



Housing Plan

The overall goal for housing in St. Louis Park is to: “Promote and facilitate a balanced and enduring housing stock that offers a continuum of diverse life-cycle housing choices suitable for households of all income levels including affordable, senior, supportive and mixed income housing disbursed throughout the City.”

This goal for housing in the community has evolved over time. It reflects three cycles of Vision St. Louis Park, the City’s Strategic Plan, the 2003-2005 Housing Summit, and the 2014 City Council Retreat. During the City’s 2016-2017 visioning process, “Developing Creative Housing Solutions” was identified as one of five specific vision areas for the community. Strategic priorities were developed from this visioning process and the city adopted the following housing strategic priority:

St. Louis Park is committed to providing a broad range of housing and neighborhood-oriented development.

- » Providing more diverse and creative housing choices to meet the needs of current and future residents while preserving existing affordable housing.

Opportunities:

- » St. Louis Park is a desirable place to live, and will continue to see population growth in the future.
- » The Southwest Light Rail Project will create additional development interest in our community and offers opportunities for achieving many of our housing goals.
- » Regional affordable housing efforts provide momentum for support of the city’s initiatives and policies.

Challenges:

- » Housing disparities exist among different groups of people, both in the city and the region. In order for St. Louis Park to be a leader in racial equity and inclusion, the city must examine all housing decisions and policies through a racial equity lens.
- » St. Louis Park is a desirable place to live, which is one of the factors driving the increasing cost of housing in the City.
- » St. Louis Park is a fully developed city with little greenfield development opportunity. Scarcity of land makes development difficult and expensive, difficult to assemble sites, and land is relatively expensive.
- » Affordable housing is a regional issue that will not be solved by St. Louis Park alone.
- » The current political climate has resulted in a lack of priority for affordable housing at state and federal levels.
- » Much of the single-family housing stock in St. Louis Park is comprised of smaller one-story and 1.5-story homes on smaller lots. Today’s home buyers, especially those buyers with children, are looking for larger homes and modern amenities that are not offered in many areas of the city.
- » While the rental housing market is strong, the majority of rental housing stock in the city is over 40 years older and lacks contemporary amenities current renters may expect.
- » St. Louis Park’s senior population will continue to grow, especially in the age group 75 to 84. High homeownership rates among seniors indicate there could be a shortage of senior housing options, or simply that many seniors prefer to live in their home and age in place. Demand for alternative housing products will rise as the overall population ages, as will demand for home health care services and retrofitting existing homes. There is also an increase for seniors residing with relatives.

Where We Have Been

History of Housing Development

The progression of housing built in St. Louis Park occurred in concentric rings followed by the east to west expansion of Minneapolis into the western suburbs. Some of the earliest houses were constructed by Monitor Works, a manufacturer of grain seeders, for factory workers. A few of these houses still exist today in the Elmwood neighborhood. The oldest single-family homes were built before 1900 near Wooddale Avenue and State Highway 7. It is estimated that over 900 units in the city are more than seventy-eighty-five years old (built before 1930).

During the 1920s, St. Louis Park experienced significant growth in the number of housing units. This growth was arrested when the U.S. was thrown into the Great Depression in the 1930s. During the period between 1937 and 1942, growth resumed at a rapid rate to meet the pent-up demand created during the depression. This growth was interrupted again by the U.S. involvement in World War II.

By 1947, growth had resumed once more and by 1950, St. Louis Park was the fastest growing community in the state with 1,068 housing units added in that year alone. From 1940 to 1950, growth averaged the equivalent of 6.9 persons moving into St. Louis Park every day! After the war, returning veterans, easy home financing through the G.I. Bill, and “assembly line” type construction methods spurred the flurry of home construction in St. Louis Park where previous land speculation had already created thousands of building lots. The growth of single-family houses remained strong through the mid-1950s. The construction of duplexes in St. Louis Park generally parallels the timeline of single-family home construction.

A wide variety of housing stock was constructed ranging from cottages and factory-built housing to large contemporary units with Queen Anne, prairie, English Tudor, Cape Cod, colonial, and rambler designs in between. Nonetheless, the most common house type in St. Louis Park is the Cape Cod or small rambler built during the housing explosion which occurred after 1939.

