AGENDA
PLANNING COMMISSION STUDY SESSION
WEBEX VIDEOCONFERENCE
6:00 P.M.
NOVEMBER 4, 2020

All meetings of the St. Louis Park Planning Commission will be conducted by telephone or other electronic means until further notice. This is in accordance with a local emergency declaration issued by Mayor Jake Spano March 16, 2020 in response to the coronavirus (COVID-19) pandemic. Additionally, city facilities are closed to the public in keeping with the Executive Orders 20-20 and 20-33 issued by Gov. Tim Walz directing Minnesotans to Stay at Home March 28 through May 4, 2020.

All members of the St. Louis Park Planning Commission will participate in the November 4, 2020 planning commission meeting by electronic device or telephone rather than by being personally present at the planning commission’s regular meeting place at 5005 Minnetonka Blvd.

Members of the public can monitor this meeting by calling +1-312-535-8110 meeting number (access code): 372 106 61 for audio only. Cisco Webex will be used to conduct videoconference meetings of the planning commission, with planning commissioners and staff participating from multiple locations.

AGENDA

1. Single-family building scale related to affordable housing
2. Home occupations
3. Miscellaneous zoning amendments
4. Communications
   a. Commissioner Lynette Dumalag resignation and appointment to city council

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.
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1  Single-family building scale related to affordable housing

Recommended motions:
Discuss single-family scale building regulations related to affordable housing and provide feedback to staff and city council

Summary of request: In 2018, a request was submitted by city council members Rog and Miller to review the housing regulations to prevent lower-value homes from being torn down or added on to for the construction of higher-value homes. Their request stated:

“In 2006 the city council authorized changes to zoning. These changes were in response to the move-up in the park initiative which was designed to encourage families to stay in St. Louis Park, including the St. Louis Park school system, by accommodating modest additions to their homes instead of seeking a larger home outside the city.”

Today’s housing market in the Minneapolis/St. Paul metropolitan area is seeing a rapid increase in the price of multiple-family and single-family housing. St. Louis Park is no exception. While there are many factors that influence the housing market values, this report focuses on the concern that single-family homes are becoming less affordable as builders and private owners add onto their homes or tear down old smaller homes and build larger ones.

After some deliberation, city council agreed to discuss the topic at a future study session on July 9, 2018. A copy of those meeting minutes is attached. Subsequently, this topic was elevated to a higher priority for discussion.

Staff reviewed the city council’s comments from the July 9, 2018 study session, researched the history of the low-density residential zoning requirements, and evaluated the scale of housing relative to lot sizes (i.e. ground floor area ratio and floor area ratio). This report contains a summary of the research and potential amendments for discussion purposes.

City council has asked the planning commission to discuss this item and report back to the council with its recommendations.

Background: The city council discussed this topic in study session on July 9, 2018. In summary, there was consensus on the following points:

1. Multiple-family and single-family housing is becoming less affordable. While the city council expressed concerned about the affordability of both multiple-family and single-family housing, the focus of the meeting was on the zoning regulations pertaining to the scale of single-family houses.
2. What impacts is housing having on the climate action plan and energy efficiency goals?
3. The council continues to support the move-up in the park programs. Nevertheless, some city council members expressed concerns about the scale of additions and new construction. Specifically, the impacts larger houses may have on adjacent properties.
4. The city should not regulate the finer points of design aesthetics of single-family houses. The city should focus on the scale and affordability of single-family homes and avoid regulations that encourage or require specific aesthetic elements.

Housing affordability, housing stock and housing demand has been documented in previous
housing market studies. This report does not provide additional information on this topic. Also, the climate action plan impacts were not clear. While a larger house built in 2020 is very likely to require more energy than a smaller house built in 2020, it is not as clear that larger new homes use more energy than a smaller 1960s house. This report does not provide additional information in this regard.

Instead, staff gathered information about the scale of housing in St. Louis Park relative to the size of the lots in the city and what this looks like historically. It focuses on two such measures that are, or have been, regulated by the zoning code.

