutions

Prepared by: Ali Timpone, HR manager
Approved by: Nancy Deno, deputy city manager/HR director
Resolution no. 20-____

Resolution of the
City Council of the City of St. Louis Park, Minnesota
recognizing the contributions and expressing appreciation to
Firefighter Bill Ryan

Whereas, Bill Ryan began his employment with the City of St. Louis Park nearly 24 years ago on April 15, 1996, and adding his service to the City of Lakeville results in over 30 years of fire service; and

Whereas, Bill honorably and courageously served his country as a member of the 2nd Battalion/75th Regiment of the Army Rangers; and

Whereas, Bill was awarded his State of MN Certification as an Emergency Manager; and

Whereas, Bill was a member of Local 993 for 24 years, serving as a board member, as its President and as an active member of the Labor Management Negotiations Team; and

Whereas, Bill represented the department while serving the citizens of Louisiana when he was deployed following Hurricane Katrina; and

Whereas, Bill responded to more than 14,000 calls for service during his career with St. Louis Park; and

Whereas, Bill contributed his time and energy toward mentoring both part time and career firefighters; and

Whereas, Bill provided countless unrecognized acts of kindness, compassion and empathy for the residents of St. Louis Park during his time as a firefighter;

Now therefore be it resolved that the City Council of the City of St. Louis Park, Minnesota, by this resolution and public record, would like to thank Bill Ryan for his great contributions and nearly 24 years of dedicated service to the City of St. Louis Park and wish him the best in his retirement.

Reviewed for Administration: Adopted by the City Council February 18, 2020

Thomas K. Harmening, city manager Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
Resolution No. 20-____

Resolution of the
City Council of the City of St. Louis Park, Minnesota
recognizing the contributions and expressing appreciation to
Office Assistant Jean Zimmerman

Whereas, Jean Zimmerman began her employment with the City of St. Louis Park 21 years ago on February 22, 1999; and

Whereas, Jean has provided administrative assistance and support services in a professional and responsive manner to many city staff to ensure the city’s business needs were met; and

Whereas, Jean has provided exemplary customer service to thousands of residents regarding any and all imaginable forms of questions, complaints, concerns and compliments giving them the assurance that their issues are being responded to; and

Whereas, Jean has processed thousands upon thousands of invoices, created and managed hundreds of contracts and billing accounts, used her sheer determination and persistence to successfully track down late payments and challenge late fees from vendors who did not bill in a timely manner; and

Whereas, Jean has willingly shared her more than two decades of knowledge and experience with any and all employees that have sought her assistance throughout the years; and

Whereas, Jean plans to use her newfound free time to escape the harsh winters she has battled for years (most likely in Las Vegas), catch up on some reading, and most importantly, spend time with her family;

Now therefore be it resolved that the City Council of the City of St. Louis Park, Minnesota, by this resolution and public record, would like to thank Jean Zimmerman for her great contributions and 21 years of dedicated service to the City of St. Louis Park and wish her the best in her retirement.

Reviewed for Administration: Adopted by the City Council February 18, 2020

Thomas K. Harmening, city manager

Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
Executive summary

Title: Platia Place final plat time extension

Recommended action: Motion to approve an extension until February 18, 2021 for SLP Park Ventures to record the final plat for Platia Place.

Policy consideration: Does the council wish to allow SLP Park Ventures an additional year to record the final plat for Platia Place?

Summary: Per the city code, SLP Park Ventures must record the final plat within two years of receiving city council approval on March 19, 2018. The city received a written request from SLP Park Ventures for an extension to file the final plat until January 23, 2020.

Since approval of the final plat, SLP Park Ventures has explored several developer partnerships for each site. SLP Park Ventures has now selected partners to develop the apartment and the hotel, and plans to apply for one or more PUD amendments in order to revise the plans for both parcels (9920 Wayzata and 9808 Wayzata). Staff anticipate these applications in the first half of 2020. Staff recommend approval of a one-year extension to file the plat, which would expire on February 18, 2021.

Site Location Map:

Financial or budget considerations: Not applicable

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

Supporting documents: Extension request letter

Prepared by: Jacquelyn Kramer, associate planner
Reviewed by: Sean Walther, planning and zoning supervisor
Karen Barton, community development director
Approved by: Nancy Deno, deputy city manager/HR director
January 23, 2020

City of St. Louis Park  
5005 Minnetonka Blvd.  
St. Louis Park, MN 55416

Attn: Jacquelyn Kramer, Associate Planner

RE: Final Plat Extension Request

Dear Ms. Kramer and City Staff:

On behalf of SLP Park Ventures, LLC, we are submitting this letter to request an extension period of one year for filing the Final Plat regarding Platia Place development as we need more time to submit our intended PUD Amendment.

We have received positive feedback about our recent apartment phase changes along with our Hotel phase developer’s agreement from Staff to-date.

We will keep you posted on the evolvement of Platia Place and look to forward to submitting a PUD Amendment shortly.

We appreciate your time and efforts in consideration of this extension and remain hopeful this beautiful project will be approved by you.

Sincerely,

William J. Stoddard  
CEO & Chief Manager

Bill@iBll.us  
612 802-3666

Cc: Brian Bachman

File: SLP Plat Extension
**Executive summary**

**Title:** Accept donations to operations and recreation department

**Recommended action:** Motion to adopt Resolution approving acceptance of a $25 donation from Jill Marks for the Westwood Hills Nature Center Be the Light Winter Solstice Walk, $300 donation from Joseph and Kristine Cook for the purchase of a memorial tree to be planted in Wolfe Park honoring Bev and Jerry Slavin and $2,500 donation from Minnesota Society of Arboriculture for Jim Vaughan to attend the 2020 International Society of Arboriculture Conference in Albuquerque, New Mexico.

**Policy consideration:** Does the city council wish to accept these gifts with restrictions on their use?

**Summary:** State statute requires city council’s acceptance of donations. This requirement is necessary in order to make sure the city council has knowledge of any restrictions placed on the use of each donation prior to it being expended.

Jill Marks graciously donated $25 to be used for the Be the Light Winter Solstice Walk at Westwood Hills Nature Center.

Joseph and Kristine Cook graciously donated $300 for the purchase of a memorial tree to be planted in Wolfe Park honoring Bev and Jerry Slavin.

The Minnesota Society of Arboriculture elected Jim Vaughan as their representative to the International Society of Arboriculture (ISA). The ISA requires chapter Council Representatives attend each annual ISA conference. As a result of Mr. Vaughan’s election/appointment, the Minnesota Society of Arboriculture has offered to pay all related conference expenses in an amount not to exceed $2,500 for Jim Vaughan to attend the 2020 Arboriculture Conference in Albuquerque, New Mexico on August 8 - 13, 2020.

**Financial or budget considerations:** These donations will be used as specified above.

**Strategic priority consideration:** St. Louis Park is committed to continue to lead in environmental stewardship.

**Supporting documents:** Resolution

**Prepared by:** Stacy Voelker, senior office assistant  
**Reviewed by:** Mark Oestreich, Westwood Hills Nature Center manager  
Jim Vaughan, natural resources coordinator  
Cynthia S. Walsh, director of operations and recreation

**Approved by:** Nancy Deno, deputy city manager/HR director
Resolution No. 20-____

Resolution approving acceptance of a donation in the amount of $25 for Be the Light Winter Solstice walk at Westwood Hills Nature Center, $300 for the purchase and planting of a memorial tree and $2,500 for Jim Vaughan to attend the 2020 International Society of Arboriculture Conference

Whereas, the City of St. Louis Park is required by state statute to authorize acceptance of any donations; and

Whereas, the city council must also ratify any restrictions placed on the donation by the donor; and

Whereas, Jill Marks donated $25, Joseph and Kristine Cook donated $300 and Minnesota Society of Arboriculture donated $2,500.

Now therefore be it resolved by the City Council of the City of St. Louis Park that these gifts are hereby accepted with thanks to Jill Marks with the understanding that it must be used for the Be the Light Winter Solstice Walk, Joseph and Kristine Cook with the understanding it must be used for the purchase of a memorial tree to be planted in Wolfe Park honoring Bev and Jerry Slavin and the Minnesota Society of Arboriculture with the understanding it must be used for Jim Vaughan to attend the 2020 Arboriculture Conference in Albuquerque, New Mexico on August 8 – 13, 2020.

Reviewed for administration: Adopted by the City Council Feb. 18, 2020

Thomas K. Harmening, city manager Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
Executive summary

Title: Replace 2003 Sterling L8500 Dump Truck (unit #324)

Recommended action: Motion to approve replacement of 2003 Sterling L8500 Dump Truck.

Policy consideration: Is the council ok with replacing our 2003 Sterling L8500 Dump Truck (Unit #324)?

Summary: Our 2003 Sterling L8500 Dump Truck is an 18-year-old single rear-axel dump truck and is scheduled to be replaced in the 2020 capital improvement plan. This type of vehicle performs significant maintenance duties including snow removal, asphalt and general hauling for all city departments. Staff has reviewed the replacement and based on age, condition, salvage value as is recommended to be replaced as planned.

The replacement dump truck will have a tier 4 diesel system which will reduce emissions compared to the current dump truck. Staff has explored electric/hybrid options for this purchase. Currently, busses and other types of equipment have emerging opportunities, but at this time staff feels the best option for this type of heavy maintenance truck will be the tier 4 diesel system. As we do our fleet planning in the future, we will continue to explore all opportunities.

The replacement will be made via the State of Minnesota cooperative purchasing venture (state contract) with ISTATE truck center (Chassis) and Towmaster (truck body and snow equipment installer). The replacement is part of the 2020 budget and long-range financial management plan. Since the purchase price is over the amount the city manager is authorized to approve, staff is bringing this to council for approval.

Financial or budget considerations: The replacement vehicle will be auctioned and proceeds will go to the capital replacement fund. The new vehicle including cab, chassis, plow, sander is budgeted in the amount of $290,101 and the estimated replacement amount is $232,044.

Strategic priority consideration: 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

Prepared by: Tom O’Donnell, fleet maintenance manager
Reviewed by: Tim Simon, chief financial officer
Cindy Walsh, operations & recreation director
Approved by: Nancy Deno, deputy city manager/HR director
**Discussion**

Fleet and equipment review as it relates to improvements options in energy efficiency is part of the standard practice. Staff regularly researched alternative-fueled vehicles options to lower our Green House Gas (GHG) Emissions, and we have observed a variety of new options emerging for battery electric and hybrid vehicles.

At this time, the market for heavy-duty battery-electric and hybrid vehicles is growing; manufacturers have been offering hybrid technology with city buses for years and now we are seeing full-electric school buses. Our fleet manager continues to research and read articles regarding a Freightliner Class 6-8 hybrid, but at this time have not viewed a plow type application or reviewed any specifications from Freightliner. This is a future possibility as we hear it is scheduled to begin production in 2021 in long haul and delivery applications. We need to ensure that any purchase we make for the city would meet our business needs and have the support needed to keep our vehicle in operation.

Compressed Natural Gas (CNG) is another alternative that is available now for purchase. Staff has concluded that this is not a choice at this time due to additional costs, fueling locations, performance, reliability and questionable reduction in greenhouse gasses. Currently (CNG) is primarily offered in refuse and delivery tractors, not meeting the requirements of our application.

Any direction we chose to follow will require retooling, education and purchasing new infrastructure—such as charging or fueling stations. We have been installing charging stations, evaluating and purchasing testing equipment for electric vehicle along with researching training for technicians.

Staff continues to be been active with local fleet organizations reviewing alternative fueled vehicles, attending alternative fueled equipment presentations, and involved in discussions with vehicle up-fitters of electronic drive additions. Staff will continue to monitor and review this area as it relates to our fleet and will attend a national Fleet Expo/conference this year in order to enhance knowledge in this evolving market. In addition to research, continuing education for our technicians and upgrading and testing our equipment to make sure systems work and are reliable.

Based on the research and information, the replacement Dump Truck will have a tier 4 diesel system which will reduce emissions compared to the current Dump Truck.
Executive summary

Title: Approve right of way purchase – Highway 7/ Louisiana Avenue interchange – (2012-0100)

Recommended action: Motion to approve the settlement agreement between the city and MSP Apartment, LLC for parcel 14, located in the northwest quadrant of Highway 7 and Louisiana Avenue and directs city manager and city attorney to execute terms of agreement.

Policy consideration: This action is consistent with the previous direction given by the city council as part of Highway 7/ Louisiana Avenue Interchange Project.

Summary: Staff has reached an agreement on terms to purchase right of way from MSP Apartments, LLC for the construction of Highway 7/ Louisiana Avenue interchange.

The project began construction in 2012 and involved large-scale reconstruction of the intersection at Highway 7 and Louisiana Avenue as well as adjacent intersections. The highway intersection was changed from an at-grade intersection controlled by traffic lights to construction of an overpass bridge raising Highway 7 above the grade at Louisiana Avenue, installation of highway on-ramps and off-ramps, and construction of multiple roundabouts connecting the ramps from Highway 7 to Louisiana Avenue and Louisiana Avenue to Walker Street. Construction occurred in 2013 and 2014.

The city acquired property necessary for the project using eminent domain. Parcel 14 is the final parcel to be settled. This final property acquisition is the taking from the Louisiana Oaks Apartment Building located at the northwest corner of the intersection of Highway 7 and Louisiana Avenue. This is a large apartment building complex, valued in excess of $39 million. A portion of the new roundabout at Louisiana Avenue and Walker Street, as well as the new on-ramp from Louisiana Avenue to Highway 7, were constructed on portions of the apartment building property.

Financial or budget considerations: The city paid MSP Apartments $116,200 as part of the original “quick take” process. Staff is finalizing the source(s) of funding for the remaining $613,800. These sources include using one or a combination of the following – Development Fund, pooled TIF, General Fund reserves and/or proceeds from an upcoming G.O. bond sale.

Strategic priority consideration: 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
   Parcel 14 exhibit
   Settlement agreement

Prepared by: Debra Heiser, engineering director
Reviewed by: Joe Shamla, senior engineering project manager
Approved by: Nancy Deno, deputy city manager/HR director
Discussion

Background: To construct the Highway 7 / Louisiana Avenue interchange project, land needed to be acquired from MSP Apartments, LLC. Parcel 14 is located in the NW corner of the interchange between Walker Street to the north and Highway 7 to the south (map attached).

The project began construction in 2012 and involved large-scale reconstruction of the intersection at Highway 7 and Louisiana Avenue as well as adjacent intersections. The highway intersection was changed from an at-grade intersection controlled by traffic lights to construction of an overpass bridge raising Highway 7 above the grade at Louisiana Avenue, installation of highway on-ramps and off-ramps, and construction of multiple roundabouts connecting the ramps from Highway 7 to Louisiana Avenue and Louisiana Avenue to Walker Street. Construction occurred in 2013 and 2014.

There were a number of reasons this project was undertaken including insuring safe north-south access for pedestrians and bicyclists to the anticipated the SWLRT station location, to address congestion and traffic safety concerns at the at-grade Highway 7 and Louisiana Ave intersection, and to facilitate anticipated economic development and redevelopment coming to the area.

Parcel 14

The city acquired property necessary for the project using eminent domain. Parcel 14 is the final parcel to be settled. This final property acquisition is the taking from the Louisiana Oaks Apartment Building located at the northwest corner of the intersection of Highway 7 and Louisiana Avenue. This is a large apartment building complex, valued in excess of $39 million. A portion of the new roundabout at Louisiana Avenue and Walker Street, as well as the new on-ramp from Louisiana Avenue to Highway 7, were constructed on portions of the apartment building property.

The city obtained an appraisal of the Property and offered to acquire the easements for the Project from the property owner for $116,200. The city deposited this amount into the District Court as the city’s “quick take” deposit. This allowed the city to take possession of the property in 2012 and to construct the project in 2013-2014, with final damages to be determined later.

The property owner rejected the city’s offer, ordered a new appraisal, and made a counterclaim for approximately $1.52 million in damages. The case went to trial in February of 2019, and the Condemnation Commissioners reached a verdict of $360,000 in damages to the property owner.

Minnesota law regarding eminent domain requires that if the total damages are more than 40% above the city’s offer, the city is required to pay all of the property owner’s attorney fees, litigation expenses, expert appraisal fees, expert witness fees, and other costs and expenses incurred in securing that award (Minn. Stat. § 117.031). This verdict was more than 40% above the city’s offer. Thus, the city’s obligations with respect to attorney fees, appraisal fees, and interest nearly exceeded the damages awarded by the commissioners.

In January, staff worked with the property owner to mediate a settlement for this matter. The negotiated settlement is for the city to pay a final amount of $730,000. Meaning, a payment of an additional $613,800 more than the $116,200 already deposited with the district court in 2012. Staff is requesting that the city council finalize the settlement agreement.
RIGHT OF WAY PARCEL LAYOUT
S.P. 163-080-083, 2706-226
COUNTY: HENNEPIN
CITY: ST. LOUIS PARK

SCALE: 1" = 100’ OWNER: MSP SLP APARTMENTS LLC PID NO. 171-172-134-0087

LEGEND
- PROPOSED CONSTRUCTION
- PROPOSED LIMITS OF CONSTRUCTION
- EXISTING MNDOT RIGHT OF WAY
- EXISTING CITY RIGHT OF WAY/PARCEL LINES
- PROPOSED RIGHT OF WAY
- PROPOSED TEMPORARY EASEMENT

ADDITION NAME: MILL CITY ADDITION
LOT: 001
BLK: 001

<table>
<thead>
<tr>
<th>Parcel No.</th>
<th>Owner</th>
<th>MSP SLP Apartments LLC</th>
<th>Addition Name</th>
<th>Mill City Addition</th>
<th>LOT: 001</th>
<th>BLK: 001</th>
</tr>
</thead>
<tbody>
<tr>
<td>14</td>
<td>MSP SLP Apartments LLC</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NEW MNDOT R/W</th>
<th>NEW CITY R/W</th>
<th>MNDOT TEMPORARY EASEMENT</th>
<th>CITY TEMPORARY EASEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEW MNDOT R/W</td>
<td>NEW CITY R/W</td>
<td>MNDOT TEMPORARY EASEMENT</td>
<td>CITY TEMPORARY EASEMENT</td>
</tr>
<tr>
<td>1,305</td>
<td>2,528</td>
<td>2,589</td>
<td>4,176</td>
</tr>
</tbody>
</table>

DATE: 5/1/2012

Parcel No. 14
STATE OF MINNESOTA                          DISTRICT COURT
COUNTY OF HENNEPIN                          FOURTH JUDICIAL DISTRICT

City of St. Louis Park,

Plaintiff,

v.