Very few single-family homes have been built since the boom time of the 1950s and 1960s. Most new housing during the past 30 years has been apartments, condominiums and townhouses, both rental and owner-occupied.

ST. LOUIS PARK 1990 TO 2015:

25 YEAR TIMELINE OF MAJOR ACTIVITIES, INITIATIVES, IMPACTS IN CITY

- 1993- Established Meadowbrook Collaborative
- 1993- Shelter Plus Care rent assistance. Annual Home Remodeling Fair
- 1999- Purchase and Rehabilitation of Louisiana Court by Project for Pride in Living
- 2000- Implemented the Home Renewal Program purchasing dilapidated homes for demolition and new construction
- 2001-2012- Resolution Adopting Housing Improvement Area Policy (HIAs) 2001, 7 HIAs completed to date
- 2002- Citywide Inspection Program – conducted every 4 years
- 2003- Project Based 40 units of Housing Choice Vouchers at two supportive housing developments and at Excelsior and Grand
- 2005- St. Louis Park Rental Coalition (SPARC)
- 2005- Architectural Advice Program
- 2005- Remodeling Advisor Program
- 2003 to 2006- Conducted Housing Summit
- 2006- Adopted City Housing Goals
- 2006- Excess Land Program
- 2006 – ongoing- West Hennepin Affordable Housing Land Trust purchased, rehabbed and sold to 16 homes to low income homeowners
- 2006- Annual Home Remodeling Tour
- 2005- Created Move-Up in the Park Loan Program to assist homeowners with home expansions
- 2007- Blackstone Targeted Neighborhood Program
- 2007- Dial-a-ride
- 2008- Live Where You Work Homeownership Program

In 1949, Donovan Construction Co. received approval for Meadowbrook Manor, a development consisting of 540 townhouse- and apartment-style units in 49. Constructed in the early 1950s, this was the largest multi-family housing project in the Midwest for its time. With the exception of the Meadowbrook Manor townhouse-style rental units, the construction of additional new townhouses ramped up in the 1970s with the largest number of townhouses being built during the 1970s and 1980s.

The condominium market was strong in the 1960s, 1970s, and 1980s in St. Louis Park when many buildings were constructed and a number of existing apartment buildings were converted to condominiums. The condominium market was relatively soft during the late 1980s and early 1990s, but the real estate market was strong in the last half of the 1990s increasing the number of condominiums?. A number of buildings which were originally designed as rental units converted to owner-occupied condominium units during this time period.

The City experienced a building boom for apartments in the 1960s when many of the community's smaller apartment buildings were constructed. Apartment construction continued through the 1980s, with the newer construction being larger buildings. The 1990s saw two new apartment buildings constructed, but marked the advent of a new era, with Park Commons planning and the Excelsior and Grand development. This redevelopment changed the community, garnered regional and national attention, and attracted more redevelopment to the community. In the 2000s there was much more interest in developing new housing along major corridors, resulting in the Hoigaard Village development, Ellipse on Excelsior, Verge on 36th Street, Tower Light on 36th Street and Wooddale Avenue, and Sienna Apartments at the former Eliot School site. Since 2010, apartment building has continued with the Shoreham, Parkway on 25, 4800 Excelsior, Central Park West and others.



Housing Crisis, Great Recession, and Recovery

Between 2000 and 2007, the metro area, including St. Louis Park, experienced rapid home sale appreciation during the real estate boom. However, after the housing market plateaued from late 2005 to early 2007, St. Louis Park and area communities started to experience sliding housing values as the housing market bubble burst.

St. Louis Park home value declined between 2007 and 2012 but were much lower in percentage declines than the Twin Cities Metro Area (-15.4% compared to -25.4%). Overall, the central cities and inner-ring suburban areas did not experience the decline of sale values compared to the ex-urban and 3rd/4th ring suburban communities. (Explain why condo market slowed – state law)

Since 2012, home sale values across the Twin Cities and surrounding communities have rebounded, with most communities experiencing a strong increase in home sale values.

