All meetings of the St. Louis Park City Council will be conducted by telephone or other electronic means starting March 30, 2020, and until further notice. This is in accordance with the local emergency declaration issued by the city council, in response to the coronavirus (COVID-19) pandemic and Governor Walz’s “Stay Safe MN” executive order 20-056.

Some or all members of the St. Louis Park City Council will participate in the Dec. 14, 2020 city council meeting by electronic device or telephone rather than by being personally present at the city council’s regular meeting place at 5005 Minnetonka Blvd.

Members of the public can monitor the meeting by video and audio at [https://bit.ly/watchslpcouncil](https://bit.ly/watchslpcouncil) or 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 city council, with council members and staff participating from multiple locations.

### 6:30 p.m. – STUDY SESSION

<table>
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<tr>
<th>Time</th>
<th>Discussion items</th>
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<tbody>
<tr>
<td>1. 6:30 p.m.</td>
<td>City attorney discussion: council operations overview</td>
</tr>
<tr>
<td>2. 7:30 p.m.</td>
<td>Redevelopment proposal for SWLRT Wooddale Station Site</td>
</tr>
<tr>
<td>3. 9:00 p.m.</td>
<td>Future study session agenda planning and prioritization</td>
</tr>
<tr>
<td>4. 9:05 p.m.</td>
<td>Communications/updates (verbal)</td>
</tr>
</tbody>
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9:10 p.m. Adjourn

### Written reports

| 4. | Minnetonka Boulevard properties redevelopment update                              |
| 5. | St. Louis Park Friends of the Arts (FOTA) annual report                           |
| 6. | Efficient Building Benchmarking ordinance – year one in review                    |
| 7. | Solar Sundown program                                                            |
| 8. | Request to issue conduit debt to CB SLP Housing Limited Partnership               |

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.

If you need special accommodations or have questions about the meeting, please call 952-924-2525.
Executive summary

Title: City attorney discussion: council operations overview

Recommended action: No action required. City attorney Soren Mattick and staff will provide an overview and refresher for the city council on meeting minutes, data practices, open meeting law and carver governance model.

Policy consideration: None at this time.

Summary: The city attorney periodically provides an overview for the council on legal requirements and best practices related to meeting minutes, data practices, open meeting law and carver governance model.

Financial or budget considerations: Not applicable.

Strategic priority consideration: Not applicable.

Supporting documents: Open meeting law - MN Statutes Chapter 13D

Prepared by: Maria Solano, senior management analyst
Soren Mattick, city attorney

Reviewed by: Nancy Deno, deputy city manager/HR director

Approved by: Tom Harmening, city manager
OPEN MEETING LAW - MINNESOTA STATUTES CHAPTER 13D

1. Purpose
   - Prohibit actions from being taken at a secret meeting where the interested public cannot be fully informed of the decisions of public bodies or detect improper influences.
   - Ensure the public’s right to be informed.
   - Give the public an opportunity to present its views.

2. Rule
   - All meetings of the City Council must be open to the public, subject to a few exceptions. Minnesota Statutes, Chapter 13D.

3. What is a meeting?
   **Synopsis:**
   - A meeting exists when a quorum of the City Council is together and 1) Makes a decision concerning city business; 2) Discusses city business; or 3) Obtains information on city business.
   - A quorum or more of a council should not attend neighborhood meetings in which development, zoning, local improvement or assessment procedures or other matters affecting the city are the subject of discussion.
   - Attendance by a quorum or greater of training-type sessions is permissible, however, members should refrain from discussing specific local issues.
   **Case Law:**
   - In *St. Cloud Newspapers, Inc. v. District 742 Community Schools*, 332 N.W.2d 1 (Minn. 1983), seminar-type meetings were attended by the school board and various administrators of the school system. The presentations were made by school administrators to provide information on topics relating to school administration. The Supreme Court held that the gatherings constituted meetings. The Court said discussions were held concerning matters which could foreseeably require final action by the board. The Court said meetings include those at which information is received which may influence later decisions.
   - Chance or social gatherings are not considered meetings; however, a quorum of council members may not use the guise of a social gathering to receive information or discuss official business. *Berglund v. City of Maplewood, MN*, 173 F.Supp.2d 935 (D.Minn. 2001).
   - Engaging in casual discussions can be a trap for the unwary. In *Thuma v. Kroschel*, 506 N.W. 2d 14 (Minn. Ct. App. 1993), the mayor and two council members attended a meeting of the Afton Planning Commission. Although the evidence was conflicting, there was evidence that the mayor and council members went to a coffee area outside of the chambers and returned eight minutes later; and that they were speaking together in the coffee area and looking at a document. Upon returning, the mayor addressed the Planning Commission, indicating that he had signed a contract for an emergency well repair which was the subject of the Planning Commission’s discussion and that it would not matter what the Planning Commission decided. Although the mayor and the council members denied they had met to discuss the well contract during the Planning Commission meeting, the trial court found that there had been a meeting, and found the mayor and council members in violation of the Open Meeting Law.
4. Serial Meetings

Synopsis:
- Serial communications (“round robin”) of a quorum of committee members in any format will constitute a meeting and is prohibited. This includes communication via email, phone call, or letter.
- If a Council Member wishes to share information with other members, s/he should do so through the City Manager. The Council Member may request the City Manager distribute materials to others. The communication should not invite response to or discussion between any Council Members, including replies to the person making the distribution request.

Case Law:
- In *Moberg v. Indep. Sch. Dist. No. 281*, 336 N.W.2d 510, 518 (Minn. 1983), the court noted that the quorum requirement of the Open Meeting Law could be circumvented by “serial face-to-face or telephone conversations between board members to marshal their votes on an issue before it is initially raised at a public hearing.” The court held that “serial meetings in groups of less than a quorum for the purposes of avoiding public hearings or fashioning agreement on an issue may also be found to be a violation of the [Open Meeting Law], depending upon the facts of the individual case.”
- In a recent district court case, *Funk v. O’Connor*, et al., No. 10-CV-14-547 (First Judicial District, Carver County, Mar. 31, 2016), a Carver County Court ruled that four members of the Victoria City Council committed 38 intentional violations of the open meeting law. The court found that there were numerous occasions where certain council members communicated with each other in a “chain-like” fashion by email, text, or phone call.

5. Email communication between Council members.

- If email communication is necessary, limit to less than a quorum of council members.
  - The recipient of an electronic message or inquiry should reply only to the sender, should not copy others on the reply and should not forward the original e-mail to other Council Members.
  - The sender should not forward or copy the recipient’s reply to any Council Member.
  - The City Manager should be copied on all electronic correspondence.

- Electronic communications of meeting materials should generally be conducted in a one-way communication from the City Manager to the City Council.
  - Council Members may receive agenda materials, background information, and other meeting materials via e-mail attachment or other electronic means (such as file sharing) from the City Manager.
  - If a Council Member has questions or comments about materials received, s/he should inquire via electronic means directly back to the City Manager or to the department head associated with the agenda item and also copying the City Manager. A Council Member should not copy other Council Members on his/her inquiry.
  - If the clarification is one of value to other Council Members, the City Manager may send follow-up materials or information to the full Council.

- If a Council Member receives an electronic communication from any source related to City business and distributed to multiple Council Members, (e.g. – an e-mail sent to the entire Council from a member of the public), s/he should reply only to the sender. The reply should not be copied to all on the original distribution or forwarded to any Council Member.
• Email communications between Council Members that involves city business is public information. It doesn’t matter whether the email was sent from personal computer or a city owned device. Further, emails involving city business that are sent from personal email accounts are also public information.

6. Penalties

• A person who intentionally violates the law is subject to personal liability in an amount not to exceed $300.00 for a single occurrence.
  o The personal liability may not be paid by the City.

• A person who has been found to have intentionally violated the law in three or more actions shall forfeit any further right to serve on the governing body or in any other capacity with the public body for a period of time equal to the term of office such person was then serving.

• In addition to the above, the court may award reasonable costs, disbursements and attorneys’ fees of up to $13,000.00 to any party in an action.
  o The City may pay the costs, disbursements or attorneys’ fees incurred by or awarded against any of its members in an action under the law.

• No monetary penalties or attorneys’ fees may be awarded against a member of a public body unless the court finds that there was a specific intent to violate the law.
Executive summary

Title: Redevelopment proposal for SWLRT Wooddale Station Site

Recommended action: Review and discuss Saturday Properties/Anderson Company’s redevelopment proposal for the SWLRT Wooddale Station Site and provide staff with direction.

Policy consideration: Does the EDA generally support Saturday Properties/Anderson Company’s redevelopment proposal for the SWLRT Wooddale Station Site? Does the EDA wish to enter into a preliminary development agreement with this development team to begin the process of preparing a mutually acceptable mixed-use, transit-oriented development (TOD) plan for the SWLRT Wooddale Station Site?

Summary: Following a formal request for proposals process, staff unanimously agreed that the redevelopment proposal submitted by Saturday Properties/Anderson Companies most closely aligned with the city’s vision, strategic priorities, development objectives and preferred programming for the SWLRT Wooddale Station Site. Detailed information and a copy of Saturday Properties/Anderson Companies proposal were provided to the EDA at the Nov. 23, 2020 meeting (see Nov. 23, 2020 staff report). Therefore, it is recommended that co-developers Saturday Properties and Anderson Companies be considered as the development team with which the EDA should partner to redevelop the SWLRT Wooddale Avenue Station site. At the Dec. 14 study session the development team will present its general vision, preliminary plans and development program for the SWLRT Wooddale Station Site.

Following discussion, the EDA will be asked if it wishes to partner with the selected development team and enter into a preliminary development agreement for the site. Such an agreement would formalize the respective parties’ responsibilities relative to further defining the SWLRT Wooddale Station redevelopment consistent with the parties’ mutual objectives. It would also provide the development team with formal permission to access the subject site to conduct its due diligence as well as exclusive rights to negotiate acquisition of the property with the EDA. Consideration of the formal contract with the development team would follow in January/February 2021.

Financial or budget considerations: The Saturday Properties/Anderson Companies development team offered $3 million for the EDA-owned property. Implementation of the team’s proposed $84 million mixed-use, TOD plans for the SWLRT Wooddale Avenue Station site will likely require a yet to be determined amount of tax increment assistance.

Strategic priority consideration: The proposed redevelopment is intended to meet all of the city’s strategic priorities.