Morris Communication Company, LLC, et al.,

Defendant.

Court File No: 27-CV-19-12002

MEDIATED SETTLEMENT AGREEMENT

The parties in the above-entitled action have engaged the mediation services of Gilbert Mediation Center, Ltd. on this 28th day of January 2020. The parties have voluntarily appeared at mediation and are represented by the undersigned attorneys. The parties have entered into an agreement to voluntarily mediate the dispute between them and have engaged in settlement discussions between the mediator and their counsel. The parties have been advised to consult an attorney for legal advice before signing this Mediated Settlement Agreement and the parties have been separately advised of their rights and interest in this matter and have decided to voluntarily enter into this Mediated Settlement Agreement.

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND CONDITIONS CONTAINED HEREIN, IT IS HEREBY AGREED AS FOLLOWS:

1. BINDING AGREEMENT: Pursuant to Minn. Stat. § 572.35, this Mediated Settlement Agreement will serve to memorialize all of the material terms and conditions of settlement and is fully binding on the parties. The parties are hereby advised that (a) the mediator has no duty to protect their interests or provide them with information about their legal rights; (b) signing this mediated settlement agreement may adversely affect their legal rights; and
(c) they should consult with an attorney before signing a mediated settlement agreement if they are uncertain of their rights.

2. There will or may be some additional documentation required to be prepared and signed, and the parties agree to cooperate in good faith to obtain and sign those documents.

CHECK IF APPLICABLE

3. Except as provided in this agreement, the parties agree to mutually release each other, their agents, officers, and employees in full satisfaction of any and all claims, counter-claims, and cross claims, known or unknown, that they may have against each other.

4. The Plaintiff(s)/Defendant(s) will pay to the Plaintiff(s)/Defendant(s) the sum of $613,800 within 45 days of today's date; or

If the Plaintiff(s)/Defendant(s) fails to pay said sum when due, upon days written notice to Plaintiff(s)/Defendant(s) and their counsel, this stipulation may be filed with the Court and a judgment may be entered according to the terms and conditions of this Mediated Settlement Agreement entered into pursuant to Minnesota Statute Sec. 572.33:

5. (a) Upon payment and fulfillment of the obligations contained herein, a Stipulation of Dismissal with Prejudice will be filed with the District Court dismissing this case without further cost or expenses to any of the parties; or

(b) This case may be dismissed now, with prejudice or without further costs to either party; or
(c) This case may be dismissed without prejudice at this time, with the understanding that either party may move the Court to reopen the case upon default of the other party in any of the terms or conditions.

6. The parties agree that this agreement shall remain confidential and not discuss this settlement or the amount with anyone except their lawyers, accountants, and spouses, or as ordered by the court.

7. This agreement is governed by the laws of Minnesota.

8. The parties agree to abide by the terms of their Mediated Settlement Agreement and to pay their mediation fees according to the separate Mediation Agreement that was signed by the parties.

9. The form of this agreement has been prepared for the convenience of the parties by the mediator, and is approved by the undersigned parties and their counsel. The mediator has no duty to protect the interests of either party or to provide them with any information about their legal rights and has not so advised either of the parties or their counsel. The mediator has not given any legal advice to any of the parties or their counsel.

**ADDITIONAL TERMS AND CONDITIONS**

10. The payment provided for herein includes payment of all damages, interest, attorneys' fees, appraisal fees, costs, and other claims under Minnesota law.

11. Subject to approval by the City Council of the City of St. Louis Park.
Executive summary

**Title:** Affordable Housing Trust Fund Use Guide: final

**Recommended action:** Motion to approve the Affordable Housing Trust Fund (AHTF) Use Guide to direct the operation and use of the AHTF.

**Policy consideration:** Does the council agree that the guidelines as proposed in the AHTF Use Guide reflect the intended use and distribution of the Affordable Housing Trust Fund?

**Summary:** At the October 15, 2018 city council meeting, the council approved the adoption of an ordinance to create an AHTF policy that identified the fund objectives, funding resources and eligible uses of the funds. The AHTF was established to provide a source of funds to facilitate the housing needs of low- and moderate-income individuals and families in St. Louis Park. The fund will be a permanent endowment and continually renewable source of revenue to provide loans and grants to housing developers for costs associated with the creation of new affordable multi-family rental and owner-occupied housing, for the rehabilitation and preservation of existing Naturally Occurring Affordable Housing (NOAH) residential rental housing, for rental assistance and homeownership assistance to low- and moderate-income individuals and families. The fund is administered by the city and the primary source of funding is an annual budgeted allocation of HRA levy funds, which will be available beginning this year.

At the December 9, 2019 study session, the council reviewed and provided input on a draft AHTF Use Guide to direct the operation and use of the AHTF. The Guide was amended to reflect the council’s input and presented as a written report at the February 10, 2020 study session meeting. Two clarifying changes were made to the Guide based on council feedback.

**Financial or budget considerations:** The primary sources of funding for the AHTF will be an annual budgeted allocation of funds from the city’s HRA tax levy as approved by the city council, and through pooled tax-increment; although the city may finance the fund with any money available to a local government unless prohibited by state law.

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

**Supporting documents:** Discussion

AHTF policy

AHTF use guide: final

**Prepared by:** Michele Schnitker, housing supervisor and CD deputy director

**Reviewed by:** Karen Barton, community development director

**Approved by:** Nancy Deno, deputy city manager/HR director
Discussion

Background: Local affordable housing trust fund: The Minnesota legislature passed a bill in 2017 that allows local communities to establish housing trust funds. The housing trust fund must be established by ordinance and administered by the city. Money in a housing trust fund may only be used to:

- pay for administrative expenses not to exceed 10% of the balance of the fund;
- make grants, loans, and loan guarantees for the development, rehabilitation, or financing of housing;
- match other funds from federal, state, or private resources for housing projects; and/or
- provide down-payment assistance, rental assistance, and homebuyer counseling services.

The city may finance the fund with any money available to a local government, unless expressly prohibited by state law. Sources include, but are not limited to:

- donations;
- bond proceeds;
- grants and loans from a state, federal, or private source;
- appropriations by a local government to the fund;
- investment earnings of the fund;
- Tax Increment Financing (TIF) pooled funds; and
- housing and redevelopment authority levies.

At the October 15, 2018 city council meeting, the council approved the adoption of an ordinance to create an AHTF policy that identified the fund objectives, funding resources and eligible uses of the funds. The proposed primary sources of funding for the city’s trust fund is an annual budgeted allocation of HRA levy funds and pooled tax increment, which will be available beginning in 2020.

At the December 9, 2019 council study session, the council reviewed and provided input on the draft AHTF Use Guide which will direct the use of the fund including eligible uses of the funds, program income requirements, the application process, minimum threshold requirements, and preference considerations. The Guide was amended to reflect the input provided by the council and provided for council’s review at the February 10, 2020 study session meeting.

The following two changes were made to the amended version of the guide based on council feedback:

- V. Distribution of funds, 9: Developments with 10 or more units funded by the AHTF program shall be required to adhere to the city’s inclusionary Housing Policy, at a minimum.
- Section X. Review by St. Louis Park, Thresholds, Additional considerations, j.: For permanent supportive housing, staff will consider whether the applicant’s plan for has secured on-going funding for supportive services that address the special needs of the proposed target population.

Next steps: The AHTF Use Guide will be effective upon council approval and will be posted on the city’s web site.
City of St. Louis Park
Affordable Housing Trust Fund Policy

I. PURPOSE

The City of St. Louis Park has established an Affordable Housing Trust Fund to provide a source of funds to facilitate the housing needs of low- and moderate-income individuals and families of the City. The Affordable Housing Trust Fund shall be a permanent endowment and continually renewable source of revenue to provide loans, loan guarantees and grants to for-profit and non-profit housing developers for capital and soft costs necessary for 1) the creation of new affordable rental and owner-occupied housing; 2) for the rehabilitation and preservation of existing multi-family residential rental housing including Naturally Occurring Affordable Housing (NOAH); and 3) rental assistance and homeownership assistance to low- and moderate-income individuals and families.

This policy is intended to set forth the general requirements and guidelines regarding the use of the Affordable Housing Trust Fund. The city council may modify the terms at any time.

II. FUNDING THE AFFORDABLE HOUSING TRUST FUND ACCOUNT

The primary source of funding for the Affordable Housing Trust Fund is an annual budgeted allocation of funds from the city’s Housing and Redevelopment Authority (HRA) Tax Levy as approved by the city council. Other sources of funding for the Affordable Housing Trust Fund may include, but are not limited to the following:

1. Private cash donations from individuals and corporations designated for the Affordable Housing Trust Fund.
2. Payments in lieu of participation in current or future affordable housing programs, as allowed.
3. Matching funds from a federal or state affordable housing trust fund; or a state program designated to fund an affordable housing trust fund.
4. Principal and interest from Affordable Housing Trust Fund loan repayments and all other income from Trust Fund activities.
5. The sale of real and personal property.
6. Federal and state grants.
7. Local government appropriations, development fees and other funds as designated from time to time by the City Council.
8. Tax Increment Finance (TIF) pooled funds.

City staff is directed to take all actions necessary to capitalize and maintain the fund balance in the Affordable Housing Trust Fund to the extent that funds are subject to restrictions as to their use by virtue of the source of such funds. The Affordable Housing Trust Fund will contain sub-accounts to ensure that such restrictions as to the reuse of the funds are met.
III. OBJECTIVES

The objective of the Affordable Housing Trust Fund is to assist in funding programs and projects that create new affordable rental and homeownership housing opportunities and to rehabilitate and preserve existing affordable housing units in St. Louis Park. Initiatives will strive to provide balanced and sustainable affordable housing options responsive to the present and future diversified needs in the community for extremely low-, very low-, low- and moderate-income households including: persons on fixed incomes, such as seniors and persons with disabilities; young families just starting out; indigenous persons; persons of color; and veterans.

The Affordable Housing Trust fund will promote community revitalization and reinvestment by creating and preserving viable, safe and well-maintained affordable housing developments and expanding options for affordable homeownership for extremely low-, very low-, low- and moderate-income households.

IV. USE OF THE AFFORDABLE HOUSING TRUST FUND

As a matter of policy, the Affordable Housing Trust Fund will only be used to assist proposed projects or programs to develop or preserve affordable housing opportunities for extremely low-, very low-, low- and moderate-income individuals and families.

The following general guidelines will be followed in connection with the use of funds from the Affordable Housing Trust Fund:

1. The types of uses of the Affordable Housing Trust Fund will include, but not be limited to the following: (i) the making of loans at interest rates below or at market rates, including no-interest, deferred, and forgivable loans, in order to strengthen the financial feasibility of proposed projects; (ii) the guaranteeing of loans; (iii) the provision of gap financing for affordable housing developments; (iv) the financing of acquisition, demolition, and disposition; (v) the financing of the construction of public improvements and utilities to aid proposed affordable residential developments; (vi) the financing of rehabilitation, remodeling, or new construction of affordable housing; (vii) tenant and project based rental assistance; (viii) administrative costs associated with affordable housing programs (not to exceed 10 percent of the fund’s balance); and (ix) any other uses as permitted by applicable law and approved by the council.

2. The Affordable Housing Trust Fund may be used to provide interim financing of public cost for affordable housing projects in anticipation of a permanent financing source (i.e. construction financing, bond sale, etc.).

3. To the extent possible the Affordable Housing Trust Fund will be secured by liens, letters of credit, tax increment, or other forms of reasonable security.

4. Consideration regarding the establishment of applicable terms on loans from the Affordable Housing Trust Fund, including interest rates and deferral provisions, will be established by the city at the time of approval of a specific project or program.
V. PROCESS

In establishing projects and programs to be financed using the Affordable Housing Trust Fund, the city shall to the extent possible:

1. Establish guidelines and criteria for each project or program to be assisted, unless the project or program already exists.
2. Establish a timeframe for completing the project or program and the repayment terms to the Affordable Housing Trust Fund, if applicable.
3. Prepare a financing plan for the project or program for review and approval by the city council and by other entities as may be required by state law.
City of St. Louis Park  
Affordable Housing Trust Fund (AHTF) Use Guide

I. AHTF FUNDING

The purpose of the Affordable Housing Trust Fund is to support the creation or preservation of housing that is affordable to people with incomes that do not exceed 80% of the area median income (AMI), as defined by HUD. The St. Louis Park City Council allocates resources to the AHTF as part of the annual city budget process. These funds may include HRA Levy, Housing TIF and local dollars. The total available funding in any given AHTF year may also include newly allocated resources or reallocated funds from prior AHTF years. The city will allocate funding from the available sources to projects as guided by the city's annual budget and applicable policy. Not all funding may be awarded in a given year.

II. ELIGIBLE APPLICANTS

Eligible applicants include non-profit, public or for-profit private developers.

1. To be funded, an applicant must have sufficient experience and/or demonstrate sufficient capacity and training in housing development and management to successfully secure financing, construct, complete, and operate the proposed project, as determined by the city.

2. Applicants must show prior experience and current capacity to complete the project. All members of the development team must demonstrate the qualifications necessary to complete the project.

III. ELIGIBLE HOUSING PROJECTS

Development projects which create and/or preserve affordable housing units are eligible to receive funding, including affordable rental units, homeownership units and rent subsidies. The residential portions of mixed-use and live/work projects that meet the affordability requirements of these guidelines shall be eligible for assistance. Funding may also be provided to assist in the creation of common areas, meeting space, and other space for use by the residents of the subsidized units. Projects covered by the City of St. Louis Park’s Inclusionary Housing Policy may be assisted, provided the assistance from the AHTF is used to create a deeper level of affordability or an increase in the number of affordable units than is required under the Inclusionary Policy.

IV. INELIGIBLE ACTIVITIES

The AHTF may be utilized for the housing activities as outlined in the Affordable Housing Trust Fund Policy, Section IV, Use of the Affordable Housing Trust Fund which includes new construction; acquisition of property; conversion of non-residential to residential use; conversion of rental units to limited-equity cooperative housing, condominiums or co-housing; relocation; and/or rehabilitation costs, provided that the conditions below are met.
1. New Construction Activities: All reasonable costs associated with new construction including:
   a. Acquisition of property;
   b. Gap financing for affordable units created at the 30%, 50%, 60% and 80% AMI affordability level;
   c. Enhancement of county, state and federal affordable housing programs;
   d. Land acquisition and land banking for affordable housing creation;
   e. Infrastructure improvements associated with the creation of affordable housing units;
   f. Low cost financing or grants in support of the creation of accessory dwelling units affordable to households at or below 60% AMI;

2. Preservation of NOAH rental units and rent-restricted affordable rental units:
   a. Reasonable costs associated with acquisition and/or rehab to secure long-term preservation of NOAH units affordable at or below 60% AMI;
   b. The purchase price of a property to be acquired shall not exceed its appraised value, unless the Community Development Director finds that the project has enough merit to justify paying a higher price, in which case the price shall not exceed the appraised value by more than 10% without the expressed consent of the city council.
   c. Rehabilitation shall include activities to make the building code compliant and to abate lead contamination or other health related contaminations.

3. Creation of affordable homeownership opportunities affordable to households with incomes at or below 80% AMI:
   a. Closing costs and down-payment assistance;
   b. Long term affordability gap funding in the form of a subordinate mortgage;
   c. Financial assistance of property acquisitions to promote homeownership opportunities utilizing the land trust model.

4. Rent subsidy and tenant protection initiatives:
   a. Rent subsidies to support paying the difference between affordable rents and market rate rents;
   b. Relocation assistance for low-income, displaced renters.

5. AHTF funds may also be used for permanent or transitional housing for homeless families and individuals, and for the modernization, rehabilitation and repair of public housing.

Other eligible activities may include affordable housing initiatives to support the affordable goals as outlined in the city’s comprehensive plan, to meet housing needs as defined in the city’s comprehensive housing market study and the Met Council Affordable Housing Allocated Goal and other activities as determined by the city council.

V. DISTRIBUTION OF FUNDS

The AHTF will function as an endowment fund to fund loans, provide loan guarantees and grants in accordance with this section. The AHTF will be administered by the Community Development Director. No disbursements shall be made from the AHTF without the prior approval of the city council.
Fund requirements:

1. Rental/Homeownership distribution
   A minimum of sixty-five percent (65%) of fund must be used for rental housing; up to twenty-five percent (25%) for homeownership housing; up to ten percent (10%) for administrative costs.

2. Income targets
   One hundred percent (100%) of the AHTF must benefit low-income households at or below sixty percent (60%) AMI for rental housing and at or below eighty percent (80%) AMI for homeownership housing.

3. AHTF low-income Five-year goals:
   a. Rental
      i. At least thirty percent (30%) of the funds eligible for disbursement shall be targeted for use to create affordable units for households whose incomes are at or below thirty percent (30%) AMI.
      ii. At least fifty (50%) of the funds eligible for disbursement shall be targeted for use to create affordable units for households whose incomes are at or below fifty (50%) AMI.
   b. Ownership
      i. At least five (5%) of the funds eligible for disbursement should be targeted for use to create affordable homeownership units for household incomes at or below sixty percent (60%) AMI.
      ii. Distribution of funds related to the AHTF low income targets will be based on an average five-year rolling basis of actual funds distributed and will be monitored annually for progress in attaining the five-year goals.

4. AHTF can only be used to develop affordable housing units in a project located within the City of St. Louis Park.

5. AHTF money may not be used for operating expenses of any program or supporting services such as childcare or other social programs.

6. Costs covered by housing trust fund resources must not be covered by any other resource.

7. Use of leveraged resources is strongly encouraged.

8. The city will provide assistance only to projects that require assistance to achieve the AHTF Program’s goals and objectives.

9. Developments with 10 or more units funded by the AHTF program shall be required to adhere to the city’s Inclusionary Housing Policy, at a minimum.

VI. DEVELOPMENT/PROGRAM AFFORDABILITY REQUIREMENTS

All applications for funding must meet the minimum requirements listed below.