After adjusting for the downturn in the housing market, St. Louis Park housing values showed appreciation of 82.8% between 2000 and 2017; nearly a third greater than that of the Metro Area (+62.0%).

Significant new luxury apartment development has taken place in St. Louis Park over the last decade. Over 1,500 units within multifamily developments have been built since 2010, another 182 units are currently under construction, and over 900 units are in the planning phases. St. Louis Park has been one of the most active apartment submarkets in the Twin Cities.

Housing Summit

The City's housing goals, strategies, and initiatives were developed during the 2003-2005 Housing Summit process and were originally adopted by the City Council in March 2005. As a means to educate, revisit, and consider any necessary changes to the City's housing policies, strategies, and goals, the Summit included a series of meetings between the City Council, Planning Commission, Housing Authority Board, School Board, County Commissioner, and a business representative.

Housing Authority

The City of St. Louis Park Housing & Redevelopment Authority (HRA) was formed in 1970 by the City Council as an independent governmental entity. In 1988 the HRA became the Housing Authority (HA) when the City Council approved moving redevelopment powers to an Economic Development Authority (EDA). The Housing Authority is governed by a Board of Commissioners that are appointed by the Mayor and approved by the City Council. Commissioners serve five-year terms, with one Commissioner representing assisted housing program participants.

The Housing Authority's Mission is to develop, integrate, and operate housing and housing assistance policies and programs to ensure the availability of safe, affordable, and desirable housing options that meet the diverse, lifecycle housing needs of all of the residents of St. Louis Park.

Over the past four decades, the St. Louis Park Housing Authority has successfully developed and administered housing programs to provide affordable rental options for the residents of the city. The Housing Authority has purchased and rehabilitated homes and an apartment building, Hamilton House, as well as constructed new home, as part of its program to provide low-rent housing options in the community. The Housing Authority administers affordable/subsidized housing voucher programs, project-based affordable housing programs and a number of other programs aimed at affordable housing.



Where We Are Today

While St. Louis Park is a fully developed inner ring suburb, the city has continued to grow. Since 1980 the city's population has grown approximately 10%, adding approximately 4,500 people to the community. With this growth comes increased demand for housing and a corresponding increase in housing prices and rents. As a result, housing units that were once affordable no longer are, and less housing options are available for low-income residents in the city and the metro area.

Despite these changes, St. Louis Park continues to be a highly desirable and relatively affordable community. The city is committed to preserving and enhancing its existing housing stock, expanding its housing options with new housing, and maintaining housing affordability.

Current Housing Needs

The city's current housing needs are driven by the following key demographic factors:

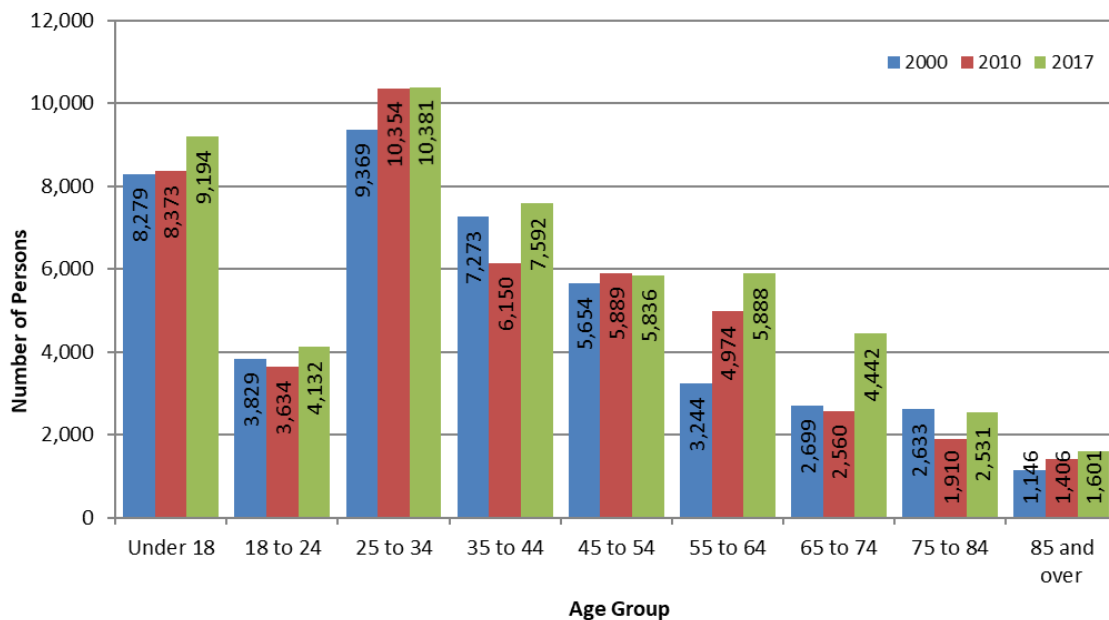
- » Age distribution of residents
- » Household composition types
- » Household sizes
- » Household incomes