Present considerations: The zoning ordinance has remained relatively constant since the first ordinance’s adoption in 1932. Two changes made over time worth noting include the changes to the ground floor area ratio (GFAR) and deletion of the floor area ratio (FAR).

GFAR is defined by code as the lot area covered by a building measured from the exterior faces of exterior walls but excluding decks and terraces and detached garages which do not exceed 15 feet in height. (Please note: The GFAR reported includes only the principal buildings. Staff was unable to identify properties with detached accessory buildings that exceed 15 feet in height as this information is not readily available.)

FAR is defined by code as the numerical value obtained by dividing the total floor area of buildings, excluding the basement, by the lot area on which such buildings are located.

An analysis of both GFAR and FAR is attached to the report and summarized below.

GFAR and FAR analysis: Staff found that the majority of lots with higher GFAR and FAR were constructed during the city’s largest period of growth, in the 1940s to 1960s. Additionally, high GFAR and FAR is predominantly found on lots smaller than the minimum lot size required by code today.

The GFAR and FAR maps show that the GFAR and FAR vary widely throughout the city. The construction data also show that there are no clear patterns that newer homes have substantially higher GFAR and FAR than homes built between the 1940s and 1960s.

<table>
<thead>
<tr>
<th>Ground Floor Area Ratio (GFAR)</th>
<th>% of lots</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 to 0.2</td>
<td>86.4%</td>
</tr>
<tr>
<td>&gt;0.20 to 0.25</td>
<td>10.7%</td>
</tr>
<tr>
<td>&gt;0.25 to 0.30</td>
<td>2.4%</td>
</tr>
<tr>
<td>&gt;0.30 to 0.35</td>
<td>0.4%</td>
</tr>
<tr>
<td>&gt;0.35 to 0.47</td>
<td>0.1%</td>
</tr>
</tbody>
</table>
Additional observations. Striking a balance between the goals of the move-up in the park initiative and scale of housing is complicated when also trying to provide flexibility and meeting the expectations and desires of homebuyers in today’s market. Additionally, evaluating the actual and perceived impacts of additions and new construction is difficult.

Staff will review this research with the planning commission, most likely over more than one meeting. We will review several more recently built houses that have generated some complaints and/or are larger in size, GFAR or FAR. We will also share some common characteristics we noticed, such as:

- The size of the original house was particularly small.
- They added upper floors to the original house.
- They had steeper roof pitches than the original house.
- The houses are simply different architectural styles than the original house.
- The first-floor elevation and surrounding grade was higher than the original house.
- The floor to ceiling heights are taller in the newer houses.

The relative change in size from the old house to the new house was one explanation for a few of the houses that generated complaints. The two following examples illustrate the results of two houses that were replaced with new houses. Both represent a significant change, however, both new homes are similar in style and size to other houses found in the city, and in some cases the same neighborhood and block.
Based on council’s direction to continue to support move up in the park and to avoid getting into purely aesthetic and design style elements, this issue and the first four observations listed were not further pursued by staff as problems to remedy.

Without getting deeply into the building design and aesthetic requirements, staff considered the following five issues to discuss further with the planning commission.

1. Establish a maximum allowed increase in the ground floor elevation. When removing a house to build a new house, or keeping a foundation to build a new house, some of the newer buildings have raised the ground floor elevation. This was likely done to have a higher ceiling height in the basement which makes the basement more habitable and useable for purposes such as bedrooms, bathrooms, and family rooms. Staff could see this as also attractive for creating accessory dwelling units. Additionally, it gives the homeowner a potentially cost-effective option to consider instead of expanding the footprint of the house with costly new construction that takes up more space in the backyard.

Raising the ground floor elevation, however, may have some perceived or real impacts on the neighboring properties. Typically, when the ground floor is raised, the homeowner also raises the grade adjacent to the house. The new grade may alter existing drainage patterns, and sometimes gives the perception that water is directed onto neighboring properties, which is not permitted by code.
Additionally, the height of the building is measured from the grade adjacent to the house, to the mid-point of the gable of the new house. Therefore, when the grade is raised, the perceived height as seen from the street or next door, is also raised. This may result in the new house appearing to be taller than, or further out of scale with the neighboring house when the new house may only be slightly taller than other houses on the block.