1. Rents
   The following guidelines shall apply to multi-family rental projects:
   a. Eligible housing projects must have rents as follows:
      i. Not less than forty percent (40%) of all the units must be affordable to households whose income does not exceed sixty percent (60%) of AMI; or
ii. Not less than twenty percent (20%) of all the units must be affordable to households whose income does not exceed 50% of AMI;

In addition:

iii. Not less than five percent (5%) of all the units must be affordable to households whose income does not exceed 30% of AMI;

iv. Preference may be given to projects that include additional units affordable at 30% AMI exceeding the number of units as required above;

v. Rents on the remaining units may be set at market rate;

vi. Income averaging may be allowed to achieve the affordability requirements;

vii. Other lender requirements (such as the State of Minnesota programs or financing requirements) may change these affordability requirements. However, the affordability limits must still meet the minimum affordability levels outlined in the AHTF guidelines unless an exception is approved by the city council.

b. All AHTF assisted rental units shall be occupied by households with incomes at or below the targeted income category.

c. Applicants may propose to produce affordable units exceeding the required number of units with lower income or affordability ranges than prescribed herein, in which case, the lower income ranges shall be used to set rents for the affordability term. The income limits apply to the initial occupancy of the unit and all subsequent re-occupancy. Units whose construction is wholly or in part funded by the AHTF shall be specified in the project's development loan agreement executed with the City of St. Louis Park.

d. Rent ceilings are to be based on the Area Median Income (AMI) for the Minneapolis-St. Paul Metropolitan Statistical Area issued by the Department of Housing and Urban Development (HUD) and are to be adjusted annually to reflect new area median income.

e. Rent ceilings shall include utilities based on the utilities schedule used for the Federal Housing Choice Voucher Tenant-based Rental Assistance Program administered by the St. Louis Park Housing Authority. Rent ceilings shall be set for the units and are not based on the tenant’s household income. This may result in households paying more than 30% of their incomes for rent or paying less than 30%. Utility allowance, income and rent information data does change over time and the most current data should be utilized at the time of application submission.

f. All units shall be leased in accordance with the City of St. Louis Park’s Inclusionary Housing Policy Guide or MN Housings Low Income Housing Tax Credit (LIHTC) program requirements if a LIHTC development.

g. The rent ceilings of the restricted units shall be finalized prior to making the final AHTF funding recommendation to the city council.

h. Projects receiving AHTFs must not discriminate against tenants who would pay their rent with federal, state or local public assistance, including tenant based federal, state or local subsidies, including, but not limited to rental assistance, rent supplements, and Housing Choice Vouchers.
2. **Homeownership Housing Developments**
   The following guidelines shall apply to homeownership projects:
   a. There are no minimum requirements for the number of affordable homeownership units in a project or complex which can receive assistance from the AHTF. However, homeownership units otherwise required to provide these affordability levels through the Inclusionary Housing Policy are not eligible for an AHTF subsidy.
   b. Sale prices of affordable units funded with AHTF subsidy must be set at a price affordable to households with incomes at or below 80% of AMI as calculated and published annually by the Metropolitan Council. Homeowner’s Association dues (if applicable) will be factored into the affordable homeownership cost.
   c. All affordable homeownership units shall be made available to first-time homebuyers or persons who have not owned a home in the past three years or previous owners of limited equity cooperatives or similar type of housing that have occupancy restrictions.
   d. The City shall develop procedures for addressing maximum sales prices, methods of selection of buyers, types of units to be assisted, forms of assistance, forms of resale controls and other administrative controls as found necessary by the Director of Community Development to ensure that units continue to be affordable to, and sold to, households in the appropriate income category. Ownership projects shall contain resale affordability controls to achieve compliance with the goal of long-term affordability.
   e. Housing sale prices shall be set based upon prevailing mortgage interest rates and may include the value of second mortgage assistance provided by the AHTF.
   f. Properties acquired for the purpose of becoming part of a limited equity form of ownership shall be considered as homeownership housing rather than rental properties. However, in occupied buildings, existing tenants will have the right to remain in their units as tenants or limited equity owners. The developer shall assist existing tenants obtain additional necessary financing if they are interested in becoming limited-equity owners.

VII. **AFFORDABILITY TERM**

Affordability restrictions will apply to all AHTF funded projects. The AHTF will require the longer of the 25-year term of affordability required by AHTF or the affordability period pledged in the application. The term will be from the date of the project’s completion or implementation.

VIII. **TYPES OF ASSISTANCE**

Funds from the Affordable Housing Trust Fund may be used flexibly to support affordable housing initiatives and ensure the financial feasibility of the projects. Funding awards will be made available in the form of a loan or a grant. The following list is meant to be illustrative, but not exhaustive, of possible types of assistance provided through the AHTF.
1. Deferred payment loans.
2. Low or no interest amortizing loans.
3. Down payment and closing cost assistance for first-time homebuyers.
4. Credit enhancements and mortgage insurance guarantees.
5. Matching funds for public resources that sponsor affordable housing projects.
7. Funds for rental assistance

IX. APPLICATION SUBMISSION

1. AHTFs may be awarded through both:
   a. Periodic funding competitions (Request for Proposals) to which housing program and housing developers are invited to submit housing proposals for AHTF awards; and/or
   b. In response to developer and program requests for funding through an open pipeline basis.

X. REVIEW BY ST. LOUIS PARK

In selecting projects for funding, preference will be given to those projects that will create new housing units in a manner consistent with the St. Louis Park’s AHTF policy. In order to ensure that these limited resources are utilized in the most effective manner possible consistent with the policy, funding thresholds and preferences have been established to guide the decision-making process. Principles of sound underwriting, and risk management will be applied when reviewing proposals.

Thresholds
The following minimum threshold criteria must be met or exceeded by all projects to be considered for AHTF financing. Projects exceeding these minimums will be given preference.

1. The minimum term of affordability must be 25 years;
2. All AHTF units in the project must be affordable to households at or below 80% of AMI for homeownership units and at or below 60% AMI for rental units;
3. Each project submitted for consideration for funding by the AHTF shall be evaluated with respect to financial feasibility;
4. Applications must be consistent with the AHTF policy;
5. Each project submitted for consideration for funding by the AHTF shall be evaluated with respect to its “readiness to proceed” based on the status of site control, zoning, financing commitments, status of construction drawings, selection of the general contractor, permitting and other commonly used indicators. Funding preference may be given to those projects that are most likely to be able to commence development in a timely manner upon approval of funding; and
6. AHTF funds may not be used to support market-rate units.
Additional consideration will be given to the following:

a. Review of underlying assumptions about construction costs, revenues, operating expenses, and financing;
b. The level and type of assistance provided by the AHTF to a specific project must be the minimum amount necessary to achieve the desired degree of affordability without compromising the overall development quality;
c. The amount of the request for AHTF funds as a percentage of the total development cost;
d. Income targeting presented in the application will be applied in the review;
e. Proposals will be underwritten and awards of AHTF funds will be structured to ensure that funds will be repaid to the AHTF, whenever possible;
f. For rehabilitation projects, a physical inspection of the property by the city will be necessary;
g. Developers must submit financial statements and documentation of experience in housing development and demonstrate the following:
   a. Professional development experience, reasonable financial strength, and the ability to undertake the proposed project, at the discretion of the city;
   b. Ability to obtain adequate financing; and
   c. Capability to manage the project successfully after completion or hire a professional management company with experience in managing affordable housing in compliance with AHTF requirements.
h. Preference may be given to projects that provide housing affordable to households for large families and projects that provide affordable housing for households with incomes at or below 30% AMI; and
i. Secured permanent capital funding commitments must be project specific and include written documentation stating the amount, terms, and conditions from the designated contributor. Rental and operating assistance may also be accepted with the amount, terms and conditions from the designated contributor. Words synonymous with “consider” or “may” (as in “may award” or “pending”) are not considered secured permanent capital funding.
j. For permanent supportive housing, staff will consider the applicant’s plan for securing on-going funding for supportive services that address the special needs of the proposed target population.

XI. REVIEW OF APPLICATIONS

City staff will review and evaluate applications. Staff will review the applications in the context of other pending requests for capital funding and the community development impacts of the recommended award. Following staff’s review and the ranking of the proposals, funding recommendations shall be presented to the city council for review and approval.

XII. THE CITY’S RIGHT TO REJECT AND MODIFY PROPOSALS

The city reserves the right to reject and modify all proposals.
XIII. APPROVAL BY DIRECTOR OF COMMUNITY DEVELOPMENT

The Community Development Director issues the award letters for projects selected for funding by the AHTF. The award letter includes conditions that must be met by the borrower prior to closing on the AHTF funding.

XIV. TENANT-BASED VOUCHER ASSISTANCE:

City-assisted housing projects, including projects receiving AHTFs, are required to accept tenant-based rental housing assistance, including, but not limited to Housing Choice Vouchers, HOME tenant-based assistance, Group Residential Housing, Kids in the Park and Stable Home rent assistance and comply with affirmative marketing requirements.

XV. FUNDING AWARDS MAY BE CONTINGENT UPON AVAILABILITY OF FUTURE FUNDING:

Due to the extended length of time that is typically required for projects to be fully funded and minimum funding commitment and expenditure timeframes imposed by HUD, the city council at its sole discretion may make contingent AHTF awards to projects from projected future local funding that has not yet been budgeted or projected federal funding that has not yet been committed to the city. The city council may elect to make AHTF funding awards contingent upon the future availability of funding.

XVI. FEES: PROPOSAL AND ORIGINATION

1. Origination Fee: If a project is awarded funding, an origination fee of 1% of the AHTF award will be collected at closing.
2. The city will retain 12% of the AHTF Loan funds until the final draw after construction completion.

XVII. FAIR HOUSING POLICY

It is the policy of the city to ensure fair housing opportunity in all city programs and to administer its housing programs affirmatively, so that all residents of similar income levels have equal access to city programs regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status or sexual orientation. Participants of the AHTF will be required to use affirmative fair housing marketing practices in soliciting renters, determining eligibility, and concluding all transactions as addressed in Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988, as well as the fair housing protections provided by the Minnesota Human Rights Act, which adds creed, marital status, status with regard to public housing, and sexual orientation. In part, regarding rental housing issues, Title VIII, the Human Rights Act make it unlawful to: (i) discriminate in the selection/acceptance of applicants in the rental of housing units; (ii) discriminate in terms, conditions or privileges of the rental of a dwelling unit; (iii) engage in any conduct relating to the provision of housing that
otherwise make unavailable or denies the rental of a dwelling unit; (iv) make or publish (or have anyone else make or publish) advertisements that indicate preferences or limitations based on race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, or sexual orientation; (v) tell a person that because of race, color, creed, relation, national origin, sex, marital status, status with regard to public assistance, disability, familial status, or sexual orientation, a dwelling unit is not available when it is; and (vi) deny access to, or membership or participation in, associations or other services organizations or facilities relating to the business of renting a dwelling or discriminate in the terms or conditions of membership or participation.

XVIII. **ADMINISTRATION**

The administration of the AHTF is the responsibility of the Community Development Department. If there are questions about the AHTF Program, contact:

Karen Barton, Community Development Director  
Community Development Department  
City of St Louis Park  
5005 Minnetonka Blvd  
St. Louis Park, MN 55416  
Phone Number: 952-924-2684  
E-mail address: k barton@ stlouispark.org

XIX. **HOUSING TRUST FUND DEFINITIONS**

The following definitions apply to terms used within these Guidelines:

1. **Affordable Housing:** housing that is provided at an affordable rent or an affordable housing cost to low-income (80% AMI), 60% AMI and/or very low-income (50% AMI) and/or extremely low-income (30% AMI) households.

2. **Applicant:** any individual, person, firm, partnership, association, joint venture, corporation, limited liability company, entity, combination of entities or authorized representative who undertakes, proposes or applies to the City for an affordable housing development project.

3. **Area Median Income or “AMI:”** is established for metropolitan areas or non-metropolitan counties by the U.S. Department of Housing and Urban Development (HUD), pursuant to 42 U. S. C. Chapter 1437 et seq., to establish local income classification levels.
   a. **Extremely Low-Income Household:** a household having an income not exceeding thirty (30%) percent of AMI adjusted for household size and as defined by the U.S. Department of Housing and Urban Development.
   b. **Very Low-Income Household:** A household having an income not exceeding fifty (50%) percent of AMI adjusted for household size and as defined by the U.S. Department of Housing and Urban Development.
c. **Low Income Household**: a household having an income not exceeding eighty (80%) percent of the AMI adjusted for household size and as defined by the U.S. Department of Housing and Urban Development.

d. **Moderate-income Household**: a household having an income not exceeding one hundred twenty percent (120%) of the AMI adjusted for household size and as defined by the U.S. Department of Housing and Urban Development. Households with income between 120% and 80% of AMI are considered “moderate income.”

4. **Bridge Loan**: an interim or short-term loan which can be used to finance all or part of the development project’s costs until a permanent loan or the next stage of longer-term financing can be obtained. Money from the replacement financing is generally used to "take out" (to pay back) the bridge loan.

5. **City**: The City of St. Louis Park

6. **Co-housing**: A living arrangement which is owned and managed by the residents and combines private living quarters with common dining and activity areas in a community whose residents share tasks.

7. **Cooperative Housing**: a legal agreement or arrangement in which an association or corporation owns a group of housing units and the common areas for the use of all the residents. The individual participants (shareholder) own a share in the cooperative which entitles the shareholder to occupy an apartment or unit as if they were owners, to have equal access to the common areas and to vote for members of the Board of Directors which manages the cooperative.

8. **Limited Equity Housing Cooperative**: offers ownership opportunities to lower income households while limiting the return from resale that the household can receive from the housing. It contrasts with “market rate” cooperatives, where memberships can be transferred at market value. Limited Equity Housing Cooperatives are organized as nonprofit corporations.

9. **Construction Loan**: a short-term, interim loan for financing the cost of construction. Payments from the loans are called construction draws and are made at periodic intervals as the construction progresses. These loans are typically converted or taken out by a “permanent loan” and or financing.

10. **Development Project**: means the new construction or the renovation of a residential building or mixed-use building which includes residential units.

11. **First-time Homebuyer**: someone who has not owned a home in the past three years.

12. **Joint Venture Agreement**: A legally binding contract which is formed by two or more parties for a specific purpose. A Joint Venture is an enforceable agreement formed by a partnership or other acceptable legal entity, and its scope is usually limited to one development project.

13. **Market Rate**: Apartments and other residential dwellings that are available on an unsubsidized basis to the general public for lease, rent, or for the purchase of homeownership.

14. **Permanent Loan**: A long-term loan which is usually not less than 7 years and which payments made by the borrower to the lender on the loan can be fully amortized and/or deferred.
15. **Pre-development**: Time period which includes project feasibility studies, site acquisition and preliminary design studies for a development project usually (but not always) preceding the acquisition of a property site.

16. **Residual Receipts**: The income remaining after expenses, in any given time period.

17. **Silent Second**: A second mortgage or lien that is often obtained at preferential (subsidized) terms. The second (or subordinate) lien might bear no interest and may not be repayable until the first mortgage or deed of trust is repaid, or the property is sold (and hence remains “silent”), or may be forgiven in whole or in part after a certain period of time has elapsed.
**Executive summary**

**Title:** Acceptance of donation to fire department from Park Coin

**Recommended action:** Motion to adopt Resolution accepting donation to the fire department from Park Coin for fire prevention programs and equipment.

**Policy consideration:** Does the city council wish to accept this donation with restrictions on the use?

**Summary:** State statute requires city council’s acceptance of donations. This requirement is necessary in order to make sure the city council has knowledge of any restrictions placed on the use of each donation prior to it being expended.

Park Coin is graciously donating to the fire department an amount of $250.00. The donation is given with restrictions.

**Financial or budget considerations:** This donation will be used for fire prevention programs and equipment.

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

**Supporting documents:** Resolution

**Prepared by:** Cary Smith, fire marshal
**Reviewed by:** Steve Koering, fire chief
**Approved by:** Nancy Deno, deputy city manager/HR director
Resolution No. 20-____

Resolution approving acceptance of donation to fire department

Whereas, the City of St. Louis Park is required by state statute to authorize acceptance of any donation; and

Whereas, the city council must ratify any restrictions placed on the donation by the donors; and

Whereas, the donations from Park Coin is directed toward fire prevention programs and equipment.

Now therefore be it resolved by the city council of St. Louis Park that this donation is hereby accepted with thanks and appreciation.

Reviewed for administration: Adopted by the City Council February 18, 2020

Thomas K. Harmening, city manager Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
Executive summary

**Title:** 2020-2021 Public Safety Dispatchers (LELS Local #220) Labor Agreement

**Recommended action:** Motion to adopt Resolution approving labor agreement between the city and the dispatcher employee bargaining group, establishing terms and conditions of employment for two years, from 1/1/2020 – 12/31/2021.

**Policy consideration:** Does council approve the labor agreement between the city and the union?

**Summary:** Staff is pleased to bring to council the details of a contract agreement between the city and our dispatch group for 2020 and 2021. We currently have settlements in place for sergeants and local 49 (maintenance employees) through 2020. We are currently in active negotiations with police officers and firefighters.

**Financial or budget considerations:** The amount recommended has been included in the 2020 budget and will be built into the budget for subsequent years.

**Strategic priority consideration:** Not applicable.

**Supporting documents:** Discussion
Resolution

**Prepared by:** Ali Timpone, HR manager

**Approved by:** Nancy Deno, deputy city manager/HR director
Discussion

**Background:** The city and the dispatcher union group have negotiated and come to agreement on the following changes to the contract:

- **Duration of two years (1/1/2020 – 12/31/2021).**
- **Wage increase of 3% for 2020 and 2021.**
  - *Comment:* The 2020 wage increase is consistent with nonunion employees and our two other settled groups for 2020. We conducted a review of our market to ensure that our group remains at our target pay of the 85th percentile with this increase. We anticipate 3% in 2021 will continue to keep our pay competitive with our comparable cities.
- **Increase assignment pay for lead dispatcher from $4.00 per hour to $5.00 per hour.**
  - *Comment:* We have one employee assigned as lead dispatcher; this increase will ensure that this assignment is compensated above training/work alone pay.
- **Increase differential for work alone pay from $0.75 per hour to $4.00 per hour.**
  - *Comment:* Our pay of $0.75 per hour was below market of comparable cities. The increase makes work alone pay commensurate with training pay differential. Our dispatchers are assigned to work alone from about 3 am to about 8 am each day and this increase can be covered by funds available in the 2020 budget.
- **Employer contribution for benefits same as other groups for 2020-2021.**
- **Change holidays designated for overtime or double time pay – replace day after Thanksgiving with Christmas Eve.**
  - *Comment:* Most groups are eligible for overtime pay if they work on a holiday. The city has designated ten holidays. The dispatch group requested to replace the day after Thanksgiving with Christmas Eve. This is consistent with what our police officer union group has done. It is a shift in a holiday, not an additional holiday.