Age Distribution of Residents

The age distribution of a city's residents affects the demand for different types of housing. Housing needs and desires change as people age and enter different lifecycle stages. The 25 to 34 age cohort continues to be the city's largest cohort, comprising 21.7% of the population in 2017. This age cohort comprised a significantly higher proportion in St. Louis Park than in Hennepin County (15.3%) and the metro area (14.4%). This age group tends to live in, and increase demand for, rental units and starter homes. Between 2000 and 2017, the largest growth occurred in the 55- 64 and 65-74 age groups. The third largest growth was in the 25 - 34 age group. From 2000- 2010, the 35- 44 age group experienced a significant decline, but it has rebounded since 2010, as seen in Figure 5-12.

Mirroring trends observed across the nation, the aging baby boom generation is substantially impacting the composition of St. Louis Park's population. Baby boomers accounted for an estimated 11.7% of the city's population. Born between 1946 and 1964, in 2017 these individuals comprise mainly the 55 to 64 and 65 to 74 age groups. These age groups are projected to have the greatest percent growth from 2017 to 2022, increasing by 16.0% (+612) and 22.7% (+469), respectively, as the baby boomers age into their senior years.

Figure 5-12. Population Age Distribution for 2000, 2010, 2017



Source: Comprehensive Housing Market Study Update, Maxfield Research & Consulting

The social changes occurring along with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not just among the baby boomers, but also among their parents and children. Current seniors and middle-aged persons tend to do more traveling and participate in more activities than previous generations. They increasingly prefer maintenance-free housing that enables them to spend more time outside the home. The increased variety of lifestyles has fueled demand for a variety of alternative housing products beyond single-family homes.