Supporting documents: SWLRT Wooddale Station Site request for redevelopment proposals

Prepared by: Greg Hunt, economic development coordinator
Reviewed by: Karen Barton, community development director
Approved by: Tom Harmening, city manager/EDA executive director
SWLRT Wooddale Avenue Station Site

Request for Redevelopment Proposals

A Distinctive Transit-Oriented Development Opportunity

EQUAL HOUSING OPPORTUNITY
SWLRT Wooddale Avenue Station Site

Request for Redevelopment Proposals

Submission Schedule, Deadline, and Contact

<table>
<thead>
<tr>
<th>Estimated RFP Schedule</th>
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<tbody>
<tr>
<td>Request for Proposals Issued</td>
<td>August 5, 2020</td>
</tr>
<tr>
<td>Notice of intent to apply with contact information</td>
<td>September 11, 2020</td>
</tr>
<tr>
<td>Last date for questions</td>
<td></td>
</tr>
<tr>
<td>Proposal deadline</td>
<td>October 9, 2020</td>
</tr>
<tr>
<td>Developer Interviews</td>
<td>November 2020</td>
</tr>
<tr>
<td>Developer recommendation and selection</td>
<td>December 2020</td>
</tr>
<tr>
<td>EDA Approval of Preliminary Development Contract</td>
<td>January/February 2021</td>
</tr>
</tbody>
</table>

The city reserves the right to extend or otherwise modify the above schedule. If any such changes occur, notice will then be provided to developers who notified the EDA, per the requirement below.

Proposal Deadline
Developers intending to submit a proposal are asked to inform the city by email by September 11, 2020 so they can be notified of any changes or clarifications to this RFP. Emails should be sent to Mara Strand at: mstrand@stlouispark.org

Complete proposals are due in city offices by 4 p.m. (Central Time), **October 9, 2020**.

Proposals received after the deadline will not be accepted. It is the respondent’s responsibility to ensure their proposal is received in a timely manner.

Send proposals to:

Greg Hunt, economic development coordinator  
City of St. Louis Park  
5005 Minnetonka Blvd.  
St. Louis Park, MN 55416

Proposal requirements may be found in Section II of this document.

Contact Information
Questions regarding this RFP should be directed to:

Greg Hunt, economic development coordinator  
952.924.2197  
ghunt@stlouispark.org
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III. **RFP Submission and Proposal Selection**

- Proposal Content
- Proposal Selection
- Project Approval Process
- Developer / Staff Coordination

IV. **City Contracting Requirements**

- Property Acquisition and Letter of Intent
- Preliminary Development Agreement
- Other Requirements
- Cost of Responding to RFP
- Right to Modify, Spend and Waive
- Disclosure and Disclaimer

**RFP attachments**

**Attachments A-I may be accessed by the following links:**

https://www.stlouispark.org/business/swlrt-wooddale-avenue-station-redevelopment-site

A. SWLRT Wooddale Ave Station [Renderings and Plan](#)
B. [2040 Comprehensive Plan, Map](#) and [TOD section](#)
C. [Planned Unit Development Ordinance 2518-17](#)
D. Environmental Assessment Worksheet (EAW) [Finding of Fact and Record of Decision](#)
E. Area Plans:
   i. [Elmwood Area Land Use, Transit and Transportation Study](#)
   ii. Station Area Plan (2010): [Intro](#) and [Wooddale Station Area Plan](#)
   iii. LISC Community Development Initiative: [Power Point](#) and [Report](#)
   iv. Wooddale Ave Station TSAAP (2013): [Intro](#) and [Plan](#)
F. SLP Inclusionary Housing Policy: [Policy](#) and [Program Guide](#)
G. [SLP Green Building Policy and Checklist](#)
H. [SLP Climate Action Plan](#) and [Plan Summary](#)
I. [SLP Sample Preliminary Development Agreement](#)
I. SWLRT Wooddale Avenue Station RFP Overview

The St. Louis Park Economic Development Authority ("EDA") is requesting proposals to redevelop the SWLRT Wooddale Ave. Station Site ("site"), 5950 36th St. West. This distinctive, 1.6-acre, redevelopment opportunity has exceptional access to multimodal transportation as it lies immediately south of the Southwest Light Rail Transit (SWLRT)/METRO Green Line Wooddale Avenue Station platform (under construction) and adjacent Cedar Lake LRT Regional Trail. The site is also served by a Metro Transit bus stop and close to interchanges for MN Highways 100 and 7. Additionally, the site is centrally located in the first-ring suburb of St. Louis Park at the northeast corner of 36th Street West and Wooddale Avenue South.

Development Vision and Objectives
The EDA seeks an experienced and capable developer or development team to construct a signature, mixed use, transit-oriented development (TOD) on the SWLRT Wooddale Ave. Station Site that includes significant affordable housing. One that achieves the city’s long-term vision, development objectives and Strategic Priorities. Proposals will be expected to exceed the city’s green building and inclusionary housing policy requirements and incorporate principles of TOD and sustainable development that support and benefit from the proximity of the SWLRT and the regional trail.
Development goals of the site as specified in the 2040 Comprehensive Plan, include:

- Pursue transit-oriented, high density, well connected, mixed-use centers at future light rail transit station areas.
- Create a mix of housing opportunities including affordable housing and increased viability of neighborhood services
- Provide human scale development that creates connections and a strong sense of community and place.

The city envisions the SWLRT Wooddale Avenue Station Site to be an active, vibrant and connected place where people can affordably live, work and recreate with the opportunities and advantages of proximity to LRT. The site is expected to become an important community hub for mixed-income housing, neighborhood business and transit. Accordingly, the EDA is seeking proposals that include:

- An abundance of affordable multifamily housing that exceeds the city’s Inclusionary Housing Policy requirements and facilitates multicultural and intergenerational living (i.e. includes larger size units);
- Smaller scale, affordable, ground floor commercial spaces conducive for neighborhood businesses;
- Attractive, bold and creative architecture;
- Building and site designs that incorporate numerous “green” elements including renewable energy sources designed to achieve net zero carbon emissions at the site and serve as a showcase for environmental sustainability;
- Numerous accommodations for pedestrians, bicyclists, transit riders, and automobiles, including electric bikes, electric vehicles, and possibly car sharing;
- A public plaza or community space with unique community landmark or feature;
- High quality site amenities and public art;
- Connections to nature through green features such as enhanced landscaping, green roofs or living wall systems.

Proposed projects also need to seamlessly integrate with the adjacent SWLRT Wooddale Avenue Station and connect to the surrounding Elmwood neighborhood.

**Strategic Priorities:** Additionally, submitted proposals should be consistent with and reflect the city’s Strategic Priorities. These provide that St. Louis Park is committed to:

- being a leader in racial equity and inclusion in order to create a more just and inclusive community for all.
- leading in environmental stewardship.
- providing a broad range of housing and neighborhood-oriented development.
- providing a variety of options for people to make their way around the City comfortably, safely and reliably.
- creating opportunities to build social capital through community engagement.
In planning for the SWLRT project, the city invested considerable time and resources to develop a vision for the Elmwood area and the SWLRT Wooddale Avenue Station Site. The city has conducted studies, purchased property, and invested in significant public improvements to make the site attractive for transit-oriented development and affordable housing.

![Location of the SWLRT Wooddale Ave. Station Site within the City of St. Louis Park](image)

### II. Site and Background Information

**Property Description:** The Southwest LRT Wooddale Avenue Station Site (5950 36th St. W.) is located at the northeast corner of 36th Street West and Wooddale Avenue South in St. Louis Park’s Elmwood neighborhood. The site abuts the SWLRT Wooddale Station platform (under construction). Vehicle access is provided along Yosemite Avenue and 36th Street West, while bike and pedestrian access is provided along 36th Street West, Wooddale Avenue South and via the adjacent Cedar Lake LRT Regional Trail.
Site address: 5950 36th St. W  
St. Louis Park, MN 55416

PID: 1611721340610

Owner: St. Louis Park Economic Development Authority

Site area: 1.68 acres (73,155 square feet)

Current use: Vacant 16,700 SF commercial building and municipal parking lot

Surrounding land uses:  
North: SWLRT, freight rail, regional trail, Highway 7, Via Sol redevelopment  
East: Small scale commercial  
West: Wooddale Avenue South  
South: 36th Street West/TowerLight Senior Living
2040 land use plan
TOD - transit oriented development
(50 to 125 units per acre)

Zoning
PUD planned unit development

Transportation
Regional Transportation Access: The subject property has outstanding access to many mobility modes. It is immediately southeast of the MN Highway 7/Wooddale Avenue South interchange and 1/2 mile west of MN Highway 100. Across the LRT and freight railroad tracks to the north is the Cedar Lake LRT Regional Trail. Additionally, there is a Metro Transit bus stop on the site along 36th Street West. Most notably, the site will have direct access to light rail transit in 2023.

Roads: The site is bounded by 36th Street West (12,600 ADT) to the south and Wooddale Avenue South (11,000 ADT) to the west MN Highway 7 (37,000 ADT) is .1 mile to the north, and MN Highway 100 (128,000 ADT) is ½ mile to the east.

Additionally, the site is approximately 3.5 miles from Interstate 394 to the north, three miles from Highway 169 to the west, and four miles from MN Highway 62 to the south.
Site Access Constraints/Challenges/Opportunities: Because of the transit-oriented nature of the site, full vehicle access to the subject property will be provided from Yosemite Avenue South, near the Southwest LRT passenger drop-off, while direct vehicle access on 36th Street West will be limited to right-in/right-out turning movements.

On-street parking adjacent to the redevelopment site is very limited along 36th Street West because of the proximity of the intersection, and on-street parking is not allowed along Wooddale Avenue South. The west side of the site is at grade with the LRT platform, which creates a unique opportunity to activate the ground floor of the redevelopment site and integrate it with the station area. Due to the grades on the east side of the site, a retaining wall is required between the LRT walkway along the site’s north property line and the site’s driveway connection to Yosemite Avenue South.

Pedestrian and Bicycle Trails: Bicyclists and pedestrians can access the site from sidewalks along Wooddale Avenue and 36th Street West, as well as from the Cedar Lake LRT Regional Trail to the north. The city plans to expand the pedestrian and bike infrastructure along Wooddale Avenue South and along 36th Street West as part of the city’s commitment to making the community easier to get around by bicycling and walking.

Regional Trail: Immediately north of the adjacent rail tracks is the Cedar Lake LRT Regional Trail. A pedestrian/bicycle underpass at Wooddale Avenue South is being constructed as part of the SWLRT project and will provide safer connections between the trail, Wooddale Avenue South and the Wooddale Avenue LRT Station.
This multi-use regional trail connects trail users to Uptown, downtown Minneapolis and the western suburbs in less than half an hour. An estimated 735,600 visitors annually access the trail year-round, many for daily commuting purposes, making it one of the most heavily used trails in the nation.