**Next steps:** Staff recommends approval. The proposed contract is on file with the city clerk. More detail is available upon request.
Resolution No. 20-____

Resolution approving labor agreement between
the City of St. Louis Park and
Law Enforcement Labor Services (LELS) Local #220
January 1, 2020 – December 31, 2021

Whereas, the city and the union have reached a negotiated settlement covering the
terms and conditions of a labor agreement as permitted by the State of Minnesota Public
Employees Labor Relations Act, and

Whereas, the city council may enter into such agreements as authorized by its charter;

Now therefore be it resolved by the city council of the City of St. Louis Park that the
mayor and city manager are authorized to execute a collective bargaining agreement, city
contract #______ between the City of St. Louis Park and LELS Local #220 Public Safety

Reviewed for administration:                                    Adopted by the City Council February 18, 2020

Thomas K. Harmening, city manager                               Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
**Executive summary**

**Title:** Final payment resolution - Sanitary Sewer Mainline Rehabilitation – project No. 4019-3000

**Recommended action:** Motion to adopt Resolution accepting work and authorizing final payment in the amount of $13,370.74 for the annual sanitary sewer mainline rehabilitation project with Insituform Technologies - city contract No. 08-19.

**Policy consideration:** Not Applicable

**Summary:** On Jan. 7, 2019, the city council awarded the bid for the sanitary sewer mainline rehabilitation project. The project was advertised, bid and awarded to Insituform Technologies in the amount of $320,657.50. The project consisted of lining 12,328 feet of sanitary sewer mains in various locations throughout the city. The lining process rehabilitates or renews sections of aging pipe, and it extends their service life another fifty plus years.

While additional work was added to the contract as part of change order 1 ($13,169.83), last summer’s weather conditions contributed to flooding, which prevented a portion of the project from being completed. The contractor completed the work within the contract time allowed according to approved plans and specifications. The final contract cost of $267,414.73 is an underrun of $66,412.60 (-19.9%) from the revised contract amount of $333,827.33.

**Financial or budget considerations:** The final contract cost of the work performed by the contractor under contract No. 08-19 has been calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original contract price</td>
<td>$320,657.50</td>
</tr>
<tr>
<td>Change order 1</td>
<td>$13,169.83</td>
</tr>
<tr>
<td>Underruns</td>
<td>$66,412.60</td>
</tr>
<tr>
<td>Contract amount</td>
<td>$267,414.73</td>
</tr>
<tr>
<td>Previous payments</td>
<td>$254,043.99</td>
</tr>
<tr>
<td>Balance due</td>
<td>$13,370.74</td>
</tr>
</tbody>
</table>

This project was included in the city’s capital improvement program (CIP). The work was paid for using the sanitary sewer fund.

**Strategic priority consideration:** Not applicable.

**Supporting documents:** Resolution

**Prepared by:** Phillip Elkin, senior engineering project manager

**Reviewed by:** Debra Heiser, engineering director

**Approved by:** Nancy Deno, deputy city manager/HR director
Resolution No. 20-____

Resolution authorizing final payment and accepting work for the Sanitary Sewer Mainline Rehabilitation project

City project No. 4019-3000
Contract No. 08-19

Now therefore be it resolved by the City Council of the City of St. Louis Park, Minnesota, as follows:

1. Pursuant to a written contract with the city dated Jan. 7, 2019, Insituform Technologies, has satisfactorily completed the annual sanitary sewer mainline rehabilitation project, as per contract No. 08-19.

2. The Engineering Director has filed her recommendations for final acceptance of the work.

3. The work completed under this contract is accepted and approved. The final contract cost is $267,414.73.

4. The City Manager is directed to make final payment on the contract, taking the contractor's receipt in full.

Reviewed for Administration:

Thomas K. Harmening, city manager

Adopted by the City Council Feb. 18, 2020

Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
MEMBERS PRESENT: Jim Beneke, Lynette Dumalag, Matt Eckholm, Courtney Erwin, Claudia Johnston-Madison, Jessica Kraft, Carl Robertson

MEMBERS ABSENT: None

STAFF PRESENT: Gary Morrison, Sean Walther

3. Public Hearings

A. Rezoning C-2 General Commercial properties to C-1 Neighborhood Commercial

Applicant: City of St. Louis Park

Case Nos: 19-26-ZA

Gary Morrison, assistant zoning administrator, presented the staff report.

The proposed rezoning is the final step taken with the intent of preserving and encouraging small businesses in neighborhood settings. Earlier this year the council rezoned several properties to be consistent with the comprehensive plan. That rezoning was followed-up with a text amendment to the C-1 Neighborhood Commercial district to limit the size of retail and service establishments. The proposed rezoning of properties to the C-1 district is now proposed with the C-1 text amendment in place.

Mr. Morrison showed slides of Cedar Lake Road/Louisiana Area, the Texa-Tonka area, Knollwood Mall Area, several areas along Excelsior Blvd. and Hwy. 100 and Minnetonka Blvd., all of which are proposed to change to C-1 Neighborhood Commercial.

Chair Eckholm opened the public hearing.

Jim McGovern, representing the owner of 5825 Excelsior Blvd, commercial advisor, stated they do not oppose the rezoning plan, but oppose rezoning 5825 Excelsior Blvd. He stated this does not fit the intent or the purpose of the rezoning related to big box stores. He added the purpose of the rezoning is not appropriate for this building, stating there will not be small shops within the building. Mr. McGovern added even with grandfathering the property in - it is difficult to find tenants that will use 75,000 square feet when their leases run out, and several are about to run out soon. He asked that this property be excluded from the rezoning plan.
Tom Goodrum, Loucks Consulting, stated he is representing 5825 Excelsior Blvd as well. He stated this is difficult to deal with in making this C-1, adding not a lot of uses transfer over from C2 to C1, and especially as it relates to tenants or proposed tenants that might use this space. He stated this building does not fit the small retail building purpose, adding it has residential behind it. He asked if the commission could take more time to review this property. He added land uses can work together, but asked for further review by the commission on this issue.

Brian Alton, 951 Grand Ave, St. Paul, MN 55105, stated he is representing the 5825 Excelsior Blvd property also. He stated this would have a devastating effect on the property itself. He stated it is a unique parcel and on a busy street, near a railroad, built well with large tenants and large spaces. He stated C-1 is not appropriate use for this property. He added this is a restriction of good uses of properties such as this one. He stated this is also inconsistent with the city’s comprehensive plan.

Andrew Hoffer, 3966 Alabama Ave, stated they like the way the commission is planning the neighborhood, adding this is a very good way to maintain the integrity of their neighborhood. He stated the residential neighborhood supports the commission’s decision.

Larry Lessley, 2965 Brunswick Ave, stated this is a great move for the neighborhood. He stated they are all for progress, and the development must fit the neighborhood. He added they are supportive of the plan.

Chris Kasic, 3916 Colorado Ave, stated he is also in favor of the rezoning, and agrees with the previous two speakers. He stated this fits well with the neighborhood as well, adding this will help to not have large buildings built in this neighborhood area.

Susan Bloomgren, 3961 Brunswick Ave, stated she is also in support of the rezoning and appreciates keeping the small neighborhood feel alive while also progressing and developing the area.

Barb Castagna, 6002 Excelsior Blvd, she supports this and also owns Educational Outfitters, noting her biggest concern is safety for children as they shop for their school uniforms. She stated 50% of her business is done between July and Labor Day, and she is concerned about parking near the business, and that it be safe for all who shop at this store.

The Chair closed the public hearing.

Commissioner Johnston-Madison referred to the Party City building and asked staff for clarification on the owner’s ability to lease the building.

Mr. Morrison stated the zoning refers to retail, and not to restaurants, showrooms, banks, offices, indoor entertainment. He noted there are several uses that could go into the building. Mr. Morrison added staff can work with the owners on the issues of concern.
Commissioner Johnston-Madison asked about resale of the building, and if the space leased can be continued.

Mr. Morrison stated the building and businesses can be sold and operated in the same manner as they currently are. Non-conformities can continue as is, and they can be replaced by a similar type use and similar size as what is in there currently.

Commissioner Robertson stated this is the first time the commission is hearing about the 5825 Excelsior Ave. building issue. He stated he does not see a negative impact on the building to rezone it, but added he is not the owner of the building. He stated this could have been discussed further at study sessions.

Commissioner Robertson stated this feels a bit awkward if it’s the only building zoned C-2 within the C-1 district. He hopes the owner of the property has had an opportunity to discuss this.

Chair Eckholm asked if this property could be removed from the zoning for further discussion.

Mr. Walther stated action on this parcel could be tabled this evening and come back at a later date for discussion and decision, and also re-opening the public hearing specific to this parcel, or move it along with notes, or hold up the vote as a whole.

Mr. Walther added this was going to move to city council at the December 2 meeting for a first reading.

Commissioner Robertson and Commissioner Johnston-Madison stated they would like to move this forward to vote and then have council review in December.

Commissioner Johnston-Madison added if the council were to pull this building out for further consideration, she recommends the neighborhood impacted would be involved in future discussions and meetings.

Commissioner Beneke asked how far the non-conforming goes. Can they tear down the building and re-build it, can they rearrange interior walls? What is allowed.

Mr. Morrison stated the building could be rebuilt if destroyed or torn down. It would have to be re-built to the same dimensions and cannot be made more non-conforming.

Commissioner Erwin noted the 5825 building concerns about the ability to lease it in the future, were addressed in that it can still utilized it in the same way without any further hindering of the building.
Commissioner Dumalag stated the commission needs to look forward related to
development within the city, she hopes the owners work with the city staff on future
uses of the building, especially as leases roll over.

Commissioner Robertson made a motion, Commissioner Dumalag seconded,
recommending approval of the rezoning C-2 General Commercial properties to C-1
Neighborhood Commercial.

The motion passed on a vote of 7-0.

Mr. Walther stated this will come before the council at the December 2 meeting for first
reading and review.

B. Parking ordinance amendment – Historic Walker Lake

Applicant: City of St. Louis Park
Case Nos: 19-32-ZA

Gary Morrison, assistant zoning administrator, presented the staff report. This
ordinance includes regulations that apply to the Historic Walker Lake area only and
regulations that would apply to the whole city.

Mr. Morrison noted the amendments create regulations for the Historic Walker Lake
area, that require a reduced number of parking spaces for new structures, or expansion
of existing structures. It also waives the minimum parking requirements for existing
buildings. He stated the number of parking spaces that exist on the property cannot be
reduced.

Mr. Morrison noted that the city-wide amendments prohibit the aisles and driveways
from being used for any purpose that would prevent vehicle access to parking spaces or
inhibit circulation or emergency service response. Additionally, parking spaces shall be
open directly to an aisle or driveway, and parking spaces are to be clearly marked using
minimum four-inch wide painted lines as shows on an approved parking plan.

Mr. Morrison stated that staff recommends approval of the noted amendments as
proposed.

Chair Eckholm opened the public hearing.

Chair Eckholm closed the public hearing.

Commissioner Kraft asked about on-street parking and how it is delineated which
business the parking goes to.

Mr. Morrison stated that the on-street parking spaces are public, and cannot be
allocated to a specific business.
Chair Eckholm stated this is about as good as can be expected in this area, and he is in support of this.

Commissioner Johnston-Madison also supports this, adding businesses will need to figure out in the Walker Lake area how to include parking in their business plan, and the commission will not be able to second guess this going forward.

Commissioner Robertson made a motion, Commissioner Johnston-Madison seconded, recommending approval of the Parking ordinance amendment – to create parking standards and miscellaneous parking standards within the Historic Walker Lake area and the city.

The motion passed on a vote of 7-0.

4. Other Business

5. Communications

Mr. Walther stated there is a study session immediately following the meeting. He added the next meeting of the commission will be on December 4.

6. Adjournment

The meeting was adjourned at 7:00 p.m.

STUDY SESSION

MEMBERS PRESENT: Jim Beneke, Lynette Dumalag, Matt Eckholm, Courtney Erwin, Claudia Johnston-Madison, Jessica Kraft, Carl Robertson

MEMBERS ABSENT: None

STAFF PRESENT: Jacquelyn Kramer, Jennifer Monson, Gary Morrison, Sean Walther

GUEST PRESENT: Rita Trapp, consultant planner with Hoisington Koegler Group (HKGi)

The study session commenced at 7:00 p.m.

1. Zoning amendment – Accessory dwelling units

Ms. Trapp presented background information related to accessory dwelling units. She noted they would discuss policy questions with the commission.
Ms. Trapp stated there are 3 types of accessory dwelling units including: attached, attached interior, and detached structure which is separate from the original structure.

Ms. Trapp stated the building code involves single-family, two-family unit, and three-unit complex. She noted if accessory dwelling units become two and three family, there are requirements to create fire walls, and additional safety requirements.

Commissioner Johnston-Madison noted there are many rental units within the city currently that rent out rooms with kitchen privileges.

Ms. Trapp noted take in borders into one’s home is allowed within the city, as long as it is not creating two independent units, it’s considered a single-family home.

Commissioner Johnston-Madison stated the council had concerns about building two duplexes on one lot, and when considering R1 and R2, this has not been discussed.

Mr. Walther stated the comp plan notes the R1 and R2 are in single family districts, but at this point the conversation will focus on ADU’s. He added the council has not given specific direction at this time. He added there is concern at this time about lot size and non-conforming lots.

Commissioner Johnston-Madison asked for the additional charts for reference for future meetings. Mr. Walther added staff will provide links for the commission regarding this topic and past meeting dates.

Mr. Walther added staff is also concerned about setting people up for certain expectations related to ADU’s, so staff wants the information to be clear related to the ordinance.

Ms. Trapp noted the rental license requirements also.

Commissioner Johnston-Madison asked about a complete mother in law apartment. Ms. Trapp stated as it is today, a kitchen is not allowed, just a room. Mr. Walther added there are some with kitchenette’s which have been allowed.

The commissioners further discussed the ADU’s related to mother in law apartments and allowing full kitchens vs. kitchenettes.

Ms. Trapp stated the owner occupancy requirement for ADU’s can be problematic for resale, and buyers will be narrowed for properties with ADU’s. The commissioners discussed this issue as it relates to resale and homeownership vs. rental properties and possible limitations related to ADU’s.

Mr. Walther stated if an ADU is created, there will be costs related to water and sewer. He stated the stack charge is based on a single-family unit, and with and ADU, this will help to increase water and sewer charges.
Ms. Trapp pointed out some examples of policies. She noted currently the code limits accessory structures (note ADU’s) only to the back yard, or in the side yard if there is a garage adjacent to a street.

She asked the commissioners if this still sounds appropriate. Mr. Walther stated exceptions have been made for side yard garages, and asked if the commission wants to allow this also for ADU’s.

Commissioner Robertson stated this would be acceptable to him. He stated the setback could be set at 5 feet. The commissioners agreed to this as a starting point.

The commissioners discussed height limits of ADU’s, and scale, along with increasing the setback, as it relates to the proposed code.

Ms. Trapp noted staff recommends the existing limit on parking would be 3 vehicles, even if an AUD was added, so there would not be an increase in vehicles allowed to park at the structure. The commissioners agreed to this recommendation.

Ms. Trapp stated staff recommends 300-800 square feet for ADU’s, or 40% of the size of the primary home, and allowing 2 occupants within the ADU. The commissioners agreed with this recommendation.

Ms. Trapp stated staff recommends prohibiting short-term rentals city-wide, with exceptions such as hotels, motels, and bed and breakfasts. The commissioners agreed with this recommendation.

Mr. Trapp noted next steps include the first draft of the ordinance will be brought back for more discussion to the commission on December 4 or 18. He also noted the Friends of the Arts would like to meet with the commissioners for feedback, and also noted the commissioners should discuss the 2020 work plan.

The meeting was adjourned at 8:25 p.m.
The study session commenced at 6:00 p.m.

1. Arts and culture strategic framework focus group

Meg McMonigal, Principal Planner, provided background on the Friends of the Arts strategic planning, and noted several meetings she had attended. She added a community group of about 20 comprises the steering committee that is now conducting focus groups around the community. This evening, she stated, she will ask the commission several questions related to arts and culture within the city.

When you think about creativity and culture and arts in St. Louis Park, what type of activities, opportunities or amenities come to mind? The commissioners noted the following items:

- Concerts at Wolfe Park
- Streetscape art
- Community education courses
- Playgrounds at Wolfe Park are welcoming
- Projects like artwork by Cub Foods and at Excelsior & Grand, the beehive-shaped fireplace/grill relocation to Lilac Park

What amenity are you most excited about? The commissioners noted the following items:

- The murals on the buildings at Parkway Pizza and at the Nest
- Amphitheatre and 36th Streetscape
- Artists who display at the ROC at the art fair in summer
- Lobby of city hall, could add more displays of local art
- Twin Cities Film festival is unique and spectacular

Commissioner Johnston-Madison stated it’s important to note many buildings and projects are all starting to look the same within the city. She added she appreciates developers using art in their creations.
Commissioner Johnston-Madison added the Moline Apartment in downtown Hopkins honors the Moline Company, which is interesting, adding possibly the St. Louis Park historical society could look into this type of feature could be incorporated into art and rotating features in various sites throughout the city, and in the historic Walker Lake district as well.

Do cultural and artistic amenities and opportunities add to the unique identity of St. Louis Park, in what ways, and do they contribute to vitality of the community?

- Film Festival – sense of pride, positive and vital to community – but doesn’t play into the city’s identity – would like to see this more promoted
- Wolfe Park
- Amphitheater
- Westwood Hills Nature Center
- Dakota Bridge
- Minnehaha Creek bridge at Louisiana
- Sculpture at Excelsior and Grand
- Tower Light
- Full Circle at West End
- Sculpture at Ellipse on Excelsior
- Sculpture at Fresh Thyme

In what ways does the city thrive as a creative enterprise?

- Put in issues of Park Perspective 3 times per year, whatever emphasizes community
- School district – opportunity there with art classes and youth

Barriers:

- Outdated language in home occupations ordinance, and not knowing enough about creative enterprise in the city, need a place to gather and collaborate in the city related to art.
- Lennox Center – art classes there and community education classes, better utilizing spaces within the city – having places to display vs. create art.
- Need for historical society/arts center in an old school building
- Need studio space or places for this to develop – i.e. at the PLACE development, live/workspace – but not doable by PLACE on the south side – needs more long-term planning.
- Would be nice to have maker spaces and places for artists to congregate and look to incorporate this into buildings that are available and do an inventory of buildings - i.e.: Lennox or the Roc – if have this, then can promote arts better.
- Find out if there is a center or place where art is congregated, where there are various studios, a coffee shop, a brewery, and other areas where projects are started – collaborative space. This might take place at Historic Walker Lake district.
- Turn former Nash Frame building into artist space on Wooddale Ave.
- Don’t think art when think of St. Louis Park, but the city has great parks, great bike trail systems and amenities – so when think of art, might be better to think of outdoor
spaces as art opportunity areas that are not necessarily manufactured locations to specifically host art.