If the council wishes to establish a maximum increase in the ground floor elevation, then a one-foot increase may be reasonable. It allows for some increase in the basement ceiling floor elevation, while limiting the impact on neighboring properties. If the homeowner desires more ceiling height than this allows, then they may have the option of lowering the basement floor when building a new house if the utilities and ground water elevations allow for it. Digging a lower basement floor elevation will add substantial cost to the home compared to adding to the top of the existing foundation.

2. Floor to ceiling heights. Similar to the desirability for higher ceilings in basements, newer homes tend to have ceiling heights of 9 or 10 feet and may have entry ways or living rooms that are even higher. While these are desirable for interior spaces, they also tend to result in houses that appear a bit larger than neighboring houses with 7 to 8 feet tall ceilings. Ceiling heights over a certain size could be deemed in the city code to be a second story.

3. Increase the side yard setback for the second floor. Requiring a greater setback for the second story has come up during this conversation. Currently, a minimum side yard of six feet is required in the R-1 district, and five feet in the R-2 district. This setback applies to the entire house. While a greater side yard for the second story may reduce the visual impact the second floor has on a neighboring property, it comes with substantial disadvantages and increased costs.

A greater side yard setback for the second floor limits the architectural styles allowed in St. Louis Park. It results in what is sometimes referred to as a wedding cake style house where the second tier is smaller than the first. This is generally not compatible with many common architectural styles and looks forced or artificial in nature. This option also drives up the cost of construction. The load bearing walls of the second floor are located over the open space of the rooms below. This requires additional engineering and construction costs. The costs are exacerbated when a homeowner desires an open floor concept on the first floor.

The City of Edina utilized this code provision for a short period of time. The provision was struck from the code due to the impacts summarized above; the arguments between homeowners, contractors and the city; the cost and frequency of physical adjustments required during construction to meet the code; and the high number of variances requested.

4. Adjust the ground floor area ratio (GFAR). The GFAR, often referred to as the house footprint, is an effective method to establish a reasonable amount of the lot the house
can cover. As noted above and in the attached history of code changes, the GFAR has been adjusted a few times since 1932. For example, the R-1 district in 1932 allowed a GFAR of .4. This was reduced to .3 in 1959 and remained in place until 2006 when it was increased to .35 as part of the move-up in the park initiative.

Reducing the GFAR would have greater impacts on smaller lots. For example, a GFAR maximum of .35 will allow a 2,450 square foot first floor on a 7,000 square foot lot but only 1,750 square feet on a 5,000 square foot lot. Additionally, lot sizes vary all over the city. This makes it likely that large houses will periodically be located adjacent to small houses simply because the GFAR allows for more house to be constructed on large lots.

5. Adjust the floor area ratio (FAR). The city first introduced a FAR requirement of .3 in 1959. The FAR requirement was removed from the code in 1992, so the city currently does not require a FAR requirement. The FAR, however, is indirectly administered by the GFAR and maximum height requirements. These two requirements work together to form a maximum building envelope allowed for each property in which a house may be built. As a result, it also limits the amount of floor area that can be built. The FAR of a lot alone treats wide/deep one-story buildings equally to tall buildings with small footprints. FAR alone is not an effective tool to regulate or have predictable building forms. Staff has struggled to identify an appropriate FAR based on our research to date and based on the examples we have reviewed. More definition of the issue and concerns would be needed to arrive at a proposal.

Next Steps. This report provides a summary of staff’s research in the existing housing stock, including recent additions and new construction. It also includes a summary of the history of code changes since 1932 to present and summarizes some code changes that have been brought up through the course of the discussion.

Staff will present this research to the planning commission on November 4. The commission will be asked to provide feedback on staff’s research and provide guidance, if any, on next steps.