**Bus Transit:** Metro Transit bus service is available along 36th Street West via Routes 17 and 615. Metro Transit is expected to expand service to the system with the opening of SWLRT in 2023. It is anticipated that one route will connect the station area to northern St. Louis Park, while the other route is planned to connect the station area to the Shoppes at Knollwood and downtown Hopkins.

**Southwest Light Rail (SWLRT) / METRO Green Line Extension:** The Wooddale Avenue Station (see Attachment A) is under construction along the northern boundary of the site. The SWLRT line is a 14.5-mile extension of the METRO Green Line from Minneapolis. SWLRT will provide a one-seat ride to downtown Minneapolis, the University of Minnesota, the State Capitol, and downtown St. Paul to the east, as well as major employment centers including the Opus Business Park, the United Health Optum campus, the Golden Triangle and others to the west. It will be part of an integrated system of transitways, including connections to the METRO Blue Line, proposed Blue Line Extension, Northstar Commuter Rail Line and other major bus routes. The Wooddale Avenue Station is one of three stations in St. Louis Park where boardings will occur every 10 minutes during the day. Travel time between Wooddale Avenue Station and downtown Minneapolis Intermodal Station (Target Field) will be approximately 13 minutes. Projected boardings at Wooddale Avenue Station are forecast at 1,817 per weekday in 2040.
SWLRT is currently in the construction phase of the Federal Transit Administration’s New Starts funding process. Heavy construction will occur between 2020 and 2022. SWLRT is expected to begin passenger service as an extension of the METRO Green Line in 2023.

The selected developer team will be expected to collaborate with the SWLRT Project Office (SPO) to design its proposed project to seamlessly integrate with the LRT station, and without altering SWLRT improvements. A SWLRT passenger drop-off “kiss and ride” will be located east of the site near the 35th Street West/Yosemite Avenue South driveway. The developer is also expected to work with the city and SPO to design the development to discourage drop-offs along 36th Street West and Wooddale Avenue South.

**Development Site Specifications**

**Comprehensive Plan:** The site is guided TOD - transit-oriented development in the 2040 Comprehensive Plan. This category encourages a mix of uses including multifamily residential, small scale commercial, office and civic uses oriented toward the transit station. The goal of this designation is to create pedestrian scale development within proximity to the transit stations. The focus is on block sizes, lot sizes, and building forms that create pedestrian-rich environments. It is expected that multifamily residential housing will make up approximately 75 to 80 percent of the uses; with the remaining 20 to 25 percent being commercial, office, civic or other compatible uses in this land use category in the city. The net multifamily residential density range allowed is 50 to 125 units per acre.

**Zoning:** The site is zoned PUD – Planned Unit Development. The PUD establishes the zoning regulations for a specific property that allows for conditions and requirements that fit the context and character of the individual site.

A PUD was approved for the subject property in 2017. The current PUD-Ordinance 2518-17 (see Attachment C) approved a 110-room hotel and 84-unit apartment building with ground floor commercial space and underground and above ground structured parking. The PUD also allows for significant parking reductions and innovative parking management strategies.
The city expects the existing PUD ordinance will be amended, and a new PUD ordinance will be adopted for the Wooddale Station Site redevelopment based on the agreed upon site and building plans. The residential density may not exceed 125 units per acre. This process will need to include community conversations with the Elmwood neighborhood and one or more neighborhood meetings.

**Environmental Analysis:** An environmental assessment worksheet (EAW) was completed for the site in 2016. It included a traffic study to analyze the traffic capacity of the surrounding road network. Depending on the proposal the selected developer may be expected to fund an update to either the EAW or traffic study to be completed by consultants chosen by the city.

**Stormwater Management:** Development must meet the stormwater management requirements of the city and the Minnehaha Creek Watershed District. The city previously constructed a regional stormwater management facility off-site at Hoigaard Village that will provide the stormwater treatment requirements for this site. That facility provides the stormwater quality and volume control requirements of the city and local watershed. As a result, the selected developer will be required to pay the site’s proportionate share of the facility. This cost is anticipated to be $67,004. The developer will still be responsible for installing stormwater rate control measures on the subject property that meet current requirements.

**Utility Connections:** Sanitary sewer service adequate to handle the needs of the subject property is located under Wooddale Avenue South and water is located in 36th Street West. In 2022-23, it is expected that 36th Street West will be reconstructed, and the sanitary sewer capacity in the mains under that road will be expanded. Connections could be made to this line during that construction project, if desired or needed.

**Neighborhood Characteristics:** The SWLRT Wooddale Avenue Station Site is in the Elmwood neighborhood; a well-established neighborhood that is currently being transformed with transit-oriented developments in and around the SWLRT station area. Adjacent land uses and amenities include:

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<table>
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<tbody>
<tr>
<td>North</td>
<td>SWLRT Wooddale Avenue Station platform and Via Sol multifamily</td>
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<tr>
<td></td>
<td>residential and e-generation developments</td>
</tr>
<tr>
<td>East</td>
<td>Small-scale commercial</td>
</tr>
<tr>
<td>South</td>
<td>36th Street West and TowerLight Senior Living and Child Care</td>
</tr>
<tr>
<td>West</td>
<td>Wooddale Avenue South</td>
</tr>
<tr>
<td>Southwest</td>
<td>Village in the Park condominiums</td>
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</tbody>
</table>
Area Amenities: The site is near Central Community Center and St. Louis Park High School. Nearby parks include Jorvig Park to the west, Center Park to the south, and Lilac Park to the east. Other recreational amenities to the east include Bass Lake Preserve/George Hahn Trail, Wolfe Park, Veteran’s Amphitheater and the city’s Rec Center that features an outdoor aquatic park as well as indoor and outdoor ice rinks. Nearby commercial businesses include: Burlington Coat Factory, MicroCenter, Target, Lunds & Byerlys, Steel Toe Brewing, LA Fitness, several fitness studios, US Post Office, and the Historic Walker Lake Business District.

Area Employment: Large employers within a mile of the SWLRT Wooddale Avenue Station Site include SPS Companies, the St. Louis Park School District, NordicWare, Burlington Coat Factory, MicroCenter, Target, Lunds & Byerlys, Bridgewater Bank, HealthPartners Park Nicollet Health Clinic, and Methodist Hospital. Additionally, the Beltline Business Park located just east of the station area includes an eclectic mix of successful businesses including Citizens Independent Bank, Steel Toe Brewing, REM5 Virtual Reality Laboratory, SixSpeed (a marketing agency), Art Partners (interior arts and graphics displays), MARS Advertising (shopper marketing), Pavek Museum, and Flagship Recreation (playground manufacturer) among others.

Previous Planning Studies
Over the last two decades, four major planning studies were conducted in anticipation of future development at the SWLRT Wooddale Station. They are summarized below.

Elmwood Area Land Use, Transit and Transportation Study: In 2003, the county and city jointly completed the Elmwood Area Land Use, Transit and Transportation Study (See Attachment E.i) which provided a thirty-year vision for redevelopment, infill development and infrastructure changes in the Elmwood area, and included specific recommendations for the Wooddale Avenue Station Site. The plan envisions the north side of 36th Street W. as a mixed-use node with retail/service uses on the ground floor and housing above to help establish 36th Street as the “main street” for the Elmwood area.
Wooddale Station Area Plan: In 2010, a Station Area Plan (see Attachment E.ii.) was completed for the Wooddale Station which envisioned the Wooddale area as mixed-use transit village with an intensified urban, dense, and walkable pedestrian-oriented environment. The plans anticipate mixed-use development with ground floor retail and housing above as the dominant building type along major streets. Additional plan recommendations included:

- Continue to expand on the mixed-use and residential uses surrounding the station that have been developed.
- Focus the highest intensity development on Wooddale Avenue South and 36th Street West.
- Introduce mixed-use development with ground floor retail and upper floor housing and office space along 36th Street West in order to create better cohesion with the Beltline station area to the east of Highway 100.
• Enhance the connections to the existing city grid and sidewalk network.
• Respect the adjacent established residential neighborhoods and design redevelopment projects to transition in scale and pattern from higher density near the LRT station to a lower scale adjacent to the existing single-family housing.
• The transit plaza near the station should also be designed to encourage year-round pedestrian use, form the foreground to civic activity, and provide a positive amenity to residents and transit users.
• The streetscape should be robust and should include sidewalks, pedestrian scaled lighting, street trees and plantings, street furnishings, bike racks and public art.

**Corridor Development Initiative:** In 2013, Local Initiatives Support Corporation (LISC) helped the city evaluate the development potential for the Wooddale Avenue LRT Station area, with special emphasis on the subject site (see Attachment E.iii.). The goals generated included:

• Enhance neighborhood assets and character.
• Enhance connections to reinforce pedestrian, bus, and bike access.
• Encourage development of mixed-use/ mixed-income projects.

**Transitional Station Area Action Plan (TSAAP):** In 2015 a Transitional Station Area Action Plan (TSAAP) (see Attachment E.iv.) was completed to analyze the key challenges and opportunities within the Wooddale station area. The plan recommended the station area continue to develop into a predominantly residential transit-oriented neighborhood that utilizes active uses at the street level to activate the station area. Key recommendations of the plan included:

• Continue to build a mix of medium- to high-density residential uses along 36th Street W. with retail or commercial uses next to the highway.
• Design new buildings to enhance pedestrian access by orienting them towards streets, the LRT platform, and open spaces and locating them as close to the street line as possible.
• Incorporate active ground level uses on buildings adjacent to the station and facing onto 36th Street West and Wooddale Avenue South.
• Provide additional setbacks on buildings at the intersection of Wooddale Avenue South and 36th Street West to provide additional room for passengers transferring between the bus and LRT
• Explore opportunities for a mid-block connection between 36th Street W. and the eastern end of the station platform to improve connections between bus and LRT service.
• Introduce a public plaza adjacent to the station along Wooddale Avenue South to provide spill-out space for active uses facing the station and to act as a receiving point for passengers walking to the station or transferring to the LRT by bike.
• Minimize the impact of parking and circulation on pedestrians by locating parking below grade or to the rear of new buildings in structures and consolidating access and service drives.
Accommodate retail and short-term parking in shared parking facilities to minimize the construction of single use parking areas.

Limit vehicular access points along Wooddale Avenue South and 36th Street West.