- Arts and spaces should evolve organically vs. fabrication, and not tear down old buildings to create new.

2. Annual report and 2020 work plan

Sean Walther, Senior Planner noted some items that were previously in the 2019 work plan and now shifted into the 2020 work plan because they have not yet been completed.

Chair Eckholm asked about the billboard ordinance item.

Mr. Walther noted the ordinance currently prohibits billboards and existing billboards are not allowed to be relocated. A developer asked the city council to revisit the regulations to accommodate a development proposal. This was reviewed by the city council and city council agreed to consider potential options but did not commit to making any changes. Staff has researched some potential options and will eventually share potential changes with the city council at a future study session. Planning commission may be asked to make recommendations if it proceeds further.

The commissioners reviewed the remaining items on the plan.

Mr. Walther stated the planning commission’s work has some limited overlap with water conservation programming.

Commissioner Robertson stated this can be reviewed but there are many resources available, so it’s not a high priority currently.

The commissioners agreed to leave all the “parking lot” items that were not high enough priority to include in 2020 but may be items to explore in future years.

Chair Eckholm stated there should be something about affordable commercial properties on the work plan.

Commissioner Kraft asked what the transitional industrial zoning is. Mr. Walther stated staff this refers to expanding the uses allowed in the some of the city’s industrial lands, and perhaps creating a third industrial district that could be deployed in specific locations in order to limit the geographic scope of where these expanded uses would be allowed.

The commissioners agreed the affordable commercial item could be included in Q1 or Q2.

Chair Eckholm stated this could be reviewed as part of the city’s TIF program.

Mr. Walther stated the council will want to review the work plan for 2020 again with the commissioners next year, and a joint meeting will be set up to do so.

The meeting was adjourned at 7:15 p.m.
MEMBERS PRESENT: Jim Beneke, Lynette Dumalag, Matt Eckholm, Courtney Erwin, Claudia Johnston-Madison, Jessica Kraft, Carl Robertson

MEMBERS ABSENT: None

STAFF PRESENT: Jacquelyn Kramer, Jennifer Monson, Sean Walther

1. Call to Order – Roll Call

2. Public Hearings

   A. Parkway Residences: comprehensive plan amendment, preliminary and final plat, and preliminary and final planned unit development.
   
   Applicant: Sela Investments
   
   Location: West 31st Street between Glenhurst Ave and Inglewood Ave
   
   Case Nos: 19-27-CP; 19-28-S; 19-29-PUD

   Jennifer Monson, Planner, presented the staff report for a comprehensive plan amendment, preliminary and final plat, and preliminary and final planned unit development for the Parkway Residences development. She mentioned that the applicant is also requesting an alley vacation which will be presented to the council in January. This will be the 2nd phase of the Parkway 25 project. The Parkway Residences development is a collection of 15 properties currently consisting of single-family homes and an assortment of smaller apartment buildings along both sides of 31st Street West between Inglewood Avenue South and Glenhurst Avenue South. The development properties are not all contiguous thus the project will be built amongst other existing buildings. The development will remove twelve of the existing buildings and will reinvest in the rehabilitation of three apartment buildings. The development consists of four new multi-family buildings creating 211 new units plus 24 units from the rehabilitated apartment buildings for a total of 235 residential units.

   Ms. Monson explained there will be six affordable units included at Site 2 at 60% AMI and the three rehabbed buildings will include 24 units all affordable at 50% AMI.

   Ms. Monson reviewed the site plans, site access, vehicular parking, bicycle parking, and electric vehicle parking requirements for each of the four development sites.

   Ms. Monson stated 211 trees are required and 108 will be provided by the developer, therefore the developer will pay $1,154 into the tree fund. She noted alternative
landscaping will be used to meet the intent of the ordinance, including public art or site amenities.

Ms. Monson stated that staff recommends a comprehensive plan amendment, preliminary and final plat, and preliminary and final planned unit development subject to the conditions recommended by staff in the staff report.

Commissioner Robertson asked if there is any plan to reguide the area as high density. Ms. Monson stated this was reviewed and staff decided this would remain medium density at this time.

Commissioner Beneke asked if tenants will be able to find other living arrangements. Ms. Monson stated the developer is paying relocation costs and is trying to find similar units in a similar location with the same or better rental rates for existing tenants that are being relocated.

Chair Eckholm noted the properties directly south of France and asked if there was any discussion with Met Council for a trail connection here in order to connect the two planned SWLRT stations. Ms. Monson stated the path connection is on the south side of the corridor, so a bridge would need to be constructed, and a bridge is already being built at Beltline. However, she added, discussions are taking place for a sidewalk and multi-use trail which could be on the south side of CSAH 25 to connect the development to the Beltline and West Lake stations.

Chair Eckholm opened the public hearing.

The Chair closed the public hearing.

Commissioner Johnston-Madison thanked the developer and staff for this thorough plan and complimented the developer in regard to what they will do for folks in naturally occurring affordable housing properties, adding this should be an expectation of all developers on future projects.

Chair Eckholm agreed and the developer is doing right by them and this should be an expectation of all developers.

Commissioner Robertson stated this is a large and complex project, which has been discussed thoroughly by the commission. It has been worked on with staff for a long time and all issues have been vetted early in the process. He agreed with his fellow commissioners and stated it will be an asset for St. Louis Park.

Commissioner Erwin asked if those residents being displaced will be given first rights to units if they meet the requirements.

The owner stated yes, that is correct.
Commissioner Robertson made a motion recommending approval of the Parkway Residences: comprehensive plan amendment, preliminary and final plat, and preliminary and final planned unit development, subject to conditions recommended by staff. The motion was seconded by Commissioner Johnston-Madison.

The motion passed on a vote of 7-0.

B. Holy Family Academy conditional use permit and preliminary and final plat

**Applicant:** The Church of Holy Family Academy of St. Louis Park  
**Location:** 5925 West Lake Street  
**Case Nos:** 19-34-CUP; 19-35-S

Jacquelyn Kramer, Associate Planner, presented the staff report. The applicant is requesting a CUP and preliminary and final plat.

Ms. Kramer explained the planned building expansion, new playground area, and additional drop-off and pick-up area with additional green space. She noted this plan meets all parking and landscape requirements within the zoning code. Ms. Kramer noted the new floor plans and building elevations, explaining how they relate to the existing school building.

The CUP application is an amendment for the application approved in 2012 and meets all zoning requirements for an educational facility with more than 20 students in the R-2 zoning district. The preliminary and final plat will combine five parcels into one, and includes right of way dedication and park dedication fees.

Commissioner Johnston-Madison asked if the project falls under the code requirement for electric charging stations.

Ms. Kramer stated no as the ordinance requires EV infrastructure when there are 15 parking spaces or more. With only 12 off-street spaces, the applicant is not required to have EV stations.

Commissioner Johnston-Madison asked who will use these parking spaces. Ms. Kramer stated these spaces will be for after-hours parking.

Commissioner Johnston-Madison stated she is disappointed there are no requirements for EV here, especially in light of the 2040 carbon requirements.

Commissioner Robertson asked if there are any water run-off concerns in the area.

Ms. Kramer stated this did come up at the neighborhood meeting, but the plan meets all requirements of the city for water run-off. She added the applicant is working with the MCWS to comply with that organization’s permit requirements.

Chair Eckholm opened the public hearing.
Chair Eckholm closed the public hearing.

Commissioner Robertson stated this is not that much of a change since the 2012 proposal and he has no issues with it, adding it is an improvement.

Commissioner Dumalag made a motion recommending approval of the conditional use permit and preliminary and final plat. Commissioner Johnston-Madison seconded. The motion passed on a vote of 7-0.

3. Other Business-none

4. Communications

Mr. Walther stated the next meeting will be on January 8, 2020 and will be a study session regarding ADU’s. He added Feb 24-2020 will be the annual boards and commissions meeting with city council from 6-8 p.m.

Commissioner Johnston-Madison asked if a new chair will be elected for 2020. Mr. Walther stated on January 15, 2020 a new chair will be elected and this will be added on the agenda.

Commissioner Kraft nominated herself for 2020 chair. Chair Ekholm nominated Commissioner Dumalag for Vice Chair. These nominations will be included in the January 15, 2020 agenda.

5. Adjournment

The meeting was adjourned at 6:41 p.m.

---

**STUDY SESSION**

The study session commenced at 6:45 p.m.

1. Texa-Tonka small area plan update

Ms. Monson provided background on the final draft of the Texa-Tonka small area plan. She noted most of the buildings were constructed in the 1950’s with lots of parking spaces. She stated a market analysis was done and most of the redevelopment will be rental residential and commercial, mixed use.

Ms. Monson stated this area is close to walking and biking trails, but sidewalks are in poor condition.
Commissioner Robertson asked if bike lanes will be added to Texas Avenue. Ms. Monson stated yes.

Commissioner Johnston-Madison asked if some of the apartments in the area are NOAH. Ms. Monson stated some are and some are being upgraded as well.

Commissioner Robertson asked if there will be some affordable commercial spaces. Ms. Monson stated yes and explained the recently adopted mixed-use zoning district includes provisions for affordable commercial spaces. Ms. Monson also added that staff has been in discussions about pop-up commercial space.

Commissioner Dumalag asked how the city can keep commercial affordable. Ms. Monson stated a certain amount of space can be provided for commercial affordable, by the city, and also a certain amount of micro-space.

Ms. Monson stated the plan process included several opportunities for public participation with two community meetings, two surveys and two pot-up events. She stated most residents participated twice in the outreach programs provided by the city. Questions were asked about what brings folks to the commercial nodes, opinions about the height of buildings, and other items. Many folks stated they wanted many different types of uses, 1-4 stories in height, with walkable areas, and smaller buildings and uses, with safe and pleasantly landscaped connections.

Ms. Monson added this area is one of St. Louis Park’s most diverse areas and making folks feel welcome will be a large part of the plan. She added it may be a hybrid of a suburban and urban mall, with parking in front of buildings, as has been the practice in this area. She added residents were happy with this plan when asked.

Commissioner Robertson stated the south side of Minnetonka might be better than the north side for larger buildings. Ms. Monson said residents felt 1-4 story buildings would be best on the north side of Minnetonka because of the larger parcel sizes.

Commissioner Robertson asked if there are certain types of businesses that people would like to see in the area.

Ms. Monson stated small, convenient shops, and a neighborhood coffee shop are all desired by area residents.

Commissioner Robertson asked if EVS ordinance should be revisited in light of the development at Texa-Tonka.

Chair Eckholm stated this might be a good time to install conduit in the area, during the design phase vs. doing a retro fit later.

Commissioner Robertson asked about possibly doing a roundabout at Texas and Minnetonka, along with walking and biking trails. He noted this will be an opportunity to add landscaping and soften this area up.
Ms. Monson stated Minnetonka is a county road and the city is working with Hennepin County on the design of the intersection. It is not on the county’s capital improvement plan for several years.

Commissioner Johnson-Madison thanked staff for the document and great input from the community.

Mr. Walther stated there will be some time before the council sees this in study session and can accept the plan, however there may be a development application coming forward in the near future.

Commissioner Robertson asked about the design of the buildings that residents requested, adding he does not prefer design by committee. Mr. Walther stated the district and residents requested these design elements, but will also be reviewed further, keeping the areas uniqueness in mind.

Commissioner Johnston-Madison stated there will need to be discussions over time again with residents, developers, the commission, council and staff related to design elements of the area.

The meeting was adjourned at 7:25 p.m.
STUDY SESSION

The study session commenced at 6:00 p.m.

1. Zoning amendment – accessory dwelling units (ADU)

Rita Trapp, HKGi, presented the update to the commissioners.

Ms. Trapp stated staff is recommending that this initial ADU ordinance be simplified to focus on allowing ADUs in single-family homes and defining ADUs as self-contained units that are fire-separated from the principal single-family dwelling. In conjunction with the adoption of the ADU ordinance, the city policy regarding second kitchens will change so that they are allowed. This change will allow homeowners to have family, friends or up to two borders stay in their single-family dwelling without having to create a formal ADU.

Ms. Trapp explained that the ordinance does not include specific requirements related to rental licensing or sewer and water connections as those provisions are already addressed in other parts of the city code. Information about this requirement would be included in any handouts prepared about ADUs.

Ms. Trapp added that staff followed up with the building and energy department to confirm when there will be a sanitary sewer access charge or water access charge when a new ADU is constructed. In addition, staff confirmed that there is at least five feet needed between building openings for two buildings on the same lot.

Ms. Trapp noted that the ordinance as proposed would allow an accessory structure or an ADU in the side yard.

Commissioner Johnston-Madison asked about the number of people allowed to live in the ADU. Ms. Trapp indicated that the ordinance would allow up to two people over the age of 18 with
an unlimited number of children. Mr. Walther added that the building code would need to be followed along with zoning, in order to limit the total number of people in the dwelling.

Ms. Trapp stated the parcel must meet parking requirements and will not require additional parking.

She noted that an ADU that is attached or internal to the single-family dwelling shall be no more than 40% of the principle structure. She also described how decks are proposed to be handled for a detached ADU.

Commissioner Kraft asked about the height and setback restrictions. Ms. Trapp stated there will be limits in height similar to an accessory structure, adding that in all likelihood ADUs could not be built on top of an existing garage, but would likely need to be built as a new structure with a new foundation with frost footings.

Ms. Trapp presented a diagram illustrating the yard definitions and a table showing the current and proposed yard requirements for various structures. Commissioner Erwin stated the table illustrating setbacks is helpful.

Ms. Trapp explained new ordinance language that prohibits short-term vacation rentals. Short-term rentals are already prohibited in St. Louis Park, and this new language clarifies the current interpretation of the zoning code.

Commissioners were comfortable with the information presented. Mr. Walther stated the ordinance draft is ready for city council input and it will be reviewed with them soon at a study session.

2. Communications

Mr. Walther stated on January 14th at 7 p.m. the state demographer will be at city hall presenting on the implications of the 2020 census on Minnesota. Also, staff intends to give the commission a short presentation related to the census, and efforts underway to engage and inform residents. He added the U.S. Census Bureau is hiring census takers.

Mr. Walther confirmed there are no items scheduled for January 15 so that meeting will be cancelled. Mr. Walther stated the next regular meeting of the commission will be February 5, 2020.

Mr. Walther added that on February 24, 2020 the annual boards and commissions meeting will be held.

The meeting was adjourned at 7:00 p.m.
Executive summary

Title: Public hearing to consider allocation of 2020 Community Development Block Grant (CDBG) funds

Recommended action: Mayor to open public hearing, take testimony, and then close the hearing. Motion to adopt Resolution approving proposed use of 2020 Urban Hennepin County Community Development Block Grant (CDBG) funds and authorize execution of sub-recipient agreement with Hennepin County and third-party agreements.

Policy consideration: Does the city council concur with the recommendations made for the allocation of $147,050 in 2020 CDBG funds?

Summary: Each year the city must decide how to use its annual allocation of CDBG funds. CDBG funds are U.S. Housing and Urban Development (HUD) funds distributed through Hennepin County. The city must submit its proposed use of the allocation to Hennepin County by February 28, 2020. Prior to submittal, the city must hold a public hearing. The hearing and official city council action is scheduled for February 18, 2020. The city’s estimated direct allocation is $147,050 which is $9,950 less than our 2019 allocation.

This year’s proposed use of CDBG funds reflect the city’s priorities to preserve existing housing and increase affordable home ownership opportunities with $117,050 for the low-income deferred rehab loan and $30,000 to Homes Within Reach. Beginning in 2018, fifteen percent of the overall CDBG budget is being set aside by Hennepin County for public service activities and awarded through a single combined, competitive RFP covering all the cities in the county program.

Financial or budget considerations: CDBG funds allow cities discretion, within HUD guidelines, to fund projects that meet the national low-income objectives and the needs of the cities. The federal budget has not been finalized; however, Hennepin County estimates the St. Louis Park 2020 allocation will be $147,050. The 2020 CDBG year runs from July 1, 2020 through June 30, 2021.

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

Supporting documents: Discussion Resolution

Prepared by: Marney Olson, assistant housing supervisor
Reviewed by: Karen Barton, community development director
Approved by: Nancy Deno, deputy city manager/HR director
Discussion

**Background:** The national objectives of the CDBG program are to benefit low- and moderate-income persons, prevention or elimination of slum or blight and/or to meet a particular urgent community development need. The CDBG program allows for up to 15% of allocated funds to be used to fund public services. The city council has typically focused CDBG funds on improvements to the housing stock for low-income families or on affordable homeownership. Beginning in 2018, Hennepin County sets aside fifteen percent of the overall CDBG budget for public service activities awarded through a single combined, competitive RFP. Hennepin County has advertised the RFP process and sent information to a long list of public service providers, including past recipients. The city has provided a letter of support to STEP for their applications.

**Present considerations:** The proposed use of the $147,050 estimated allocation include $117,050 for the low-income single-family home deferred rehab loan administered by Hennepin County and $30,000 to Homes Within Reach which is the affordable housing land trust. If there are any increases or decreases to the allocation, the deferred rehab loan will be adjusted accordingly.

The low-income single-family deferred loan program is a deferred rehab loan program for homeowners with annual incomes at or below 80% area median income. The rehab focuses on improvements to bring homes into code compliance, address deferred maintenance and provide long-term maintenance-free housing. The maximum loan amount is $30,000 and is deferred until the sale of the home or forgiven after 15 years. There are currently 34 households on the waiting list, demonstrating the need to continue allocating CDBG dollars to this program.

Homes Within Reach is a program of the West Hennepin Housing Land Trust (WHAHLT) that purchases homes and sells them to low-income homeowners. Buyers pay for the cost of the building only and lease the land for 99 years. St. Louis Park funds are leveraged with Met Council and Hennepin County HOME funds. The city has partnered with Homes Within Reach since 2006. To date, Homes Within Reach has purchased, rehobbled and sold 17 homes, two of which were foreclosed and two were tax-forfeited properties. The city and Homes Within Reach are currently partnering on an energy efficient demonstration home, and they also have a purchase agreement for a tax forfeiture in St. Louis Park that will close in 2020.