Supporting documents:  GFAR/FAR analysis, citywide maps for GFAR and FAR, table of history of code requirements, July 9, 2018 city council minutes

Prepared by:  Gary Morrison, assistant zoning administrator
Jessica Monson, senior planner

Reviewed by:  Sean Walther, planning and zoning supervisor
2 Home occupations

Recommended motions: No action is required at this time. The purpose of this report is to discuss home occupations and provide direction regarding potential amendments to specific regulations or the city’s general approach to home occupations.

Summary of request: The city council added a review of home occupations as a priority discussion topic in 2020. Also, planning commission included it in the 2020 work plan.

Narrowly focused changes to the home occupation regulations were adopted on July 17, 2019. During that effort, planning commission discussed additional policy issues that were beyond the initial limited scope. Planning commission and city council supported the more limited ordinance and wanted to explore further changes. Some specific ideas included:

- Removing barbers/hairdressers from the list of prohibited uses.
- Allowing one or more outside employees to work at the property where the home occupation is based.
- Allowing home occupations to be conducted in accessory buildings.
- Allow the home occupation to occupy more than 10% of the home.
- Allow residents of accessory dwelling units to conduct home occupations.

Staff seeks feedback from the commission on policy issues and the commission’s recommended general approach to home occupations to help determine how broadly or narrowly to research policy changes and to discuss the above suggestions specifically.

If any regulatory changes are pursued, staff would also suggest a non-regulatory amendment to the code as well. Currently, the conditions for home occupations are repeated in five different sections of the code. Staff suggest moving the rules to the residential general provisions section. This section contains regulations that apply to all residential districts, including rules for accessory structures, accessory dwelling units, vehicle parking and other miscellaneous residential regulations.

Commissioners are asked to familiarize themselves with the current rules and to prepare for a discussion on this topic.

Next Steps: Depending on the discussion, staff will conduct additional research and/or incorporate the planning commission comments into the proposed ordinance. This may return for additional planning commission discussion or go to city council for discussion before beginning a formal process to adopt any regulatory changes.

Attachments: Summary of current home occupations rules

Prepared by: Gary Morrison, assistant zoning administrator
Reviewed by: Sean Walther, planning and zoning supervisor
Summary of current home occupation rules

Home occupations are described as commercial uses in the following section 36-142.(d)(14): Home occupation is an occupation, profession or activity conducted in a dwelling unit, which is clearly an incidental and subordinate use to the residential use and which does not alter the exterior of the property or affect the residential character of the neighborhood.

The following is repeated in the list of accessory uses allowed in each of the residential zoning districts of the code.

Home Occupations Home occupations complying with all of the following conditions:

a. A registration of land use is required for any home occupation established after July 12, 2019, that has customers or students coming to the site.
b. The home occupation and structure housing the home occupation meets all applicable fire and building codes, as well as any other city, county, state, or federal regulations.
c. The home occupation is clearly incidental and subordinate to the residential use of the property and does not change the character of the property.
d. Space within the dwelling devoted to the home occupation does not exceed one room or ten percent of the floor area, whichever is greater.
e. No portion of the home occupation is conducted within any attached or detached accessory building.
f. Operation of the home occupation is not apparent from the public right-of-way.
g. Only equipment, machinery, and materials which are normally found in the home are used in the conduct of the occupation.
h. All material or equipment is stored within an enclosed structure.
i. The home occupation does not produce nuisance noise, odors, smoke, heat, glare, vibration, or electrical interference beyond the residential lot occupied by the home occupation.
j. No person is employed at the residence who does not legally reside in the home.
k. Persons do not come to the location of the home occupation to be dispatched to other locations.
l. Sale of products related to the home occupation is allowed with the following conditions:
   i. Products are shipped to and from the premises; or
   ii. Product sales occur off-site at a permissible location; or
   iii. Customers visit the premises by appointment only; or
   iv. Products are sold on the premises at garage sales as regulated by this chapter.
m. No more than one non-illuminated wall sign up to two square feet in area is used to identify the home occupation.
n. The home occupation does not include any of the following uses: auto body/painting, motor vehicle sales, motor vehicle service and repair, small engine repair, massage, medical/dental office, animal handling, beauty shop and barbershop, firearm sales, currency exchange, payday loan agency, sexually-oriented business or high-impact sexually oriented business.
3 Miscellaneous zoning amendments

Recommended motions: No action is required at this time. The purpose of this report is to discuss various zoning amendments and provide feedback.