City Policies for Development

Inclusionary Housing Policy: All submitted proposals will be expected to include an abundance of affordable multifamily housing that facilitates intergenerational living (i.e. including larger units) and exceeds the city’s Inclusionary Housing Policy requirements (see Attachment F). The policy’s income eligibility and rent affordability minimum standards are as follows:

- At least twenty percent (20%) of the units shall be affordable for households at sixty percent (60%) Area Median Income (AMI), or
- At least ten percent (10%) of the units shall be at affordable for households at fifty percent (50%) AMI, or
- At least five percent (5%) of the units shall be affordable for households at thirty percent (30%) AMI.
- The units shall be affordable for at least 25 years following building occupancy.
- The size and design of the affordable dwelling units shall be consistent and comparable with the market rate units in the development.
- The affordable units shall be distributed throughout the development.

Green Building Policy: Redevelopment proposals will also be expected to meet/exceed the city’s Green Building Policy (Attachment G) requirements. The goal of the policy is to promote buildings that are energy efficient, economical to operate, environmentally responsible, and healthy places to live and work, to further enhance the quality of life in St. Louis Park. The policy requires commercial and mixed-use projects meet the MN Sustainable Building 2030 Energy Standard (SB2030). Projects are also required to conserve indoor and outdoor water usage, improve indoor environmental quality, implement best management practices for handling stormwater on-site and recycle construction waste.

SB2030 is a progressive energy conservation program that sets specific performance targets for energy use in buildings compared to representative buildings in existence in 2003. Every five years, the total building energy consumption from carbon-producing fuels is reduced so that by 2030 a 100% reduction (net zero energy) is achieved. For projects built between 2020-2024 the SB2030 standard requires buildings to achieve an 80% reduction in energy from the representative 2003 building. Design assistance, low-interest loans, and rebates from partners such as Xcel Energy and CenterPoint Energy can help significantly to reduce the payback period for initial investments. Reaching the current 80% reduction target will most likely require use of on-site renewables.

Climate Action Plan: The city’s Climate Action Plan (See Attachment H) sets a goal to reduce energy use by 35% from the business-as-usual forecast for residential buildings and 30% for commercial buildings by 2030 (from the business-as-usual forecast). It also sets a goal of
designing all new construction to be net-zero energy by 2030, which aligns with the city’s Green Building Policy.

Implementing TOD near anticipated LRT stations supports the Climate Action Plan strategy to modify land use to encourage multiple modes of transportation and enable reduction of vehicle miles traveled from single-occupancy vehicles. The Climate Action Plan also calls for reducing parking requirements for developments that provide programs, infrastructure and mitigations to reduce parking demand such as access to electric car-sharing and bicycle sharing programs to increase mobility options for all residents, dedicated parking for no/low emission vehicles, resident and/or employee transit incentives, and ample bicycle parking and storage.

**Public Financing Assistance/Tax Increment Financing (TIF):** To achieve the city’s vision, development objectives, and policy requirements for the Wooddale Ave. Station Site, the city/EDA is willing to consider applications for private activity bonds, AHTC and/or tax increment financing, should they be proven financially necessary. Projects may also qualify for other types of non-city public financial assistance such as low-income tax credits as well as grants for transit-oriented development and contamination cleanup. City staff managing the RFP process can help identify city programs and other financing tools for specific types of redevelopment.

### III. RFP Submission and Proposal Selection

**Proposal Content:** Proposal responses should demonstrate clearly and accurately the capabilities, knowledge, experience and capacity of the development team to meet the requirements of this RFP and proposed project.

Respondents must submit copies of their proposals as follows: one (1) unbound copy, nine (9) bound copies and one (1) electronic version, Microsoft Office compatible, on a USB drive. Proposals must be on standard 8 ½” by 11” paper. All supporting documentation must be on paper no larger than 11” by 17”. Proposals and supporting documentation must be submitted in a sealed envelope or boxed container labeled “**SWLRT Wooddale Ave. Station Proposal.**” Materials and USB drives will not be returned.

All submitted proposals must include the following information and materials:

- A cover page expressing the developer’s desire to submit the proposal and including the following information:
  - Developer/team’s name and mailing address.
  - Name, mailing address, telephone number and email address of the primary contact person.
  - Signature of authorized representative of responding developer or team.

The EDA expects to sell the site to the selected developer at market rate. Accordingly, developers should include a Letter of Intent to purchase this property in their proposals.
In addition to a cover letter, the proposal should include the following materials, in order, separated by index tabs or dividers:

<table>
<thead>
<tr>
<th>Exhibit</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>Identification of development team (including architect, contractor and any women, BIPOC, veteran-owned contractors/construction managers), experience with comparable projects and working together, team member capacity to implement proposal and complete the redevelopment project in a timely manner and availability to meet regularly with city and SWLRT project staff.</td>
</tr>
<tr>
<td>B</td>
<td>List of two or more comparable, completed mixed-use, mixed income, transit-oriented, sustainable developments of a similar nature or scale</td>
</tr>
<tr>
<td>C</td>
<td>Brief narrative that describes the proposed project and how it meets or exceeds the city’s vision and development objectives as well as incorporates the principles and goals of the various station area plans, and its likely users</td>
</tr>
<tr>
<td>D</td>
<td>Preliminary site plan(s)</td>
</tr>
<tr>
<td>E</td>
<td>Conceptual building elevations and renderings to illustrate the proposed project</td>
</tr>
<tr>
<td>F</td>
<td>List of proposed project components, stories, building and component square footages, number of housing units, mix, bedroom sizes, number of affordable units and their respective affordability levels.</td>
</tr>
<tr>
<td>G</td>
<td>List of estimated project construction costs</td>
</tr>
<tr>
<td>H</td>
<td>List of project’s estimated economic benefits including total market value, real estate taxes, BIPOC contractor and worker hiring plans, and overall employment potential</td>
</tr>
<tr>
<td>I</td>
<td>Description of the community benefits resulting from the project such as connectedness to surrounding areas, advancement of racial equity and inclusion, public spaces (including gathering areas/plazas, green space, landscaping), public art</td>
</tr>
<tr>
<td>J</td>
<td>List of the environmentally sustainable elements incorporated in the project</td>
</tr>
<tr>
<td>K</td>
<td>Projected construction commencement and completion dates</td>
</tr>
<tr>
<td>L</td>
<td>Letter of Intent stating proposed purchase price for the Site</td>
</tr>
<tr>
<td>M</td>
<td>Developer’s current legal status: corporation, partnership, sole proprietor, etc. and supporting evidence/documentation of financial strength</td>
</tr>
<tr>
<td>N</td>
<td>Any other information that is critical to the city’s ability to evaluate the proposal</td>
</tr>
</tbody>
</table>

**Proposal Selection:** Evaluation of all complete responses to this RFP will be conducted in a systematic manner that will include, but not be limited to, the following criteria:

I. **Site and Building Plans:** Degree to which proposal meets or exceeds city’s TOD vision, development objectives, and the goals of previous planning studies; integrates with the station area, pedestrian and neighborhood connections; and exhibits site synergies as well as creative and efficient design (up to 16 points).

II. **Project Program:** Proposed housing and commercial components, square footages, bedroom mix as well as number of affordable housing units and their respective affordability levels above city requirements (up to 16 points).
III. **Economic Impact**: Proposed property purchase price, estimated taxable market value of completed project, hiring of BIPOC contractors and workers, and project’s overall employment potential (*up to 12 points*).

IV. **Community Benefits**: Connectivity of proposed project to the surrounding area; quality of public spaces, including gathering areas/plazas, green space, landscaping, public art (*up to 12 points*).

V. **Racial Equity and Inclusion**: How the proposed development advances one of the city’s key Strategic Priorities of Racial Equity and Inclusion in order to create a more just and inclusive community for all (i.e., through outreach to historically underserved communities, the hiring of BIPOC contractors/workers, provision of affordable housing, inclusion of creative housing types/features, through commercial spaces, public spaces, planned social events, building management and policies, etc.) (*up to 16 points*).

VI. **Sustainability**: Inclusion of green building elements that meet and exceed city requirements, including on-site energy generation, waste reduction, measures to reduce trip generation and degree to which project meets city’s energy and carbon neutrality goals (*up to 16 points*).

VII. **Development Team**: Overall experience of company and project principals with similar projects and the type of development being proposed; financial and team member capacity to implement proposal; previous experience of development team working together; ability of development team to meet regularly with city staff to refine project plans, positive property management experience (*up to 12 points*).

**Project Approval Process**: The EDA anticipates a multi-stage process to select a developer, enter into various agreements, and work cooperatively toward project approval and construction. The process includes:

**Stage 1**: **Developer Selection & Preliminary Development Agreement**
City staff engaged in the development planning process will evaluate all submitted proposals with respect to completeness and consistency with the criteria listed above. Staff may recommend up to four development teams to present proposed project plans to the city council/EDA at a study session tentatively in November 2020. The city council/EDA will discuss the merits of each proposal and may or may not select a developer with which to enter into a Preliminary Development Agreement.

**Outcome**: EDA announces selected developer tentatively in January/February 2021 and subsequently enters into a Preliminary Development Agreement.

**Stage 2**: **Due Diligence & Project Planning**
Developer begins site and project due diligence process and prepares preliminary site and building plans in anticipation of zoning and redevelopment contract approvals.
Outcome: Developer obtains preliminary project approvals by mid-2021.

Stage 3: Planning & Public Financing Approvals
The developer files formal preliminary and final applications for planning and public financing approvals. All requests for planning and public financing approvals are subject to the city’s typical procedural review process. City staff will work with the developer to prepare plans consistent with city objectives and requirements in order to obtain city council/EDA approvals; however, approvals are not guaranteed. 
Outcome: All public approvals should be obtained by fall/winter 2021.

Stage 4: Real Estate Transaction
The real estate closing should occur within four weeks of the final planning and redevelopment contract approvals.
Outcome: Developer gains control of the site.

Stage 5: Construction
Start of construction expected within four weeks of the property closing.
Outcome: Project commencement.

Developer / Staff Coordination: The selected developer team will be expected to meet regularly (i.e. approximately every two weeks, or as needed) with city and Southwest Project Office (SPO) staff and others to coordinate the design, approval and construction of all the proposed project’s various public and private components. Development teams must commit to this schedule.

IV. City Contracting Requirements

Preliminary Development Agreement: Upon selection, it is expected that the preferred developer and the EDA will enter into a Preliminary Development Agreement (“PDA”), to formalize the respective parties’ rights and responsibilities further defining the proposed development project consistent with the parties’ mutual objectives. Under the PDA (Attachment I), the parties would agree to work cooperatively towards defining the development and its components, determining their financial feasibility, the infrastructure necessary, the approvals necessary, as well as agreeing to negotiate in good faith toward a definitive Purchase and Redevelopment Contract (“Redevelopment Contract”) and a related planning development contract regarding the approved project. Under the PDA, the developer would be provided with exclusive rights to negotiate acquisition of the site with the EDA as well as formal permission to access the site in order to conduct its due diligence. The PDA would also include an outline for applying for zoning changes as well as tax increment financing.