**Next steps:** The deadline for submission of the city’s CDBG application to Hennepin County is February 28, 2020.
Resolution No. 20-____

Resolution approving proposed allocation for 2020 Urban Hennepin County Community Development Block Grant (CDBG) program funds and authorizing execution of subrecipient agreement with urban Hennepin County and any third-party agreements

Whereas, the City of St. Louis Park, through execution of a Joint Cooperation Agreement with Hennepin County, is cooperating in the Urban Hennepin County Community Development Block Grant Program; and

Whereas, the City of St. Louis Park has developed a proposal for the use of 2020 Urban Hennepin County Community Development Block Grant funds;

Now therefore be it resolved that the City Council of St. Louis Park approves the following projects for funding from the 2020 Urban Hennepin County Community Development Block Grant Program and authorizes submittal of the proposal to Urban Hennepin County/Consolidated Pool.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-Income Single-Family Home Rehab Loan</td>
<td>$117,050</td>
</tr>
<tr>
<td>Affordable Housing Land Trust – Homes Within Reach</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

It is further resolved that the city council hereby authorizes and directs the Mayor and its’ City Manager to execute the subrecipient agreement and any required third-party agreement on behalf of the city to implement the 2020 Community Development Block Grant program.

It is further resolved that should the actual amount of the FY2020 CDBG available to the city be different from the preliminary amount provided to the city, the city council hereby authorizes the city manager to adjust the following activity budget proportionally to reflect the actual amount of funding available.

<table>
<thead>
<tr>
<th>Activity</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low-Income Single-Family Home Rehab Loan</td>
<td>100% of any increase or decrease</td>
</tr>
</tbody>
</table>

Reviewed for administration: Adopted by the City Council Feb. 18, 2020

Thomas K. Harmening, city manager                Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
Executive summary

Title: Oak Park Village Apartments – private activity revenue bonds

Recommended action: To conduct a public hearing and then consider a resolution authorizing the issuance, sale, and delivery of multifamily housing revenue obligations for the benefit of Oak Park Village Partners, LP and authorizing the execution and delivery of documents related thereto.

Policy consideration: Is the City Council ok with issuing two series of private activity revenue bonds for the Oak Park Village Apartments Project?

Summary: Oak Park Housing Partners, LP, a Minnesota limited partnership, whose general partner is Oak Park Housing Management, LLC, a Minnesota limited liability company, or an affiliate (the “Borrower”), intends to acquire, rehabilitate, and equip an approximately 100-unit existing multifamily rental housing facility and facilities functionally related and subordinate thereto located at 7267 Oak Park Village Drive in the City of St. Louis Park (the “City”) known as Oak Park Village Apartments (the “Project”) for occupancy by persons of low and moderate income.

The owner is requesting that the two series of bonds (private activity bonds) be issued for an approximately two-year term (bridge financing) in the amount of up to $14,013,459. The owner will assume the existing Section 8 contract. Permanent financing for the project will be a FHA insured mortgage loan. The bonds will be collateralized by U.S. Treasury securities and cash. It is expected that the bonds will be rated AA+ by Standard and Poor’s. Upon closing the owner plans to renew the Section 8 contract for 20 years.

The Preliminary Resolution was approved on June 17, 2019 which was necessary for an application to be submitted to the State for housing allocation in order to issue bonds for the Oak Park Village Apartments Project. On January 14, 2020 the project received an allocation of bonding authority in the amount of $14,013,459 from the State of Minnesota.

Financial or budget considerations: The bonds will not impact the City’s debt capacity, does not constitute a general or moral obligation of the City, and will not be secured by the taxing powers of the City or any assets or property of the City. Per the City’s private activity revenue bond policy the borrower will pay an administration fee in the amount of 1% of the outstanding principal of the bonds. The Admin fee is currently estimated at $140,135 based on a $14,013,459 bond issue.

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

Supporting documents: Resolution
Kennedy and Graven attorney letter
Project executive summary

Prepared by: Tim Simon, chief financial officer
Reviewed by: Karen Barton, community development director
Approved by: Nancy Deno, deputy city manager/HR director
Resolution No. 20-____

A resolution authorizing the issuance, sale, and delivery of multifamily housing revenue obligations for the benefit of Oak Park Village Partners, LP and authorizing the execution and delivery of documents related thereto

Be it resolved by the City Council (the “City Council”) of the City of St. Louis Park, Hennepin County, Minnesota (the “City”) as follows:

Section 1. Recitals.

1.01. The City is a home rule city duly organized and existing under its Charter and the Constitution and laws of the State of Minnesota.

1.02. Pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Act”), the City is authorized to issue revenue obligations to provide funds to finance multifamily rental housing developments located within the City.

1.03. Oak Park Village Partners, LP, a Minnesota limited partnership, or its assigns or affiliates (the “Borrower”), has proposed that the City issue its multifamily housing revenue obligations in the approximate aggregate principal amount of $14,013,459, in one or more series, as taxable or tax-exempt obligations (the “Obligations”), for the benefit of the Borrower for the purposes of (i) financing the acquisition, rehabilitation, and equipping of an approximately 100-unit existing multifamily rental housing facility and facilities functionally related and subordinate thereto located at 7267 Oak Park Village Drive in the City, for occupancy by persons of low and moderate income (the “Project”); (ii) funding of one or more reserve funds to secure the timely payment of the Obligations, if necessary; (iii) paying interest on the Obligations during the rehabilitation of the Project, if necessary; and (iv) paying the costs of issuing the Obligations.

1.04. In accordance with the Act, the City has prepared a housing program (the “Housing Program”) to authorize the City’s issuance of the Obligations to finance the acquisition, rehabilitation, and construction of the Project. The Housing Program was prepared and submitted to the Metropolitan Council for its review and comment.

1.05. On June 17, 2019, the City Council adopted Resolution No. 19-070, authorizing the submission of an application to the office of Minnesota Management & Budget for an allocation of bonding authority with respect to the Obligations to finance the Project in accordance with the requirements of Minnesota Statutes, Chapter 474A, as amended, and providing preliminary approval for the sale and issuance of the Obligations. Pursuant to Certificate No. 378, the Obligations received an allocation of bonding authority from the State of Minnesota in the principal amount of $14,013,459.

1.06. A notice of public hearing (the “Public Notice”) was published in the Sun Sailor, the official newspaper of and a newspaper of general circulation in the City, with respect to the
required public hearing under Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), and Section 462C.04, subdivision 2 of the Act.

1.07. The Public Notice was published at least fifteen (15) days before the regularly scheduled meeting of the City Council, and on the date hereof, the City Council conducted a public hearing at which a reasonable opportunity was provided for interested individuals to express their views, both orally and in writing.

Section 2. Housing Program. The Housing Program, in the form substantially on file with the City, is hereby approved.

Section 3. The Bonds.

3.01. The Borrower has requested that the City issue, sell, and deliver a portion of the Obligations in the approximate principal amount of $9,510,000 (the “Bonds”). The Bonds are proposed to be sold publicly and underwritten by Dougherty & Company LLC, a Delaware limited liability company (the “Bond Underwriter”).

3.02. The Bonds are proposed to be issued pursuant to this resolution, the Act, and an Indenture of Trust (the “Bond Indenture”) between the City and U.S. Bank National Association, a national banking association (the “Bond Trustee”).

3.03. The proceeds derived from the sale of the Bonds will be loaned by the City to the Borrower (the “Bond Loan”) pursuant to the terms of a Loan Agreement (the “Bond Loan Agreement”) between the City and the Borrower.

3.04. The Bonds and the interest on the Bonds (i) shall be payable solely from the revenues pledged therefor under the Bond Loan Agreement and additional sources of revenue provided by or on behalf of the Borrower; (ii) shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation; (iii) shall not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers; (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City’s interest in the Bond Loan Agreement; and (v) shall not constitute a general or moral obligation of the City.

3.05. The loan repayments to be made by the Borrower under the Bond Loan Agreement will be fixed so as to produce revenue sufficient to pay the principal of, premium, if any, and interest on the Bonds when due. Such loan repayments will be assigned to the Bond Trustee under the terms of the Bond Indenture.

3.06. The Borrower’s repayment obligations in respect of the Bond Loan will be evidenced by a Promissory Note (the “Bond Promissory Note”) from the Borrower to the City and assigned to the Bond Trustee and may be secured by one or more mortgage agreements or guaranties.

3.07. The City acknowledges, finds, determines, and declares that the issuance of the Bonds is authorized by the Act and is consistent with the purposes of the Act and that the
issuance of the Bonds, and the other actions of the City under the Bond Indenture, the Bond Loan Agreement, and this resolution constitute a public purpose and are in the interests of the City. In authorizing the issuance of the Bonds to finance a portion of the Project and the related costs, the City’s purpose is and the effect thereof will be to promote the public welfare of the City and its residents by providing multifamily housing developments for low or moderate income residents of the City and otherwise furthering the purposes and policies of the Act.

3.08. For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of the Bonds in the approximate aggregate principal amount of $9,510,000. The Bonds shall bear interest at the rates, shall be designated, shall be numbered, shall be dated, shall mature, shall be in the aggregate principal amount, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the Bond Indenture, substantially in the form now on file with the City, with the amendments referenced herein. The City hereby authorizes all or a portion of the Bonds to be issued as “tax-exempt bonds,” the interest on which is not includable in gross income for federal and State of Minnesota income tax purposes.

All of the provisions of the Bonds, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Bonds shall be substantially in the form of the Bond Indenture on file with the City, which form is hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of the Bonds, the stated maturities of the Bonds, the interest rates on the Bonds and the terms of redemption of the Bonds) as the Mayor and the City Manager, in their discretion, shall determine. The execution of the Bonds with the manual or facsimile signatures of the Mayor and the City Manager and the delivery of the Bonds by the City shall be conclusive evidence of such determination.

3.09. The Bonds shall be special, limited obligations of the City payable solely from the revenues provided by the Borrower pursuant to the Bond Loan Agreement and other funds pledged pursuant to the Bond Indenture. The City Council hereby authorizes and directs the Mayor and the City Manager to execute the Bonds in accordance with the terms thereof.

3.10. All of the provisions of the Bond Indenture, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Bond Indenture shall be substantially in the form on file with the City, which is hereby approved, with such necessary and appropriate variations, omissions and insertions as do not materially change the substance thereof, and as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determination. The Mayor and the City Manager are hereby authorized and directed to execute the Bond Indenture, and to deliver the Bond Indenture to the Bond Trustee, and hereby authorizes and directs the execution of the Bonds in accordance with the terms of the Bond Indenture, and hereby provides that the Bond Indenture shall provide the terms and conditions, covenants, rights, obligations, duties, and agreements of the owners of the Bonds, the City, and the Bond Trustee as set forth therein.
3.11. The Mayor and the City Manager are hereby authorized and directed to execute and deliver the Bond Loan Agreement, a Bond Purchase Agreement between the City, the Borrower, and the Bond Underwriter, with respect to the Bonds, and all other documents and assignments related to the Bond Loan required to be executed by the City. All of the provisions of such documents, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The aforementioned documents shall be substantially in the forms on file with the City which are hereby approved, with such omissions and insertions as do not materially change the substance thereof, and as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determinations.

3.12. The City will not participate in the preparation of the Preliminary Official Statement or the Official Statement relating to the offer and sale of the Bonds (together, the “Official Statement”) and will make no independent investigation with respect to the information contained therein, including the appendices thereto, except for the information set forth in the Official Statement regarding the City and certain matters relating to litigation, and the City assumes no responsibility for the sufficiency, accuracy, or completeness of such information. Subject to the foregoing, the City hereby consents to the distribution and the use by the Bond Underwriter of the Official Statement in connection with the offer and sale of the Bonds. The Official Statement is the sole material consented to by the City for use in connection with the offer and sale of the Bonds.

3.13. The City hereby authorizes the Borrower to provide such security for payment of its obligations under the Bond Loan Agreement and for payment of the Bonds, and the City hereby approves the execution and delivery of such security.

Section 4. The Note.

4.01. The Borrower has requested that the City issue, sell, and deliver a portion of the Obligations in the approximate principal amount of $4,503,459 (the “Note”). The Note is proposed to be purchased by TCF Investments Management, Inc., a Minnesota corporation (the “Note Lender”).

4.02. The proceeds derived from the sale of the Note will be loaned by the City to the Borrower (the “Note Loan”) pursuant to the terms of a Loan Agreement (the “Note Loan Agreement”) between the City and the Borrower.

4.03. The Note will be issued pursuant to this resolution and the Act, and the Note and the interest thereon (i) shall be payable solely from the revenues pledged therefor under the Note Loan Agreement and additional sources of revenues provided by or on behalf of the Borrower; (ii) shall not constitute a debt of the City within the meaning of any constitutional or statutory limitation; (iii) shall not constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers; (iv) shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the City other than the City’s interest in the Note Loan Agreement; and (v) shall not constitute a general or moral obligation of the City.
4.04. The loan repayments to be made by the Borrower under the Note Loan Agreement will be fixed so as to produce revenue sufficient to pay the principal of, premium, if any, and interest on the Note when due. The City will assign its rights to the basic payments and certain other rights under the Note Loan Agreement to the Note Lender pursuant to the terms of an Assignment of Loan Agreement (the “Assignment of Note Loan Agreement”) between the City and the Note Lender.

4.05. To secure its obligations under the Note Loan Agreement, the Borrower will pledge to the Note Lender a portion of equity installments attributable to low-income housing tax credits for the Project. Additionally, the Borrower may cause one or more mortgages or guaranties to be delivered to secure the Borrower’s obligations under the Note Loan Agreement.

4.06. The City acknowledges, finds, determines, and declares that the issuance of the Note is authorized by the Act and is consistent with the purposes of the Act and that the issuance of the Note, and the other actions of the City under the Note Loan Agreement and this resolution, constitute a public purpose and are in the interests of the City. In authorizing the issuance of the Note to finance a portion of the Project and the related costs, the City’s purpose is and the effect thereof will be to promote the public welfare of the City and its residents by providing multifamily housing developments for low or moderate income residents of the City and otherwise furthering the purposes and policies of the Act.

4.07. For the purposes set forth above, there is hereby authorized the issuance, sale, and delivery of the Note in the approximate aggregate principal amount of $4,503,459. The Note shall bear interest at the rates, shall be designated, shall be numbered, shall be dated, shall mature, shall be in the aggregate principal amount, shall be subject to redemption prior to maturity, shall be in such form, and shall have such other terms, details, and provisions as are prescribed in the form of Note now on file with the City, with the amendments referenced herein. The City hereby authorizes the Note to be issued, in whole or in part, as “tax-exempt bonds,” the interest on which is not includable in gross income for federal and State of Minnesota income tax purposes.

All of the provisions of the Note, when executed as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Note shall be substantially in the form on file with the City, which form is hereby approved, with such necessary and appropriate variations, omissions, and insertions (including changes to the aggregate principal amount of the Note, the stated maturity of the Note, the interest rate on the Note and the terms of redemption of the Note) as the Mayor and the City Manager, in their discretion, shall determine. The execution of the Note with the manual or facsimile signatures of the Mayor and the City Manager and the delivery of the Note by the City shall be conclusive evidence of such determination.

4.08. The Note shall be a special, limited obligation of the City payable solely from the revenues provided by the Borrower pursuant to the Note Loan Agreement, including the equity installments attributable to low-income housing tax credits for the Project. The City Council hereby authorizes and directs the Mayor and the City Manager to execute the Note in accordance with the terms thereof.
4.09. The Mayor and the City Manager are hereby authorized and directed to execute and deliver the Note Loan Agreement and the Assignment of Note Loan Agreement, and all other documents and assignments related to the Note Loan required to be executed by the City. All of the provisions of the Note Loan Agreement and the Assignment of Note Loan Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Note Loan Agreement and the Assignment of Note Loan Agreement shall be substantially in the forms on file with the City which are hereby approved, with such omissions and insertions as do not materially change the substance thereof, and as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determinations.

4.10. The City hereby authorizes the Borrower to provide such security for payment of its obligations under the Note Loan Agreement and for payment of the Note, and the City hereby approves the execution and delivery of such security.

Section 5. Additional Findings and Certifications.

5.01. The Obligations are authorized to be issued in an amount not to exceed $14,013,459. On the date hereof the Bonds are expected to be issued in the approximate aggregate principal amount of $9,510,000, and the Note is expected to be issued in the approximate aggregate principal amount of $4,503,459. However, the final principal amount of the Obligations may change so long as the total aggregate principal amount of the Obligations does not exceed $14,013,459.

5.02. To ensure compliance with certain rental and occupancy restrictions imposed by the Act and Section 142(d) of the Code, and to ensure compliance with certain restrictions imposed by the City, the Mayor and City Manager are also hereby authorized and directed to execute and deliver a Regulatory Agreement (the “Regulatory Agreement”) between the City, the Borrower, the Bond Trustee, and the Note Lender. All of the provisions of the Regulatory Agreement, when executed and delivered as authorized herein, shall be deemed to be a part of this resolution as fully and to the same extent as if incorporated verbatim herein and shall be in full force and effect from the date of execution and delivery thereof. The Regulatory Agreement shall be substantially in the form on file with the City which is hereby approved, with such omissions and insertions as do not materially change the substance thereof, or as the Mayor and the City Manager, in their discretion, shall determine, and the execution thereof by the Mayor and the City Manager shall be conclusive evidence of such determination.

5.03. The Mayor and the City Manager are authorized and directed to execute any additional documents deemed necessary to carry out the intentions of this resolution and to complete the financing described herein, so long as City staff and legal counsel approve such documents.

5.04. The Mayor, the City Manager, and the Chief Financial Officer are hereby authorized to execute and deliver, on behalf of the City, such other documents and certificates as are necessary or appropriate in connection with the issuance, sale, and delivery of the
Obligations, including various certificates of the City, one or more Information Returns for Tax-Exempt Private Activity Bond Issues, Form 8038, one or more endorsements of the City to the tax certificate of the Borrower, and similar documents, and all other documents and certificates as shall be necessary and appropriate in connection with the issuance, sale, and delivery of the Obligations. The City hereby authorizes Kennedy & Graven, Chartered, as bond counsel (“Bond Counsel”), to prepare, execute, and deliver its approving legal opinions with respect to the Obligations.

5.05. Except as otherwise provided in this resolution, all rights, powers, and privileges conferred and duties and liabilities imposed upon the City or the City Council by the provisions of this resolution or of the aforementioned documents shall be exercised or performed by the City or by such members of the City Council, or such officers, board, body or agency thereof as may be required or authorized by law to exercise such powers and to perform such duties.