Summary of request: Periodically staff proposes an ordinance to amend various sections of the code for the purpose of making changes that are consistent with current policy, correcting errors, and making clarifications. The following is a list of items included in this amendment:

1. Requiring a conditional use permit for excavation only if the excavation is not covered by another permitting process. This change will reduce redundancy in review process and application fees.
2. Clarify that the window transparency requirements of commercial buildings also apply to existing buildings. The intent of the code recently passed was to limit when existing properties had to add transparency to comply with the new ordinance. It did not intend to allow existing buildings that meet the new rule to reduce transparency to an extent that they no longer comply. The amendment will state this more clearly.
3. Signs located at residential properties containing four or fewer dwelling units cannot be illuminated. This request is made to reduce the nuisance potential of illuminated signs on small residential properties.
4. Create a definition for Marijuana dispensary. Marijuana dispensaries are currently not permitted in the city. The definition will clarify this by distinguishing them from pharmacies and retail uses. Changes to the code would be required to allow this use in the future.
5. Clarify the procedures for amending planned unit developments that were established prior to the current PUD rules which require a rezoning into a PUD district. It is often unnecessary to rezone properties to allow site plan and building changes.
6. Amend the bright accent color limitations. City code currently allows up to five percent of each building elevation to be a bright accent color.

Staff also identified some suggested policy amendments to consider in this ordinance.

1. Increasing the threshold for when a conditional use permit for excavation is required. This change was requested by city council.
2. Increase the patio/deck setbacks on residential properties from two feet to matching the setback required for the house. This will reduce the impact of social gatherings and smoke from fires/barbeques on neighboring properties.
3. Allow restaurants with intoxicating liquor in the C-1 Neighborhood Commercial district as a conditional use permit.

Next Steps: Staff will review and incorporate the planning commission comments into the proposed amendment and schedule the amendment for a public hearing at a future planning commission meeting this fall/winter.

Prepared by: Gary Morrison, assistant zoning administrator
Reviewed by: Sean Walther, planning and zoning supervisor
Good morning!

I am writing to inform you of my resignation on St. Louis Park's Planning Commission. My resignation will be effective immediately.

I have enjoyed working with Sean and his colleagues during my time on Planning Commission. I have appreciated the opportunity to work with staff and my fellow (now former) Commissioners.

Thank you,

Lynette Dumalag
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Dumalag selected to fill St. Louis Park City Council Ward 2 vacancy

Sun Editor
Oct 29, 2020

The St. Louis Park City Council has selected Lynette Dumalag to fill the Ward 2 council vacancy. Dumalag will be sworn in at the Monday, Nov. 2, City Council meeting to fill the remainder of the term, until Jan. 3, 2022. The vacancy resulted from the resignation, effective Oct. 31, of Councilmember Anne Mavity.
Since moving to the community in 2006, Dumalag has served as a council-appointed member of the Vision 3.0 steering committee and is currently vice chair of the Planning Commission. She has experience serving on nonprofit and business boards, including Aeon, Catholic Charities of St. Paul and Minneapolis, Minneapolis Downtown Council, MinnPost.com, Urban Land Institute MN and Building Owners and Managers of Greater Minneapolis. She is a commercial real estate broker.

In her application for the vacancy, Dumalag wrote, “I have always been interested in local politics. Given their accessibility to stakeholders, local officials are held to a different standard. I hope to be a representative who welcomes new ideas and sees challenges as opportunities for our city to continue to grow.”

Dumalag was selected in the first round of a ranked-choice vote by the City Council, after Oct. 26 interviews of seven applicants.