Property Acquisition and Letter of Intent: The property subject to this RFP will be sold by the EDA “as-is.” Responses to this RFP are required to include a Letter of Intent to acquire the site. It is city policy to sell property at its fair market value. The City Appraiser will review the
selected developer’s Letter of Intent. Offer prices will be one of multiple criteria for evaluating proposals. The Letter of Intent must state:

- The amount offered for the site,
- Contingencies associated with this offer and,
- The developer’s ability to close on purchase of the site.

**Other Requirements:** Other requirements vary depending upon the type of development proposed and the source and amount of public investment, if any. The following list is not exhaustive. Respondents unfamiliar with these standard requirements are urged to seek further information from city staff.

1. **Due Diligence.** While the city has tried to provide as much useful background information about the site as necessary, the information contained herein is not intended as a complete record of the site. During the term of the PDA, the selected developer will be responsible for conducting its own due diligence (including inspection of the physical condition of the site) for matters that in the developer’s judgment could affect its use of the site for the proposed development.

2. **Environmental Considerations.** The EDA does not have Phase I and Phase II Environmental Site Assessments for the site. The site will be sold “as is” and the EDA makes no warranties or representations regarding the environmental conditions of the parcel nor will it indemnify the selected developer with respect to the existence of any hazardous substances on or in the vicinity of the parcel. The selected developer will be responsible, at its cost, for testing, monitoring and remediation of any environmental or geotechnical soil conditions encountered to the satisfaction of the Minnesota Pollution Control Agency or other regulatory bodies. The EDA will sponsor any grant applications for contamination cleanup upon the selected developer’s request, subject to EDA approval. The selected developer will be responsible for all costs associated with such grant applications.

3. **Inclusionary Housing Policy.** All proposed projects are subject to the requirements included within the city’s Inclusionary Housing Policy dated July 2020 (Attachment F.).

4. **Green Building Policy.** All proposed projects are subject to the requirements included within the city’s Green Building Policy updated July 2020 (Attachment G.).

5. **Uniform Federal Accessibility Standards.** The development must conform to the MN State Accessibility Code as published in 2015. Developers must describe the accessibility design of each of the code-required handicapped units in any proposed housing development (e.g., roll-in showers), the mix of accessible units and where they are located within the development, and any appropriate safety features for vision- and hearing-impaired people, as well as ensuring that such units and features meet all applicable provisions of the 2015 MN State Building Code.
6. **Rezoning Responsibility.** It is the selected developer’s responsibility to undertake and finance any zoning and use permits necessary for approval of the proposed development.

7. **Utilities.** It is the selected developer’s responsibility to identify the locations of and provide for the installation of electricity, gas, water, sewer service and other utilities servicing the site from the public mains to the individual units.

8. **Construction Standards.** The development must meet all St. Louis Park City codes, and the 2015 MN State Building Code. All proposed developments will be reviewed for energy efficiency.

9. **Prevailing Wage Policy.** In accordance with federal Prevailing Wage Policy, the developer must covenant and agree to cause its general contractor to comply with the wage and hour standards issued by the United States Secretary of Labor pursuant to the Davis Bacon Act, 40 U.S.C. Sections 276a to 276a-5, as amended, and the Contract Work Hours and Safety Standards Act, 40 U.S.C. Sections 327-333. The Davis-Bacon Act requires that all contractors and subcontractors pay prevailing wages as determined by the federal Davis-Bacon wage decision.

10. **Small and Underutilized Businesses.** Development projects that receive public financial assistance will be expected to make “good faith efforts” to meet goals for the use of businesses owned by women, and persons of color or indigenous in construction and professional services. A list of certified businesses can be obtained by contacting the Small and Underutilized Business Program at 612-673-3076 or at mnucp.metc.state.mn.us.

11. **Minnesota Business Subsidy Act.** Depending upon the level and purpose of public assistance received, provisions of the Minnesota Business Subsidy Act, Minnesota Statutes, sections 116J.993-116J.995, may also apply to the development. Should these requirements apply, they will be included in a business subsidy agreement as part of the Redevelopment Contract.

12. **Hold Harmless.** The selected developer shall agree to defend, indemnify and hold the city and EDA harmless from any and all claims or lawsuits that may arise from the developer’s activities under the provisions of the Redevelopment Contract that are attributable to the acts or omissions, including breach of specific contractual duties, of the developer or the developer’s independent contractors, agents, employees or officers.

**Cost of Responding to RFP:** This RFP in no way obligates the respondent to enter into a relationship with the EDA. Nor does this RFP obligate the EDA to enter into a relationship with any entity that responds, nor does it limit or restrict the EDA’s right to enter into a relationship.
with any entity that does not respond to this RFP. In its sole discretion, the EDA may pursue
discussions with one or more entities responding to this RFP, or none at all.

The EDA further reserves the right, in its sole discretion, to cancel this RFP at any time for any reason.

The EDA has the authority to select a developer and to negotiate a Redevelopment Contract as outlined in this RFP.

Receipt of responses to this RFP does not obligate the EDA to hire any respondent.

The EDA reserves the right to accept or reject any or all proposals, in part or in whole, and to waive any minor informalities, as deemed in the city’s best interests. Selection of a developer does not constitute acceptance or approval of all aspects of the developer’s submitted proposal by the EDA. The EDA reserves the right to propose and/or require revisions to the proposed redevelopment and negotiate with the developer over various aspects of the proposed redevelopment proposal.

The EDA reserves the right, but not the obligation, to enter into a Purchase and Redevelopment Contract with the developer proposing the best and most responsive and responsible development that is most advantageous to the city. In determining the most advantageous proposal, the EDA further reserves the right to consider matters such as, but not limited to, the respondent’s consistency with the 2040 Comprehensive Plan, Development Objectives, Strategic Priorities, the quality of previous related projects, as well as the developer’s experience with projects similar to the proposed development, business reputation and financial abilities.

The EDA in no way takes responsibility for the costs incurred by respondents or their contractors in connection with this RFP process, including, but not limited to, costs associated with preparing a proposal or participating in any presentations or negotiations related to this RFP or cleanup or correction of conditions existing on the site.

Right to Modify, Suspend and Waive:
The EDA reserves the right to:

a) Modify, and/or suspend any and all aspects of this RFP;

b) Request additional information or clarification from any or all respondents and allow for corrections of errors or omissions;

c) Waive any unintentional defects as to form or content of the RFP or any proposals submitted. Any substantial changes in the requirements of the RFP will be disseminated in writing to all parties who have expressed an interest in preparing a proposal. Any and all information requested in addenda must be returned with the developer’s proposal to be considered responsive.
**Disclosure and Disclaimer:** This Request for Proposals is for information purposes only. Any action taken by the EDA in response to proposals made pursuant to this RFP, or in making any award or failing or refusing to make any award, shall be without liability or obligation on the part of the city or EDA or any of their officers, employees or advisors. This RFP is being provided by the EDA without any warranty or representation, expressed or implied, as to its content, accuracy or completeness. Any reliance on the information contained in this RFP, or on any communications with the city’s officials, employees or advisors, shall be at the developer’s own risk. Prospective developers should rely exclusively on their own investigations, interpretations and analysis in connection with this matter. This RFP is made subject to correction of errors, omissions, or withdrawal without notice.

This RFP does not constitute an offer by the EDA. The EDA’s determination as to the qualifications and acceptability of any party or parties submitting a response to the RFP shall be made at the sole discretion of the EDA. The EDA is governed by the laws of the state of Minnesota and all proposals and supporting data shall be subject to disclosure as required by such law.

The EDA reserves the right to accept, subject to negotiation of final terms and conditions, any proposal deemed in the best interest of the city, to waive any irregularities in any proposals, to reject any and all proposals, to re-advertise for new Responses, to extend the deadline for submission of Responses, and to modify the project schedule proposals in this document.

Neither the city or EDA, nor any of their officers, agents or employees shall be responsible for the accuracy of any information provided to any developer as part of this RFP. All respondents are encouraged to independently verify the accuracy of any information provided. The use of any information in this document in the preparation of a response to this request is at the sole risk of the responding party.
Executive summary

Title: Future study session agenda planning and prioritization

Recommended action: The city council and city manager to set the agenda for the regularly scheduled study session on Jan. 11, 2021.

Policy consideration: Not applicable.

Summary: This report summarizes the proposed agenda for the regularly scheduled study session on Jan. 11, 2021. Also attached to this report is the study session discussion topics and timeline.

Financial or budget considerations: Not applicable.

Strategic priority consideration: Not applicable.

Supporting documents: Tentative agenda – Jan. 11, 2021
Study session discussion topics and timeline

Prepared by: Debbie Fischer, administrative services office assistant
Reviewed by: Maria Solano, senior management analyst
Approved by: Tom Harmening, city manager
DEC. 28, 2020  Study session cancelled

JAN. 11, 2021

6:30 p.m.  Study session - To be held via videoconference

Tentative discussion items

1. Annual TIF district management update – community development (60 minutes)
   Stacie Kvilvang from Ehlers will review the annual management report related to the city’s tax increment financing (TIF) districts.

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

Written reports

3. Texas-Tonka apartments TIF request
4. P5 Home-based businesses
## Future council items

<table>
<thead>
<tr>
<th>Priority</th>
<th>Discussion topic</th>
<th>Comments</th>
<th>Timeline for council discussion</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Discuss public process expectations and outcomes</td>
<td>Staff is working on the approach for undertaking this discussion.</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; qtr. 2021</td>
</tr>
<tr>
<td>4</td>
<td>Revisit housing setback, FAR, &amp; more related to affordable housing</td>
<td>Going to planning commission for discussion.</td>
<td>Written rep or discussion 2/8/21</td>
</tr>
<tr>
<td>5</td>
<td>Home-based businesses (HBB)</td>
<td></td>
<td>Written report 1/11/21</td>
</tr>
<tr>
<td>6</td>
<td>Public forums at council mtgs</td>
<td>9/23/19 SS. Staff doing research of other cities</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; qtr. 2021</td>
</tr>
<tr>
<td>8</td>
<td>Community and neighborhood sidewalk designations</td>
<td>To be combined w/ Connect the Park discussion</td>
<td>2&lt;sup&gt;nd&lt;/sup&gt; qtr. 2021</td>
</tr>
<tr>
<td>9</td>
<td>Remove mint &amp; menthol exemption from existing flavored tobacco policy</td>
<td>On hold pending court decision</td>
<td>*On hold</td>
</tr>
<tr>
<td>10/13</td>
<td>Easy access to nature, across city, starting w/ low-income neighborhoods - WHNC Access Fund</td>
<td>Combine P10 and P13. *On hold pending direction from school district.</td>
<td>*On hold</td>
</tr>
<tr>
<td>11</td>
<td>Conversion therapy ban</td>
<td></td>
<td>TBD</td>
</tr>
<tr>
<td>+</td>
<td>Creating pathways to home ownership for BIPOC individuals and families</td>
<td></td>
<td>TBD</td>
</tr>
<tr>
<td>+</td>
<td>Youth on commissions</td>
<td>1&lt;sup&gt;st&lt;/sup&gt; reading on 1/4/21, 2&lt;sup&gt;nd&lt;/sup&gt; reading 1/19/21</td>
<td>1/4/21</td>
</tr>
</tbody>
</table>

## Council items in progress

<table>
<thead>
<tr>
<th>Priority</th>
<th>Discussion topic</th>
<th>Comments</th>
<th>Next Steps</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>STEP discussion: facilities</td>
<td>Council asked staff to consider lending options to assist STEP in buying a new bldg.</td>
<td>STEP is searching for a new facility</td>
</tr>
<tr>
<td></td>
<td>Policing: structural analysis</td>
<td>Discussed 7/27 &amp; 9/29/20. Staff is developing process.</td>
<td>Discuss draft action plan; date TBD</td>
</tr>
</tbody>
</table>
Executive summary

Title: Minnetonka Boulevard properties redevelopment update

Recommended action: None at this time. Please inform staff of any questions you might have.