No covenant, stipulation, obligation or agreement herein contained or contained in the aforementioned documents shall be deemed to be a covenant, stipulation, obligation or agreement of any member of the City Council, or any officer, agent or employee of the City in that person’s individual capacity, and neither the City Council nor any officer or employee executing the Obligations shall be personally liable on the Obligations or be subject to any personal liability or accountability by reason of the issuance thereof.

No provision, covenant or agreement contained in the aforementioned documents, the Obligations, or in any other document relating to the Obligations, and no obligation therein or herein imposed upon the City or the breach thereof, shall constitute or give rise to a general or moral obligation of the City or any pecuniary liability of the City or any charge upon its general credit or taxing powers. In making the agreements, provisions, covenants, and representations set forth in such documents, the City has not obligated itself to pay or remit any funds or revenues, other than funds and revenues as described herein which are to be applied to the payment of the Obligations, as provided therein.

5.06. Except as herein otherwise expressly provided, nothing in this resolution or in the aforementioned documents expressed or implied is intended or shall be construed to confer upon any person or firm or corporation, other than the City, any holder of the Obligations issued under the provisions of this resolution, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provisions hereof, this resolution, the aforementioned documents, and all of their provisions being intended to be and being for the sole and exclusive benefit of the City, and any holder from time to time of the Obligations issued under the provisions of this resolution.

5.07. In case any one or more of the provisions of this resolution, other than the provisions contained in the first sentence of Sections 3.09 and 4.08 hereof, or of the aforementioned documents, or of the Obligations issued hereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this resolution, or of the aforementioned documents, or of the Obligations, but this resolution, the aforementioned documents, and the Obligations shall be construed and endorsed as if such illegal or invalid provisions had not been contained therein.
5.08. The Obligations, when executed and delivered, shall contain a recital that they are issued pursuant to the Act, and such recital shall be conclusive evidence of the validity of the Obligations and the regularity of the issuance thereof, and that all acts, conditions, and things required by the laws of the State of Minnesota relating to the adoption of this resolution, to the issuance of the Obligations, and to the execution of the aforementioned documents to happen, exist, and be performed precedent to the execution of the aforementioned documents have happened, exist, and have been performed as so required by law.

5.09. The officers of the City, Bond Counsel, other attorneys, engineers, and other agents or employees of the City are hereby authorized to do all acts and things required of them by or in connection with this resolution, the aforementioned documents, and the Obligations, for the full, punctual, and complete performance of all the terms, covenants, and agreements contained in the Obligations, the aforementioned documents, and this resolution. If for any reason the Mayor or the City Manager is unable to execute and deliver the documents referred to in this resolution, such documents may be executed by any member of the City Council or any officer of the City delegated the duties of the Mayor or the City Manager with the same force and effect as if such documents were executed and delivered by the Mayor or the City Manager.

5.10. The Borrower shall pay the administrative fee of the City on the date of issuance of the Obligations in the amount of one percent (1%) of the outstanding principal amount of the Obligations. The Borrower will also pay, or, upon demand, reimburse the City for payment of, any and all costs incurred by the City in connection with the Project and the issuance of the Obligations, whether or not the Obligations are issued, including any costs for attorneys' fees.

Section 6. Effective Date. This resolution shall be in full force and effect from and after its approval. The approvals contained in the resolution are effective for one year after the date hereof.

The motion for the adoption of the foregoing resolution was duly seconded by City Council Member ______________, and, after full discussion thereof and upon a vote being taken thereon, the following City Council Members voted in favor thereof:

And the following City Council Members voted in opposition:

Reviewed for Administration:                         Accepted by the City Council February 18, 2020

Thomas K. Harmening, city manager                        Jake Spano, mayor

Attest:

Melissa Kennedy, city clerk
February 4, 2020

Tim Simon, Chief Financial Officer
City of St. Louis Park
5005 Minnetonka Boulevard
St. Louis Park, MN  55416-2216

Re:  Resolution approving the issuance of revenue obligations by the City of St. Louis Park for the benefit of Oak Park Village Partners, LP

Dear Tim,

Oak Park Village Partners, LP, a Minnesota limited partnership (the “Borrower”), has requested that the City of St. Louis Park, Minnesota (the “City”) issue one or more series of taxable or tax-exempt revenue obligations (the “Obligations”) in the maximum principal amount of $14,013,459 and loan the proceeds thereof to the Borrower to finance the costs of the acquisition, rehabilitation, and equipping of an approximately 100-unit existing multifamily rental housing facility and facilities functionally related and subordinate thereto located at 7267 Oak Park Village Drive in the City for occupancy by persons of low and moderate income (the “Project”). A portion of the Obligations (the “Bonds”) is expected to be sold publicly and underwritten by Dougherty & Company LLC, and the remainder of the Obligations (the “Note”) is expected to be privately placed with TCF Investments Management, Inc.

The Obligations will be considered “housing bonds” issued pursuant to Minnesota Statutes, Chapter 462C, as amended (the “Act”). Pursuant to Section 462C.04, subdivision 2 of the Act and Section 147(f) of the Internal Revenue Code of 1986, as amended (the “Code”), the City Council is required to conduct a public hearing on the issuance of the Obligations, which will be held on February 18, 2020. Following the public hearing, the City Council will be asked to consider the enclosed resolution, which provides final approval to the issuance of the Obligations, adopts a housing program required under Section 462C.04, subdivision 2 of the Act, and authorizes the execution of loan documents and related documents.

The Obligations will be secured solely by the revenues derived from one or more loan agreements (the “Loan Agreements”) to be executed by the City and the Borrower and from other security provided by the Borrower, including a mortgage and a pledge of tax credit equity. The Obligations will not constitute a general or moral obligation of the City and will not be secured by or payable from any property or assets of the City (other than the interests of the City in the Loan Agreements) and will not be secured by any taxing power of the City. The Obligations will not be subject to any debt limitation imposed on the City,
and the issuance of the Obligations will not have any adverse impact on the credit rating of the City, even in the event that the Borrower encounters financial difficulties with respect to the Project.

The Obligations have received allocation of bonding authority from the State of Minnesota pursuant to the requirements of Section 146 of the Code. The Obligations will be “private activity bonds” within the meaning of Section 141(a) of the Code but will be “exempt facility bonds” the net proceeds of which are to be used to provide a “qualified residential rental project” within the meaning of Sections 142(a)(7) and 143(d) of the Code and will not affect the City’s ability to designate up to $10,000,000 in tax-exempt bonds as “qualified tax-exempt obligations” (or “bank-qualified bonds”) for calendar year 2020.

The Borrower will agree to pay the out-of-pocket expenses of the City with respect to this transaction as well as the City’s administrative fee.

I will be attending the City Council meeting on February 18, 2020 and can answer any questions that may arise during the meeting. Please contact me with any questions you may have prior to the City Council meeting.

Sincerely,

Julie A. Eddington
Oak Park Village Apartments

Executive Summary

Oak Park Village Apartments
7267 Oak Park Village Dr
St. Louis Park, MN 55426

The Project

Oak Park Village is a multifamily apartment community located in St. Louis Park, MN (marked on the map below) which Vitus intends to acquire and rehabilitate.

It is important to preserve Oak Park Village as quality, affordable housing. The redevelopment and large-scale improvements will not only benefit the current residents, but the surrounding neighborhood as well. The impact on the neighborhood will be minimal as there is no new construction involved.

Location Map, Oak Park Village Apartments

The Property

Oak Park Village consists of a 100-unit apartment community comprised of 10 two and three story apartment buildings located on a 6.58-acre lot. The buildings were originally constructed in 1978 and are made up of 27 one-bedroom and 8 two-bedroom garden style apartments, and 37 two-bedroom and 28 three-bedroom townhome units. Property amenities include unit amenities include blinds, patio/balcony, carpeting and vinyl flooring, central heating and air conditioning, and coat closets. Kitchen appliances include a range/oven and refrigerator. Post-renovation amenities will also include dishwashers and microwaves. The Subject’s community amenities include a central laundry facility, on-site management, a playground, surface parking, and garage parking. Post-renovation, the Oak Park Village’s community amenities will include adult exercise equipment co-located within the updated children’s playground.
Of the 100 units, 100 are covered by a HAP contract. At closing, the HAP contract will be renewed for a 20-year term, subject to federal appropriations.

The property consists of one parcel of land, adjacent to the Oak Hill Park. The nearby is served by the 604 bus route, the St. Louis Park Library, St, louis Park High School, and is a short distance from Cub Foods and Target.

Rehabilitation Plan and Green Design

The rehabilitation budget is approximately $41,000 per unit. The rehabilitation will include improvements to the general site such as windows and siding repairs, condensers to be replaced as needed, unit cabinets to be replaced and redesigned to incorporate microwaves and dishwashers, all plumbing fixtures to be replaced with low-flow fixtures, all lighting fixtures to be replaced with energy efficient fixtures, unit flooring to be replaced as needed, interior painting as needed, replace unit appliances as needed, incorporate outdoor adult exercise equipment co located with the updated children's playground, implementation of the Minnesota Pollution Control Agency Approved Remedial Action Plan to cleanup preexisting site contamination, add raised beds to the outdoor gardening area, quarterly gardening classes will be provided, provide ADA parking signs and curb cuts, resurface and restripe as needed. With these upgrades, the project will provide housing comparable to (or better than) the quality of other housing in the market area. The rehabilitation will be completed with minor disruption to the residents. Vitus maintains a commitment to environmentally friendly construction and energy efficient housing. To honor this commitment, upgrades will include high efficiency lighting packages, low-E coated windows, ENERGY STAR qualified appliances, and high efficiency plumbing fixtures.

Sponsor

Vitus’ mission is to create positive social impact – one community, one family and one life at a time. As an innovative leader in affordable housing across the nation, Vitus specializes in the preservation of affordable properties in market areas where the need is greatest. With an emphasis on the well-being of its residents, Vitus provides access to
healthy choices by offering spaces for physical activity, community gardening, enhanced walkways and stairwells, bicycle storage and a variety of health and wellness programs. These active design elements establish wellness-centered communities that encourage healthy lifestyles. Since 1996, Vitus has developed and/or acquired more than 10,000 units of affordable housing in more than 100 properties, located across 22 states. A combined total of almost 25,000 residents now live in Vitus affordable housing communities across the country. [www.vitus.com](http://www.vitus.com)

The company is based in Seattle, Washington with a regional office located in New York.

### Organizational Entities

Beneficial title in the project will be held Oak Park Village Partners, LP, of which the managing general partner will be Oak Park Housing Management, LLC (a Minnesota LLC) and to be determined equity investor will serve as the limited partner. The project developer will be Vitus Development IV, LLC.

### Project Timing

The property renovation will commence immediately upon the bond closing and will be completed within 12 months thereafter.

### For Additional Information

**Craig Ratchford, Director Development Management**  
(206) 832-1330  
Craig.Ratchford@vitus.com

**Brian Moloney, Assistant Development Manager**  
(206) 832-1321  
brian.moloney@vitus.com
Executive summary

Title: First Reading to rescind Ord. 535 and multiple resolutions supporting intersection traffic control (TS 713)

Recommended action: Mayor to open public hearing, take public testimony, and close the public hearing. Motion to approve first reading of the ordinance and set second reading for March 2, 2020.

Policy consideration: Does the city council support staff’s recommendation to rescind Ordinance 535 in order to eliminate conflicts between the ordinance and state statute, and to simplify traffic control changes?

Summary: On Jan. 21, 2020, the city council approved staff’s recommendation to change the traffic control at the intersection of Quebec Avenue and 29th Street from a single stop sign on the east approach to two way stop control on the north and south approaches.

In a routine traffic approval process, council would approve a new resolution to enact the traffic control change and rescind any resolution that conflicts with the change. However, the stop sign at this intersection was approved through ordinance in 1959. As a result, approving the traffic committee’s recommendation requires a change to the ordinance. Instead of simply changing the ordinance with new language, staff recommends rescinding the ordinance in its entirety and implementing the traffic controls included in it through resolutions.

The ordinance is currently scheduled for its second reading at the March 2 council meeting and is scheduled to take effect on March 27, 2020.

Financial or budget considerations: Costs related to this ordinance change are minimal and will come from the general operating budget.

Strategic priority consideration: 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
Draft ordinance (posted online Feb. 6, 2020)
Ordinance 535 – to be rescinded
Location map
TS 713 study session report – Jan. 13, 2020 (pp. 72 – 116)
TS 713 council approval – Jan. 21, 2020 (pp. 145 – 146)

Prepared by: Ben Manibog, transportation engineer
Reviewed by: Debra Heiser, engineering director
Approved by: Nancy Deno, deputy city manager/HR director
Discussion

**Background:** At the Jan. 13, 2020 study session, council received a report regarding Traffic Study 713: Installation of stop controls on Quebec Avenue at 29th Street. The report is linked for more detailed information regarding the study.

At the Jan. 21, 2020 council meeting, the city council approved the traffic committee’s recommendation to change the traffic controls at the intersection of Quebec Avenue and 29th Street from a single stop sign on the east approach to two-way stop controls on the north and south approaches. This report is linked for more detailed information regarding the study.

In a routine traffic request approval process, council would approve a new resolution to enact the traffic control change and rescind any resolution that conflicts with the change. However, the legal document attached to the traffic controls at this intersection is an ordinance.

To modify an ordinance, another ordinance must be passed. Passing an ordinance requires a public hearing and two readings prior to council approval.

**Ordinance:** Traffic controls at the intersection of Quebec Avenue and 29th Street are currently governed by Ordinance 535. By rescinding Ordinance 535 and re-writing the traffic controls therein as resolutions, it will simplify and shorten the process to perform routine traffic control changes when requested by the public.

Ordinance 535 is broken up into five sections. Note, not all parts of Ordinance 535 are necessary for staff to properly administer traffic controls on city streets. This ordinance was approved in 1959, and changes to the roadway system and state statutes make parts of it obsolete. For details on the ordinance, please refer to the Jan. 13 study session report.

**Resolutions:** Ordinance 535 established the traffic controls for 24 intersections across St. Louis Park. Staff recommends that the existing traffic controls be preserved at all 24 intersections except for Quebec Avenue at 29th Street, as previously explained. To do this, additional resolutions must be rescinded or modified to properly reflect the existing traffic controls at these intersections.

Because any ordinance must be read twice for it to take into effect, the related traffic resolutions establishing the traffic controls at the 24 intersections will be brought to council for approval at the ordinance’s second reading. To reiterate, the only recommended change to traffic controls is at the intersection of Quebec Avenue and 29th Street, as explained above.

**Next steps:** Staff has developed the following steps for action on TS 713 and the adoption of the ordinance (rescinding Ordinance 535).

<table>
<thead>
<tr>
<th>Step</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>First reading of ordinance</td>
<td>Feb. 18, 2020</td>
</tr>
<tr>
<td>Second reading of ordinance (adopt ordinance, approve summary, authorize summary publication, rescind resolutions, approve resolutions)</td>
<td>March 2, 2020</td>
</tr>
<tr>
<td>Submit summary to Sun Sailor</td>
<td>March 5, 2020</td>
</tr>
<tr>
<td>Summary publication</td>
<td>March 12, 2020</td>
</tr>
<tr>
<td>Ordinance effective date</td>
<td>March 27, 2020</td>
</tr>
</tbody>
</table>
An ordinance rescinding Ordinance No. 535

The City of St. Louis Park does ordain:

Whereas, the City of St. Louis Park had established a list of thru streets and stop-controlled intersections in Ordinance No. 535; and,

Whereas, in Traffic Study 713, staff recommended to re-write Ordinance No. 535 into resolutions for better record keeping; and,

Whereas, the intent of re-writing the ordinances into resolutions is to reflect existing traffic control conditions apart from the intersection of 29th Street and Quentin Avenue; and,

Whereas, St. Louis Park is committed to providing a variety of options for people to make their way around the city comfortably, safely, and reliably.

Section 1. Ordinance No. 535 is hereby rescinded.

Section 2. This ordinance shall take effect fifteen days after its publication.

<table>
<thead>
<tr>
<th>First Reading</th>
<th>Feb. 18, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Second Reading</td>
<td>Mar. 2, 2020</td>
</tr>
<tr>
<td>Date of Publication</td>
<td>Mar. 12, 2020</td>
</tr>
<tr>
<td>Date Ordinance takes effect</td>
<td>Mar. 27, 2020</td>
</tr>
</tbody>
</table>

Reviewed for administration: Adopted by the City Council March 2, 2020

Thomas K. Harmening, City Manager

Jake Spano, Mayor

Attest: Approved as to form and execution:

Melissa Kennedy, City Clerk

Soren Mattick, City Attorney
ORDINANCE NO. 535

AN ORDINANCE DESIGNATING PARTICULAR STREETS AS THRU STREETS AND DESIGNATING CERTAIN INTERSECTIONS AS STOP INTERSECTIONS

The City of St. Louis Park ordains:

Section 1. Thru Streets Designated: The following streets of the City of St. Louis Park are hereby designated as thru streets and all vehicles shall be required to stop before entering or crossing any of said streets:

- Cedar Lake Road from County Highway No. 18 to France Avenue
- Louisiana Avenue from State Highway No. 12 to Walker Street
- Gorham Avenue from Louisiana Avenue to Lake Street
- Walker Street from Pennsylvania Avenue to Cedar Lake Road
- Texas Avenue from State Highway No. 12 to State Highway No. 7
- France Avenue from West 28th Street to Minnetonka Boulevard
- Minnetonka Blvd. from Cedar Lake Road to County Highway No. 18
- Dakota Avenue from Minnetonka Blvd. to Lake Street
- Virginia Avenue from Cedar Lake Road to West 28th Street
- West 28th Street from Virginia Avenue to Texas Avenue
- West 36th Street from State Highway No. 100 to Excelsior Boulevard
- Excelsior Blvd. from France Avenue to Hopkins-St. Louis Park Boundary
- Wooddale Avenue from Lake Street to West 44th Street
- Brookside Avenue from Excelsior Boulevard to Yosemite Avenue
- Yosemite Avenue from Brookside Avenue to South City Limit
- West 44th Street from Excelsior Boulevard to East City Limit
- France Avenue from Exellsior Boulevard to South City Limit
- Highway No. 100 from North City Limit to South City Limit
- Alabama Avenue from West 36th Street to Excelsior Boulevard
- West 36th Street from Alabama Avenue to State Highway No. 100
- West 26th Street from France Avenue to Minnetonka Boulevard
- County Hwy. No. 12 from State Highway No. 12 to State Highway No. 100
- U.S. Hwy. No. 12 from West City Limits to East City Limits
- State Highway No. 7 from West City Limits to Highway #7
- Lake Street from Minnetonka Blvd. to Minnetonka Boulevard
Ordinance No. 535 - continued

Section 2. Stop Intersections Designated. The following street intersections of the City of St. Louis Park are hereby designated as stop intersections and all vehicles are hereby required to stop at one or more entrances to such intersections before entering the same as hereinafter designated:

(A) Vehicles shall be required to stop before entering West 28th Street at its intersections with each of the following streets:
   - Glenhurst Avenue
   - Huntington Avenue
   - Joppa Avenue
   - Quentin Avenue
   - Toledo Avenue

(B) Vehicles shall be required to stop before entering West 37th Street at its intersections with each of the following streets:
   - Inglewood Avenue

(C) Vehicles shall be required to stop before entering West 38th Street at its intersection with the following street:
   - Inglewood Avenue

(D) Vehicles shall be required to stop before entering West 39th Street at its intersection with the following street:
   - Kipling Avenue

(E) Vehicles shall be required to stop before entering West 41st Street at its intersections with each of the following streets:
   - Webster Avenue
   - Xenwood Avenue
   - Yosemite Avenue

(F) Vehicles shall be required to stop before entering Morningside Road at its intersections with each of the following streets:
   - Browndale Avenue

(G) Vehicles shall be required to stop before entering Walker Street at its intersections with each of the following streets:
   - Quebec Avenue
   - Rhode Island Avenue
   - Sumter Avenue

(H) Vehicles shall be required to stop before entering Inglewood Avenue at its intersection with the following street:
   - West 28th Street

(I) Vehicles shall be required to stop before entering Joppa Avenue at its intersection with the following street:
   - West 29th Street

(J) Vehicles shall be required to stop before entering Brunswick Avenue at its intersections with each of the following streets:
   - Brookview Street
   - Cambridge Street (east bound traffic only)

(K) Vehicles shall be required to stop before entering Quebec Avenue at its intersection with the following street:
   - West 29th Street (west bound only)

(L) Vehicles shall be required to stop before entering Toledo Avenue at its intersection with the following street:
   - West 29th Street
Ordinance No. 535 - continued

(M) Vehicles shall be required to stop before entering Lynn Avenue at its intersection with the following street:
   V Ilocher Avenue

(N) Vehicles shall be required to stop before entering Joppa Avenue at its intersection with the following street:
   West 27th Street.