Policy consideration: Does the EDA continue to support efforts to create affordable homeownership opportunities on the recently acquired Minnetonka Boulevard properties?

Summary: Over the last several years the EDA has purchased four single-family homes located at 5639, 5643, 5647 and 5707 Minnetonka Boulevard. These properties are located on the south side of Minnetonka Boulevard between a 60-unit apartment building to the east and a church to the west. All four properties are zoned R-4 multi-family residential and guided RM-Medium Density Residential, which permit up to 30 housing units per acre.

Acquisition of these properties began in May 2018, when the EDA first purchased the foreclosed, single-family property at 5639 Minnetonka Boulevard. Since then staff was approached by owners of the neighboring three properties inquiring if the EDA would be interested in purchasing their properties as well. All properties were subsequently purchased by spring 2020.

Assembling these properties has created the opportunity to pursue development of owner-occupied affordable housing on the site. Staff is currently in discussions with Greater Metropolitan Housing Corporation (GMHC) to determine potential homeownership options for the subject parcels. GMHC is a non-profit dedicated to helping families secure ownership of affordable homes and has experience with infill affordable housing developments. Staff is also exploring partnering with West Hennepin Affordable Housing Land Trust (WHAHLT) to potentially sell the future homes as land trust homes to ensure long-term affordability.

Once a suitable, affordable homeownership program and redevelopment proposal has been identified for the subject properties it will be brought to the EDA for review and feedback.

Financial or budget considerations: The $905,500 cost to acquire all four properties was covered by the Development Fund with the intent to partially recoup the EDA’s investment through the future sale of the property. Implementation of an affordable housing development on the subject site may require a yet to be determined amount of financial assistance.

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

Supporting documents: Location maps of subject properties

Prepared by: Julie Grove, economic development specialist
Reviewed by: Greg Hunt, economic development coordinator
Karen Barton, community development director
Approved by: Tom Harmening, city manager
Location maps of Minnetonka Boulevard properties

Location map of subject Minnetonka Boulevard properties
Executive summary

Title: St. Louis Park Friends of the Arts (FOTA) annual report

Recommended action: No action is needed at this time.

Policy consideration: Are the activities and programs being provided by FOTA in keeping with the council’s expectations?

Summary: The city has been partnering and collaborating with St. Louis Park Friends of the Arts (FOTA) since 2006. The mission of FOTA is to “to support, promote, and enhance the arts in St. Louis Park to bring people together and build community. We connect people and organizations around the arts, share arts-related information and resources, support local artists, and coordinate community arts programs.”

The attached report highlights the work completed by FOTA in 2020. The city and FOTA continue to work together on public art and other programing. One of the biggest accomplishments of 2020 was the creation of the 2020 Roadmap for Advancing Arts and Culture in St. Louis Park which the council accepted in August 2020. The finished document (linked below) outlines the context in which arts and culture play an important role to community vitality, and outline key strategic themes and lenses to guide our ongoing collaborative work in the community: Connect People, Ideas, and Communities; Promote Health and Wellbeing; Enliven Public Spaces; Advance Equity & Inclusion; Build Awareness and Recognition; Sustain and Strengthen through Policy and Resources.

Financial or budget considerations: The city contributes $40,000 annually to FOTA for operational purposes and is leveraged to bring funding from others. The 2021 budget includes funding at the same level.

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

Supporting documents: Strategic framework (Link) FOTA Annual Report

Prepared by: Maria Solano, senior management analyst
Reviewed by: Nancy Deno, deputy city manager/HR director
Approved by: Tom Harmening, city manager
**St. Louis Park Friends of the Arts, 2020 Annual Report, 11/10/2020**

**SUMMARY:** The city has been working with St. Louis Park Friends of the Arts (FOTA) in a partnership since 2006 and provides annual organizational funding of $40,000. Funding allows FOTA to collaborate and advise on city-led arts initiatives, operate core programs, provide all events and activities free of charge, and in 2019-20 develop a Strategic Roadmap for Advancing Arts & Culture in collaboration with city staff and in alignment with city strategic priorities. FOTA also receives funding from individual donors, business sponsors, local foundations, and regional and state arts agencies.

**A Strategic Roadmap for Advancing Arts & Culture in St. Louis Park**

With funding from the Metro Regional Arts Council, FOTA hired an expert consultant to facilitate the creation of a new strategic roadmap, which was accepted by City Council in August. The process included an extensive community listening period and four collaborative, cross-sector steering committee meetings, which helped shape the key strategic themes and lenses to guide future arts and culture activities: Connect People, Ideas, and Communities; Promote Health and Wellbeing; Enliven Public Spaces; Advance Equity & Inclusion; Build Awareness and Recognition; Sustain and Strengthen through Policy and Resources.

FOTA will establish a steering committee to guide further implementation of the roadmap and establish metrics for success.

**COVID-19**

COVID-19 caused major disruption to our 2020 plans and to many artists’ practice and livelihood. A small PPP Loan provided relief to make up for some lost sponsorship, grant and donation income, and we quickly shifted focus to building community in online spaces and supporting local artists’ needs. Over the first two months of COVID-19, we hosted 8 weekly artist meet-ups, co-hosted and managed technology for 10 local artist-led online art classes, hosted two online Open Mic Poetry Jams, a feature poet reading, and an artist panel discussion. In lieu of an in-person fundraiser at Steel Toe Brewing, we will share stories and fundraise online via social media, website, and direct outreach.

**St. Louis Park & Golden Valley Artist Showcase**

In response to Discover SLP’s expansion into Golden Valley, we partnered with Golden Valley Arts and the City of Golden Valley to host a collaborative community art exhibition at Brookview in January. The exhibit featured 40 visual artists, with opening night including live music, interactive activities, and drawing more than 500 attendees. 2021 event is in progress and will feature 60 artists, set to “open” online in January and travel to Westwood Hills Nature Center for an in-person viewing during the 40th anniversary celebration weekend in June. We expect the Artist Showcase to continue as an annual event alternating between SLP and GV.

**Art-Walk in the Park**

FOTA’s first project created under the completed strategic roadmap, and with the limitations of COVID-19, sought to enliven public spaces and promote health and wellbeing by bringing artwork to St. Louis Park walking trails. 30 local artists volunteered to participate, along with 10 middle school youth from Perspectives’ Kids Connection program who responded to the theme of resilience. In collaboration with Park & Rec., the outdoor exhibit traveled to three parks in different parts of the city over a six week period. The project was praised by participating artists and youth, audiences who sought out the exhibit, and neighbors who experienced the artwork by chance. Plans are in place to build on successes and replicate the event in the coming year.
PUBLIC ART

Historic Walker Lake Mural
The 1,500 square foot mural communicates stories of past, present and future St. Louis Park leaders, and was created through a collaborative design and painting process with community.

Westwood Hills Nature Center
FOTA’s first venture into facilitating a public art project in a new development was successfully managed and led to an additional $50,000 public art investment at the nature center from St. Louis Park’s Rotary clubs.

Sidewalk Poetry
FOTA collaborated with City staff to facilitate a pilot sidewalk poetry project in Historic Walker Lake with St. Louis Park resident and student submitted poems.

Public Art Map
The City’s online public art map has been updated as an interactive story map, showing all artworks with City or FOTA involvement with updated photography and descriptions.

CORE PROGRAMS

The Susan Schneck Arts for Life Scholarship Fund
Providing access to arts and music experiences for St. Louis Park residents with financial barriers, Arts for Life Scholarships made substantial impacts during COVID-19 to reduce stress and anxiety, offer stability, and provide a sense of purpose for recipients who received awards to take online classes, Zoom music lessons, and purchase at-home art kits.

Gift of Music
FOTA enacted safety procedures and maintained operation of the Gift of Music instrument donation program throughout the pandemic, accepting 34 instruments so far in 2020. Since 1995, the Gift of Music program has provided free instruments to students in St. Louis Park schools who would otherwise be without an instrument outside of school for at-home practice or private lessons. Strong partnerships with music teachers ensures students in need are quickly paired with instruments.

Fiscal Sponsorship Program
FOTA’s fiscal sponsorship program allows individuals or small unincorporated arts groups to receive grants and donations without needing to undergo the administrative and financial burden of incorporating as a nonprofit. FOTA’s support and collaboration has led to the Community Band receiving their own nonprofit status, and the SLP Art Fair finding a more sustainable home within FOTA’s organization through a partnership with the City. Ongoing fiscal sponsorships are in place with the Community Storytelling Forum, Historic Walker Lake Placemaking Committee, and Maggie’s Farm Theater.

Arts and Culture Grants
A collaborative program between FOTA, the City of St. Louis Park, and the Community Foundation, Arts and Culture Grants continue to provide important funding to artists and arts organizations to create new programs and projects that build community pride, connect artists and the community, and engage people in creative learning. Guidelines for 2021 projects were updated to account for COVID-19 challenges and are currently being reviewed by the selection committee.
Executive summary

**Title:** Efficient Building Benchmarking ordinance – year one in review

**Recommended action:** No action is required. This report is provided for council information.

**Policy consideration:** None at this time. Please inform staff of any questions you might have.

**Summary:** The purpose of this report is to summarize the first year of the Efficient Building Benchmarking ordinance. The Efficient Building Benchmarking ordinance requires owners of commercial, multifamily, and public buildings 25,000 square feet or larger to report annual whole building energy and water use in order to benchmark energy consumption and motivate performance improvement.

In March 2020, property owners were contacted about how to comply with the ordinance and informed of the June 1 deadline (a deadline that was later extended to September 30). In total, 138 buildings submitted data (a compliance rate of approximately 60%); although extensive outreach was done, the COVID pandemic obviously made compliance especially difficult for property owners. In January 2021, staff will receive the buildings’ energy scorecard data and will use scores to target the first round of the Climate Champions program for commercial buildings. Beginning in June 2021, the data will be publicly available via a county-wide, web-based interactive map that will update automatically as new building reports are submitted.

**Financial or budget considerations:** The Efficient Building Benchmarking ordinance requires resources to administer. Contracting for the services provided by Overlay Consulting resulted in a projected $31,000 budget expenditure for 2020. Expenditures for each future year that the city contracts with Overlay Consulting will be $26,000, which is currently budgeted for in the proposed 2021 general operating fund budget.

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

**Supporting documents:** Discussion

**Prepared by:** Emily Ziring, sustainability manager
**Reviewed by:** Brian Hoffman, director of building and energy
**Approved by:** Tom Harmening, city manager
Discussion

**Background:** The Climate Action Plan includes a midterm goal to reduce energy consumption in large commercial buildings 30% by the year 2030. To support this, the city council passed the Efficient Building Benchmarking ordinance in December 2019, requiring owners of commercial, multifamily, and public buildings 25,000 square feet or larger to report annual whole building energy and water use. The data will be used to benchmark energy consumption and motivate performance improvement through capital investments and more efficient operations. Empowering property owners with the ability to compare the performance of their building to itself, its peers, and to industry standards is key in this effort. The data may also reveal long-term utility cost savings opportunities to property owners. The program requires no out-of-pocket expenses from property owners and only a few hours annually to gather and enter utility data.

The Hennepin County Efficient Buildings Collaborative (EBC) was established to provide consistent methodology and technical support for benchmarking programs across Hennepin County municipalities; creating uniformity in program reporting assists commercial property owners that have buildings in more than one city. St. Louis Park and Edina are considered pilot cities in the Hennepin County EBC framework and received free consulting services to develop their ordinances. Minneapolis, Saint Paul, and Rochester also have benchmarking ordinances; Minneapolis’ ordinance was passed in 2013, Saint Paul’s in 2020 (after a voluntary benchmarking program was tested in 2018-2019), and Rochester’s voluntary program began in 2019. Staff representatives from all of these benchmarking cities and Hennepin County (“Collaborative” staff) meet every 4-6 weeks during the compliance period to coordinate efforts and assist one another with questions and concerns.

**Present considerations:** The Efficient Building Benchmarking ordinance requires annual whole building energy and water consumption reporting for larger commercial and multifamily rental buildings. All buildings of these types 25,000 square feet or larger are included. Industrial facilities where significant energy consumption is used for production are exempt to avoid distorting the comparative results; additional exemptions are offered for buildings experiencing financial distress, under 50% occupied for the calendar year, or without a Certificate of Occupancy for the full year. The city also benchmarks all publicly owned facilities (other than smaller park structures).

While city staff oversees the administration of the ordinance and helps to troubleshoot and resolve issues (exemptions, extensions, unusual metering configurations, etc.), Overlay Consulting handles the day-to-day project management responsibilities during the compliance period. Overlay staff is responsible for outreach to property owners, maintaining a contact database, annual training, technical assistance, vetting of data submitted, customized feedback to property owners, and reports to the city. Overlay works under contracts with St. Louis Park, Edina, and Saint Paul to provide these services (they also serve benchmarking cities in Colorado, California, and Ohio).

The annual work for property owners (or managers) participating is intended to be minimal. In year one, property owners were required to enter their building characteristics (e.g. square feet, year built, occupancy), use details (e.g. bank branch, movie theatre, assisted living center) and utility consumption for the previous calendar year into the EPA’s free web-based Energy Star Portfolio Manager (“Portfolio Manager”) tool.
Electricity and natural gas consumption data can flow from property owners into Portfolio Manager in any of three ways:

1. Building owners manually enter utility data into Portfolio Manager.
2. Some building owners use third-party utility bill tracking software for bill paying, rate monitoring, benchmarking, etc. (e.g. EnergyCap, WegoWise). Because Portfolio Manager is the industry standard, the majority of these tools can connect to Portfolio Manager and automatically upload data.
3. Xcel Energy and CenterPoint Energy have created online tools that automatically aggregate data at the whole building level. Once configured in each utility’s website, the aggregated data then flows automatically to Portfolio Manager on a monthly basis.

Water consumption data always needs to be entered manually. If property owners have not retained their city utility bills from the previous year, they can obtain the data by contacting Utility Billing (in future years, sustainability staff will also have access to this data so that they can assist Utility Billing).

In future years—assuming that the property owner set up the Portfolio Manager account and entered the building characteristics and use details—only the annual utility consumption will need to be entered.

**2020 Process and Effect of COVID**

In late March, the first compliance letter (along with a compliance checklist) was mailed to all affected properties. The letter was sent to each property’s physical address (where it would reach any on-site property manager), as well as to the address of the property owner of record if it differed from the property’s physical address. The letter informed property owners that they had until June 1, 2020, to submit their 2019 energy and water data via Portfolio Manager and provided information about training opportunities and how to reach the help desk.

In mid-May an email reminder was also sent to affected property owners from Xcel Energy, nudging them to follow up on energy benchmarking and linking them to the Xcel Energy portal.

Over the next 4-6 weeks, property owners and managers in the four local benchmarking cities began to reach out to the help desk (Overlay) to let them know they would not be able to meet the June 1 deadline. Because many offices were shut down as a result of COVID, many property managers did not even open the letter until May. Property owners—especially commercial owners—indicated that the financial downturn had forced them to lay off staff who would normally handle this task, or that they were focused on keeping their business operational and could not spare the time, or that staff who collect utility data were working from home. As a result, all of the cities in the region with benchmarking ordinances decided to extend the June 1 deadline to July 1.

A second compliance letter was mailed to all non-compliant properties in early June, letting them know of the due date extension.

In July, with compliance levels still below prior year-to-date levels for other cities, cities opted to extend the deadline again (to September 30). At the same time, city staff and Overlay researched the list of the non-compliant properties to track down any additional contacts for
each building. Using the updated list, Overlay emailed and/or called each property contact and left messages whenever possible. At least two rounds of calls were made to all noncompliant buildings, followed by more phone calls if the correct party was identified. In total, Overlay made 421 phone calls and sent 1,061 emails to St. Louis Park properties.

Outcome

While sustainability staff had initially estimated that approximately 275 buildings would be required to report, in 2020 the program applied to a total of 231 buildings in St. Louis Park. The change in required buildings reporting is due to buildings being under 25,000 square feet (with blueprint documentation provided), being demolished, or a building being benchmarked with another building (i.e. two buildings sharing a meter).

A summary of results for each of the local benchmarking cities working with Overlay is shown below. Note that the program threshold criteria is different within each ordinance.

<table>
<thead>
<tr>
<th>City</th>
<th>Threshold</th>
<th>Number of buildings affected</th>
<th>% in compliance by 9/30/2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>St. Louis Park</td>
<td>Buildings 25,000 square feet or larger must comply starting June 1, 2020.</td>
<td>231</td>
<td>• 60% submitted (138 buildings)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>• 40% not submitted (93 buildings)</td>
</tr>
<tr>
<td>Edina</td>
<td>Buildings 50,000 square feet or larger must comply starting June 1, 2020, and all buildings 25,000 square feet or larger must comply starting June 1, 2021. No water data required.</td>
<td>154</td>
<td>• 79% submitted (122 buildings)</td>
</tr>
<tr>
<td>Saint Paul</td>
<td>Buildings 100,000 square feet or larger must comply starting June 1, 2020, and all buildings 50,000-99,999 square feet or larger must comply starting June 1, 2021.</td>
<td>425</td>
<td>• 52% submitted (221 buildings)</td>
</tr>
</tbody>
</table>

Compliance

City staff and Overlay worked directly with property owners who did not meet the June 1, 2020 deadline to improve program participation. During the first year, and given the hardships encountered because of COVID, the department made the decision not to issue any penalties to non-compliant property owners. As conditions improve during 2021 and beyond, staff will continue to strongly encourage compliance. Owners continuing to ignore the ordinance and not enter data are technically subject to an administrative penalty or misdemeanor (as with all code requirements).
Next steps: In January 2021, Overlay will mail the customized energy scorecards to each property owner and share this data with staff. The scorecard data (primarily the building’s size and Energy Use Intensity, or energy per square foot) will be used to focus the first round of Climate Champions program incentives for commercial buildings, with staff reaching out to properties with the highest Energy Use Intensity by age and by use/type first to encourage them to complete energy audits and make improvements. Staff will also work to further refine the list of properties to those least directly affected by the economic downturn, saving retail, restaurant and hospitality businesses for contacting later in the year.

In early 2021, city staff and Overlay Consulting will begin reaching out to property owners to educate them on the annual benchmarking process and compliance requirements for year two.

- March 2021: Property data pulled from assessor and additional contact information added. Water data for 2020 provided to Sustainability staff.
- March 2021: First compliance letter mailed.
- April – May 2021: Overlay Consulting holds training sessions with property owners.
- March – May 2021: Property owners upload and submit their calendar year 2020 data.
- June 1, 2021: All data due. Data is vetted and displayed on interactive map.
- June – September 2021: Sustainability staff and Overlay work directly with property owners who have not met the June 1 deadline.
- September 2021: Scorecard sent to property owners; benchmarking reports shared with sustainability staff.

Beginning in June 2021, benchmarking results will be publicly available via a county-wide, web-based interactive map that will update automatically as new building reports are submitted. The interactive map design will allow users to view benchmarking compliance statistics, Energy Star rating, Energy Use Intensity, and to compare buildings by size, type, and location. This data will be compiled year-over-year to provide historical comparison ability, although it is likely that calendar year 2020 data will be an outlier due to COVID (staff will determine how to denote that in the display). Collective results could be utilized by building owners to compare their building performance with buildings of similar types within the county.
Executive summary

Title: Solar Sundown program

**Recommended action:** Review and provide staff with feedback on the proposed Solar Sundown pilot program for 2021.

**Policy consideration:** Is the city council supportive of the proposed Solar Sundown incentive program? If so, staff will ask the council to approve the implementation of this pilot program at its Dec. 21, 2020 city council meeting.