(O) Vehicles shall be required to stop before entering Pennsylvania Avenue at its intersection with the following street:
   Lake Street (west bound traffic only).

Section 3. Stop Signs to be erected. The City Manager is hereby authorized and directed to secure, post and keep posted stop signs in form prescribed by the Commissioner of Highways of the State of Minnesota at the entrances of the streets and stop intersections designated in Section 1 and Section 2 hereof. No driver of a vehicle, or person riding an animal or bicycle shall disobey the instructions of any stop sign placed in accordance with the provisions of this section.

Section 4. Penalty. Any person who shall violate any provision of this ordinance shall be fined not to exceed $50 or be imprisoned not to exceed 30 days upon conviction thereof.

Section 5. Effective date. This ordinance shall be in effect 15 days after its publication.

Adopted by the City Council July 2, 1956.

[Signature]
Mayor

[Signature]
City Clerk

[Signature]
City Attorney

Reviewed for administration:

[Signature]
City Manager

Published in the St. Louis Park Dispatch July 12, 1956
Executive summary

Title: Southeast area bikeway project

Recommended action: Mayor to open public hearing, take public testimony, and close the public hearing. Council is asked to take final action on this project at the March 2 meeting.

Policy consideration: Does the city council wish staff to continue to pursue the installation of the staff recommended layout for the bikeway segments identified in this report?

Summary: Council has requested staff to complete preliminary designs for bike facilities in the southeast area of St. Louis Park as outlined in the Connect the Park plan. The segments create a continuous bikeway from the Rec Center to the city’s south border with Edina as well as connect Minneapolis and the Chain of Lakes to the Excelsior & Grand area. In all, the Southeast area bikeways will add 1.72 miles to the network.

Staff has worked through an extensive community engagement process beginning in December 2017, working towards the best design for all road users. We have worked to refine our design using the feedback received.

On Jan. 27, staff gave council a report and presentation regarding the southeast area bikeway project. In this report, staff provides additional information based on council’s questions regarding the project, stated during the Jan. 27 study session.

Staff has scheduled a council decision to approve the preliminary layout and authorize final plans for this project at the March 2 meeting. If approved, this project would be constructed from Fall 2020 to Spring 2021.

Financial or budget considerations: This project is included in the city’s 2020 capital improvement plan (CIP) and will be paid for using general obligation bonds. The total project cost is estimated at $556,250.

Strategic priority consideration: 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
Overview map
Jan. 27, 2020 study session report (pages 12-113)

Prepared by:  Ben Manibog, transportation engineer
              Jack Sullivan, senior engineering project manager
Reviewed by:  Debra Heiser, engineering director
Approved by:  Nancy Deno, deputy city manager/HR director
Discussion

**Background:** Staff was directed to recommend a design for a bikeway on the following segments as a part of the Connect the Park capital improvement plan (CIP). All the segments, which make up 1.72 miles of bikeways, are collectively called the Southeast Bikeway Improvements:

- 38th Street from Excelsior Boulevard to France Avenue (0.4 miles)

The four segments below together complete a bike route from the Rec Center to the Edina border (1.32 miles):

- From the Rec Center west along the south side of Wolfe Park (0.32 miles)
- South from Wolfe Parkway on Park Commons Drive to the intersection with Quentin Avenue (0.07 miles)
- South along Quentin Avenue from Park Commons Drive to Princeton Avenue at 42nd 1/2 Street (0.58 miles)
- South along Wooddale Avenue from 42nd 1/2 Street to 44th Street (0.35 miles)

These segments were first identified as a part of the *Active Living: Sidewalk and Trails Plan* in 2007 and were then integrated into the [Connect the Park plan](#) in 2012.

Connect the Park is designed to create a system that provides sidewalks approximately every quarter mile and bikeways every half mile in order to improve pedestrian and bicycle connectivity throughout the community. The proposed north-south and east-west corridors provide key connections that will enhance walking and biking in the city by connecting destinations such as parks, businesses, the Rec Center, the ROC, Edina, and Minneapolis.

As in the case with most of the bikeways in the Connect the Park initiative, this transportation project is a retrofit project rather than a full reconstruction of the street. Reconstruction of any of these segments is not on the current 10-year CIP. Instead, this project will make improvements at key locations to further the city’s policy goals of safer travel for all modes of traffic.

At the Jan. 27, 2020 study session, staff provided the city council with a report and a presentation regarding this project. Further project information can be found in that study session report.

**Study session discussion and questions:** The council asked staff several questions regarding the overall project and staff’s recommended layout. The council’s questions, comments, and staff’s responses are provided below grouped in categories:

**Policy questions:**

*A question was asked about how this project fits in with the city’s Complete Streets Policy:*

- The Complete Streets Policy is also relevant to this project and was not mentioned in the study session report. The Complete Streets policy, approved by council in June 2013, encompasses the planning, scoping, design, implementation, operation, and maintenance of roads in order to reasonably address the safety and accessibility needs of users of all ages and abilities. Complete Streets considers the needs of motorists, pedestrians, transit users and vehicles, bicyclists, and commercial and emergency vehicles moving along and across roads, intersections, and crossings in a manner that is sensitive to the local context and recognizes that the needs vary in urban, suburban, and rural settings.
Why are the bikeways on busier streets?

- The location of the bikeway segments is based on the Connect the Park implementation plan approved by council in 2013. The locations of the segments were originally identified by the Community Advisory Committee in the *Active Living: Sidewalks and Trails Plan*, which was completed in 2008.

The bikeways are proposed on streets with higher traffic volumes because those are the most direct routes that connect the most desirable destinations and are the most continuous routes through the city. Therefore, improvements are proposed to these routes to make bicycling more attractive, less stressful, and safer for all modes of transportation.

Trees and parking:

What are the impacts and costs of adding more parking bays to the bikeway segment on Wooddale Avenue from 42nd 1/2 Street to 44th Street?

- The staff recommended layout provides 13 vehicle spaces distributed amongst 5 parking bays. To install the parking bays, 10 trees (ash, elm, hackberry, maple, linden, and oak) must be removed. There are currently 63 parking spaces on Wooddale Avenue and approximately 75 trees in the city boulevard. Each parking stall costs about $14,000 to construct.

- Additional parking could be added along this segment of Wooddale Avenue by either extending some of the proposed bays or by creating new bays. Staff is limited to the amount and location of additional parking proposed due to the location of existing driveways and mature oak trees. The following illustrates options for incrementally increasing the on-street parking count and associated tree removal.
  
  - Parking could be increased to provide a total of 18 total spaces. This would require 5 additional trees to be removed for a total of 15 trees. The removed trees are ash, maple, and lindens.
  - Parking could be increased to provide a total of 29 spaces. This would require 11 additional trees to be removed for a total of 21 trees. The removed trees would be larger maple, linden, elms, and one large oak tree at 4278 Wooddale.
  - To provide beyond 29 total parking spaces, there is roughly a one-to-one relationship between parking spaces gained and trees removed. One tree must be removed for each parking space added to the corridor. The trees required to be removed beyond providing 29 parking spaces would be impactful to the mature oaks on Wooddale Avenue.

Could parking bays be spread more constantly throughout the bikeway segment on Wooddale Avenue from 42nd 1/2 Street to 44th Street?

- The recommended parking bay locations are based on minimizing impacts to the trees in the corridor. Tree species, size, and health were the main factors in selecting parking bay locations in order to not disturb large and mature oak trees. The homes south of Morningside Road typically have more off-street parking (driveways and garages) when compared to the homes located between 42nd 1/2 Street and Morningside Road. As a result, if additional parking stalls were pursued, staff would recommend investigating locating the parking in this northern segment.
Bikeway design:

Why does the recommended layout include bike lanes versus shared lane bike infrastructure for the bikeway segment on Wooddale Avenue from 42nd 1/2 Street to 44th Street?

- The recommended layout includes bike lanes and shared lanes on different segments of the project based on the context of the respective roadways.
- Bike lanes designate a preferential space for bicyclists using pavement markings and signs. They can be an appropriate way to serve “Interested but Concerned” bicyclists.
- Shared lanes and their markings (often called “sharrows”) can be used on roadways to confirm to drivers and bicyclists that bicycling on the roadway is appropriate. Shared lanes provide people bicycling little to no physical separation from motor vehicles and are most appropriate on low volume, low-speed roads. To clarify, bicycles are considered vehicles and may be operated on all streets except where expressly prohibited (i.e., limited access roadways).
- Staff uses bikeway selection guidance, including the Federal Highway Association (FHWA), and MnDOT. Using this guidance and the existing vehicle volumes and speeds of the roads, staff recommended bike lanes on Wooddale Avenue and shared lanes on Princeton and Quentin Avenues.
  - In urban and suburban contexts with a daily vehicle volume of 3200 and operating speeds of 32 mph, a bike lane is the most appropriate bikeway (FHWA and MnDOT). Those are the existing traffic conditions on Wooddale Avenue.
  - In urban and suburban contexts with a daily vehicle volume of 1500 - 2000 and operating speeds of 17 - 27 mph, a shared lane is the most appropriate bikeway (FHWA and MnDOT). Those are the existing traffic conditions on Princeton and Quentin Avenue.

Was an alternative bicycle route considered for Wooddale Avenue?

- During the community engagement process, an alternative bicycle route was explored using Browndale Avenue, Morningside Road, Quentin Avenue, and an existing trail to get to the intersection of Wooddale Avenue and 42nd 1/2 Street. When shown at the second open house in September 2018, there was no strong support for the alternative over the Wooddale Avenue route.
- According to the FHWA, effective bicycle networks lead to more people bicycling by creating bicycling routes that are efficient, seamless, and easy to use. The three most important principles (out of seven) are safety, comfort, and connectivity.
- Having a bikeway on Wooddale Avenue over an alternative route focuses on the connectivity principle. Trips within a bicycle network should be direct and convenient and offer access to the same destinations served by the roadway network.
- Excessive distance is frequently noted as the most powerful deterrent to bicycling. Research indicates that for an alternative low-stress route to be viable, the increase in trip length should be less than 30 percent. To change the route from Wooddale Avenue to the Browndale Avenue route, it would increase the trip length by approximately 50 percent.
- Having a safe facility on the same routes as vehicles promote bicycling because they connect directly to destinations that are desirable to everyone. Directing bicycles to take a more circuitous route, at the convenience of vehicles, does not prioritize bicycling.
Could a multi-use trail design that replaces the existing sidewalk be considered instead of a bike lane on the bikeway segment from Wooddale Avenue from 42nd 1/2 Street to 44th Street? A planning level review of this design was completed by staff. Replacing the east sidewalk with a trail is technically feasible. A preliminary cost estimate is about $450,000 compared to the recommended parking bay layout, which is approximately $200,000. Installing a multi-use trail on the corridor would not change the existing parking on Wooddale Avenue; however, staff has identified the following general design challenges. Additional data collection and design would be needed for this option to determine precise impacts.

- A multi-use trail is not consistent with the guidance for bikeways from organizations such as the National Association of City Transportation Officials (NACTO), Federal Highway Administration (FHWA), and MnDOT.
  - NACTO recommends a bicycle path only on high-speed limited access roadways or roadways with greater than 6000 daily vehicles and greater than 26 mph operating speeds.
  - As previously stated, FHWA and MnDOT guidance recommend bike lanes on roads with characteristics like Wooddale Avenue.
  - A multi-use trail on either side of Wooddale Avenue could be a maximum of eight feet wide without impacting most of the corridor’s trees.
  - MnDOT recommends a minimum width of ten feet for shared use paths and side paths. Only in physically constrained conditions for very short distances can an eight-foot path be used for a bikeway. Side-by-side bicycle riding is possible but less comfortable on this narrow width path. Constrained paths for long distances can create frequent and inconsistent passing and meeting events between bicyclists, walkers, and other path users. These can cause frustration, collisions, and delay.
- Confident bicyclists would continue to use Wooddale Avenue even if a trail was present.
- Removal of the existing concrete sidewalk, excavation to widen for the multi-use trail, and other construction activities will have impacts to the root structure of all the boulevard trees on the east side of the road (approximately 41 trees).
- Some trees would be recommended to be removed due to their location and shallow root structure.
- Additional excavation on the property owner side of the sidewalk would be required to widen for the trail. This excavation would need temporary easements and potentially permanent easements.
- Driveways would have to be removed, the slopes regraded and repaved to account for the new width of the trail.
- Retaining walls would be needed in front yards to allow for the widening.

Traffic management:
Could additional stop signs be installed at the intersection of Wooddale Avenue and Morningside Road?

- In order to make an informed recommendation, staff would need to collect additional traffic data relating to Morningside Road. Because we use traffic tubes to collect this data, that investigation would need to wait until the spring after the snow has melted.
- For staff to recommend stop sign installation, the first step would be to complete an intersection study. This would not be done until the spring. However, based on staff’s understanding of the traffic volumes, speeds, sightlines, and accident history at this
intersection, it is unlikely that it would meet the Minnesota Manual for Uniform Traffic Control’s criteria for the installation of all-way stop controls. If it does not meet the criteria, the traffic committee would not recommend the installation of additional stop signs at this location. This is consistent with policy.

- When the traffic committee does not recommend installation of a traffic control, the city council has the authority to approve signs that do not meet these all-way stop sign criteria based on feedback from the neighborhood association.

**Financial considerations:** This project is funded using general obligation (GO) bonds. Estimated project cost for all segments of the project is $556,250.

As prefaced in the Jan. 27, 2020 study session report, estimated construction costs for the Southeast Area Bikeway are $445,000. Below are the preliminary construction estimates along with costs for engineering and administration. Final project cost estimates will be modified based on the design elements approved by council. Updates to the project costs will be provided when the project is brought forward to council for final plan approval and authorization for bidding.

<table>
<thead>
<tr>
<th>Southeast area bikeway</th>
<th>CIP</th>
<th>Engineer's estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>38th Street (France Avenue to CSAH 3)</td>
<td></td>
<td>$15,000</td>
</tr>
<tr>
<td>Wolfe Park</td>
<td></td>
<td>$20,000</td>
</tr>
<tr>
<td>Park Commons (Wolfe Park to Quentin Avenue)</td>
<td></td>
<td>$160,000</td>
</tr>
<tr>
<td>Quentin/Princeton Avenues (Park Commons Drive to 42nd 1/2 Street)</td>
<td></td>
<td>$50,000</td>
</tr>
<tr>
<td>Wooddale Avenue (42nd 1/2 Street to 44th Street)</td>
<td></td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>Construction total</strong></td>
<td><strong>$450,000</strong></td>
<td><strong>$445,000</strong></td>
</tr>
<tr>
<td>Engineering and administration</td>
<td></td>
<td>$112,500</td>
</tr>
<tr>
<td><strong>Project total</strong></td>
<td><strong>$562,500</strong></td>
<td><strong>$556,250</strong></td>
</tr>
</tbody>
</table>

General obligation bonds are expected to be used to fund the estimated $556,250 for bikeways. The debt service levy for this project will be $64,323, starting in 2020 for ten years.

**Other financial considerations:**

*Operation and maintenance costs:* This project creates new city infrastructure, including bikeways and enhanced pedestrian crossings. With new infrastructure, there will be operation and maintenance costs. Annual operational efforts include snow removal, pavement sweeping, and general upkeep. In addition, there are long term costs associated with the replacement of new pavement markings for bicycles and pedestrians that occur on longer cycles of every 3 to 5 years. Signs are replaced every 15 to 20 years.

There is expected to be minimal increases with the annual operations costs since most of the bikeway is a retrofit within the existing roadway. However, there will be more long-term costs...
associated with the replacement and upkeep for the addition of on-street bicycle pavement markings.

As final plans are developed, staff will work on identifying the new incremental costs and will present them when this project is presented to council for final plan approval and authorization for bids.

**Proposed schedule:** The proposed schedule for this project is as follows:

<table>
<thead>
<tr>
<th>Event</th>
<th>Date/Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public hearing</td>
<td>Feb. 18, 2020</td>
</tr>
<tr>
<td>Approve preliminary layout and authorize final plans</td>
<td>March 2, 2020</td>
</tr>
<tr>
<td>City council – approve final plans and order ad for bid</td>
<td>Early summer 2020</td>
</tr>
<tr>
<td>Construction</td>
<td>Fall 2020 – Spring 2021</td>
</tr>
</tbody>
</table>