**Summary:** Staff proposes a pilot program for 2021 designed to double the amount of rooftop solar within the city by year-end and bring St. Louis Park closer to meeting its Climate Action Plan midterm goal of 100% renewable energy by 2030.

“Solar Sundown” would rebate property owners the difference between the 2020 federal Investment Tax Credit (26%) and the 2021 federal Investment Tax Credit (22%) for installing rooftop solar, with an additional two percent rebated to properties within the city’s Environmental Justice Area of Concern. With the residential federal Investment Tax Credit ending on December 31, 2021 and the commercial credit dropping to 10%, piloting a new tool that leverages outside funds can help the city reach its climate goals.

**Financial or budget considerations:** The Solar Sundown program would result in an expenditure of approximately $120,000 in 2021 depending on community participation; the total expenditure will use a portion of the 2021 development fund being allocated for sustainability programs.

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

**Supporting documents:** Discussion

**Prepared by:** Emily Ziring, sustainability manager  
**Reviewed by:** Brian Hoffman, director of building and energy  
**Approved by:** Tom Harmening, city manager
Discussion

**Background:** Goal 5 of the city’s Climate Action Plan calls for achieving 100% renewable electricity by 2030, including meeting 10 percent (approximately 37 megawatts, or MW) of building electricity consumption with rooftop solar. While the rooftop solar capacity installed has increased significantly every year, according to Xcel data from 2015 through 2019 the city is only three percent of the way (1 MW) to its rooftop solar goal. Note that the actual percentage is likely higher; Xcel does not publish the cumulative total solar capacity because they do not know when a system is retired or if it is still active after install (and city permit applications did not require solar capacity data until 2016). The utility also does not know if customers have installed solar “behind the meter,” i.e. not under an Xcel program.

Construction permit data from 2019-2020 was used to calculate the median size and cost (labor and materials) of recently installed rooftop solar installations in St. Louis Park:

<table>
<thead>
<tr>
<th></th>
<th>Residential</th>
<th>Commercial</th>
</tr>
</thead>
<tbody>
<tr>
<td>Installations permitted</td>
<td>46</td>
<td>6</td>
</tr>
<tr>
<td>Median kilowatts (kW)</td>
<td>5</td>
<td>39</td>
</tr>
<tr>
<td>Median cost</td>
<td>$12,000</td>
<td>$30,000</td>
</tr>
</tbody>
</table>

**Present considerations:** St. Louis Park does not have any current incentive programs for installing rooftop solar and, at the same time, outside incentive programs are nearing their expiration. Setting aside any changes made at the federal levy with a new administration, in 2022, the residential federal Investment Tax Credit (ITC) will drop to zero while the commercial credit will drop to a permanent 10 percent; meanwhile, Xcel Energy’s Solar Rewards incentive program for residential on-site solar is set to expire at the end of 2022.

Staff proposes a new program for 2021 (“Solar Sundown”) designed to encourage rooftop solar investment by bridging the gap between the shrinking ITC levels. Solar Sundown will cover the difference between the 2020 ITC (26%) and the 2021 ITC (22%), with an additional two percent rebated to properties within the city’s Minnesota Pollution Control Agency-identified Environmental Justice Area of Concern—effectively rewinding the clock to 2020.

An area identified as a Minnesota Pollution Control Agency (MPCA) Environmental Justice Area of Concern means that at least one of two criteria has been met: The number of people of color is greater than 50%, or more than 40% of the households have a household income of less than 185% of the federal poverty level. Census tract 223.02 is considered an MPCA-identified Environmental Justice Area of Concern because more than 40% of the households have a household income of less than 185% of the federal poverty level.
The goal of the program would be to double the amount of rooftop solar (i.e., add an additional 1 MW) within the city by year-end 2021. This would require high but achievable participation levels from both the residential and commercial sectors:

<table>
<thead>
<tr>
<th>Goal number of installations</th>
<th>Median kW</th>
<th>Total kW</th>
<th>in MW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>50</td>
<td>5</td>
<td>250</td>
</tr>
<tr>
<td>Commercial</td>
<td>20</td>
<td>39</td>
<td>780</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>1.03</td>
</tr>
</tbody>
</table>

An additional 1 MW of solar would offset approximately 3,000,000 kWh of electricity per year, the equivalent of saving 1,072 metric tons of CO2e (using Xcel’s current carbon emissions intensity rate).
Each property owner would be eligible to receive a 4% or 6% rebate on their installations, depending on property address:

<table>
<thead>
<tr>
<th></th>
<th>Residential Example</th>
<th>Rebate at 4%</th>
<th>at 6% (EJ area)</th>
<th>Number of rebates</th>
<th>Total Outlay (low)</th>
<th>Total Outlay (high)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Install Cost</td>
<td>$12,000</td>
<td>$ 480</td>
<td>$ 720</td>
<td>50</td>
<td>$ 24,000</td>
<td>$ 36,000</td>
</tr>
<tr>
<td></td>
<td>$20,000</td>
<td>$ 800</td>
<td>$ 1,200</td>
<td>50</td>
<td>$ 40,000</td>
<td>$ 60,000</td>
</tr>
</tbody>
</table>

<table>
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<th>Total Outlay (high)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Install Cost</td>
<td>$ 30,000</td>
<td>$ 1,200</td>
<td>$ 1,800</td>
<td>20</td>
<td>$ 24,000</td>
<td>$ 36,000</td>
</tr>
<tr>
<td></td>
<td>$ 50,000</td>
<td>$ 2,000</td>
<td>$ 3,000</td>
<td>20</td>
<td>$ 40,000</td>
<td>$ 60,000</td>
</tr>
</tbody>
</table>

Reaching the goal would result in a total outlay of approximately $120,000 depending on equitable disbursements and participation levels. Ultimately, participation levels will depend on a combination of factors including solar suitability; economic conditions; and effectiveness of marketing, communications and outreach. This funding is in addition to the $100,000 in the proposed 2021 general operating fund budget for the Climate Champions program (details on that program will go to council in early 2021).

Note that the Solar Sundown program would be open to residential and commercial property owners, but institutional nonprofits would not be eligible because nonprofits do not have tax liability. While nonprofits are unable to take advantage of federal tax credits available for solar, there are other programs that can be explored in 2021 and beyond to assist them in installing renewables.

To be consistent with IRS rules for Investment Tax Credit claims, the city will require that the system must be placed in service during the tax year. There is no bright-line test from the IRS on what constitutes “placed in service,” but the IRS has equated it with completed installation. This will be made clear in communications and on application forms so that property owners understand that the rebate is contingent upon a final inspection scheduled in 2021.

Staff will work with Communications to devise a marketing and communications plan. The program would likely be advertised to residents, multifamily property owners and business owners through city newsletters, social media, mailed and posted flyers, print media, and partner organizations. Special attention will be paid to outreach targeting the properties within the Minnesota Pollution Control Agency-identified Environmental Justice Area of Concern. In addition to detailing the program terms, the communications will point property owners towards the city’s existing online solar suitability map which is designed to help residents and business owners determine their property’s solar photovoltaic system potential. If solar is not suitable for their property, the tool can inform property owners that they can still obtain renewables via community solar and Xcel’s green power subscription programs.
Beyond the tax credit window closing, there are numerous reasons why the program makes sense to launch in 2021:

- The program can be managed within Building & Energy, with Permit Techs, Inspectors and Sustainability staff sharing responsibility for the majority of marketing, promotion and financial controls
- Solar contractors will be motivated to assist with promotion
- The work is primarily done entirely outdoors, allaying fears of contractors inside buildings during the pandemic
- Household energy consumption has increased under COVID while more people are home for more hours of the day, making lower energy bills a higher priority for many
- Installations can be financed using existing loan programs available through Center for Energy and Environment, a city partner (note that finance charges are not eligible expenses for calculating total system cost)
- The program can work in conjunction with Xcel’s Solar Rewards program and Solar Rewards for Income Qualified Customers
- The program can work in conjunction with the next round of the Midwest Renewable Energy Association’s solar group buy program, tentatively set to launch in spring 2021

The Environment and Sustainability Commission has reviewed and expressed support for the proposed Solar Sundown program; their feedback has been incorporated into this report. Racial Equity Manager Alicia Sojourner was also consulted for feedback on the suggested plan to incorporate equity into the program design.

**Next steps:** The program would begin as early as possible in 2021. To prepare for the launch, Building & Energy staff will meet to walk through the permitting, rebate eligibility determination, inspection and rebate approval process. Permit staff will be especially valuable in helping to identify properties that may be due for roof replacement or recently completed a roof replacement to target outreach efforts to those that may be best positioned for installing solar; they can also connect with contractors to help market the program (in addition to outreach targeted at installers). Sustainability staff will also meet with Communications, Finance, and Community Development to work out additional program details.

Staff will be asking the council to approve the implementation of this program at the Dec. 21, 2020 city council meeting.
Executive summary

**Title:** Request to issue conduit debt to CB SLP Housing Limited Partnership

**Recommended action:** No action required at this time.

**Policy consideration:** Should the city consider the issuance of 501(c)(3) revenue bonds to finance a portion of CB SLP Housing Limited Partnership affordable housing project in an aggregate principal amount not to exceed $21,000,000?

**Summary:** CB SLP Housing (CommonBond) has requested 501(c)(3) revenue bonds to finance a portion of its affordable housing project proposed to be constructed on the site of the former Prince of Peach church at the southwest corner of Highway 7 and Texas Avenue. The bonds would help finance construction of a 120-unit, 100% affordable multifamily rental housing facility located at 8115 State Highway No. 7 in the city for occupancy by individuals, families, and seniors of low- and moderate-income. The building will also include commercial space for an early childhood center and connected outdoor play area. The early childhood center is expected to utilize an affordable model that serves approximately 60 children and reserves spots for residents of the building and low-income households needing subsidy or scholarships. The commercial portion of the building will not be financed with tax-exempt bonds.

The 501(c)(3) revenue bonds would be issued in a maximum amount not to exceed $21,000,000. An application will be forthcoming to the city and the council will be asked to indicate its willingness to serve as the conduit for these bonds at the Dec. 21, 2020 city council meeting.

**Financial or budget considerations:** Issuance of these bonds would not impact the city’s debt capacity, would not constitute a general or moral obligation of the city, and would not be secured by the taxing powers of the city or any assets or property of the city. In addition, if the financing goes forward, CB SLP Housing will pay an administration fee in the amount of 1/8th of 1% (.125%) of the outstanding principal of the bonds.

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

**Supporting documents:** None

**Prepared by:** Melanie Schmitt, chief financial officer

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

**Approved by:** Tom Harmening, city manager