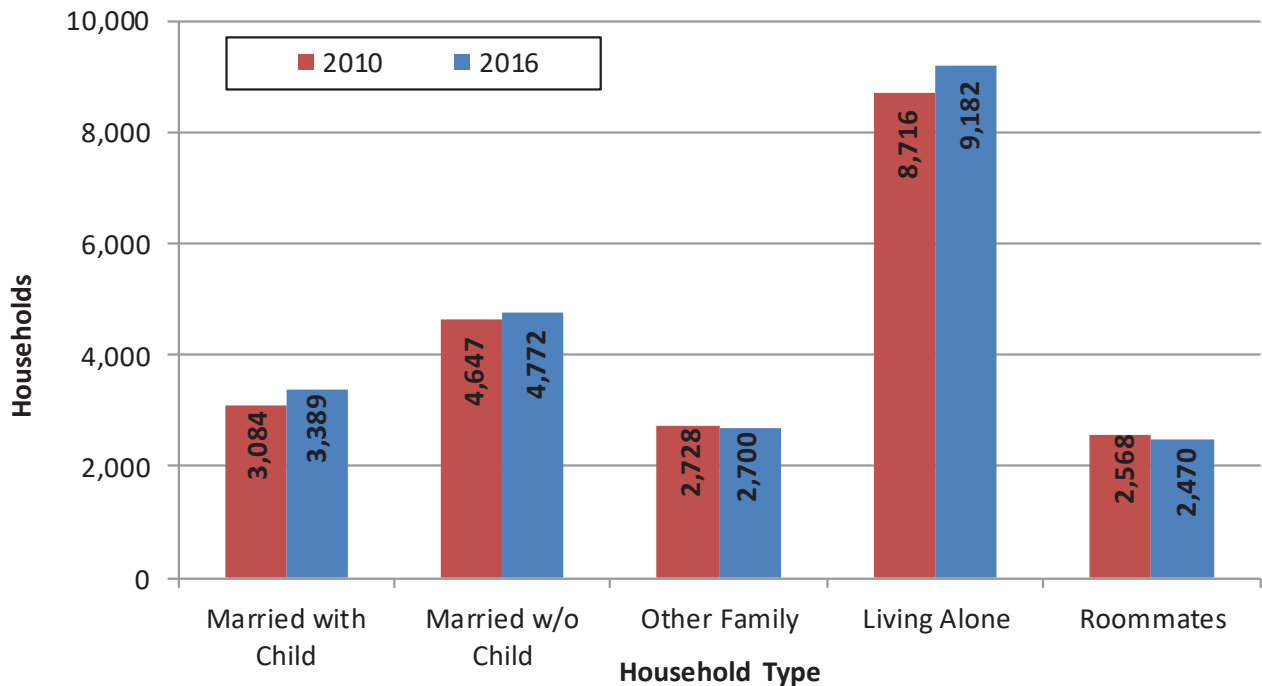
Household Composition Types

The chart below shows the amount of each household type in the city today, which is useful in determining likely types and quantities of housing needed or desired by residents. Key findings are:

- » Persons living alone comprised the largest portion (40.8%) of all households and grew 5.3% from 2010 to 2016, which is significantly more than in Hennepin County (33.0%) and the metro area (28.8%). The second largest household type was Married w/o Child.

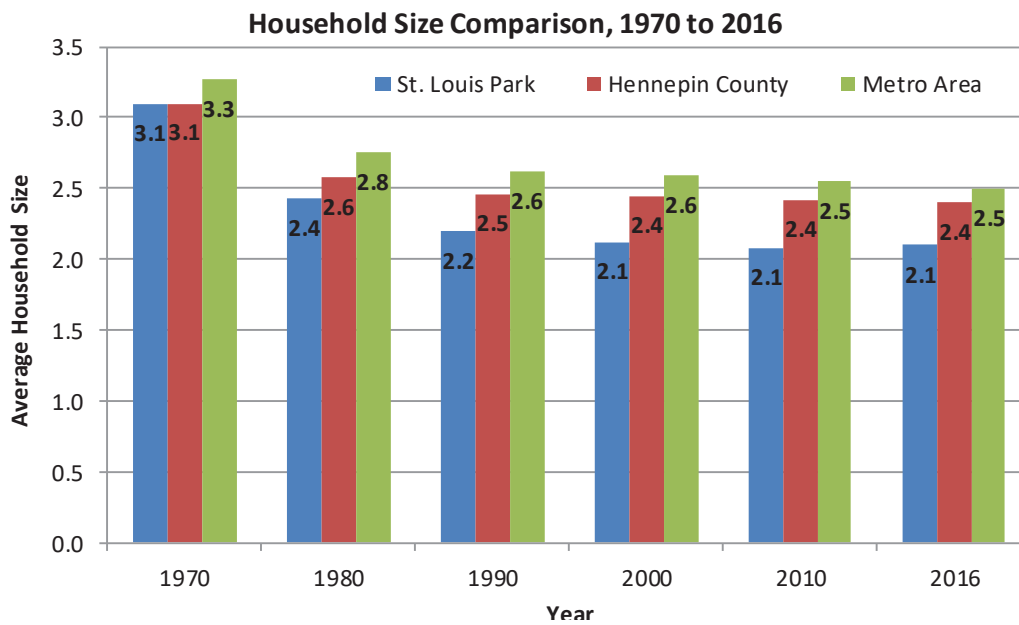
- » From 2010 to 2016, households with families that are Married with Child experienced the largest increase as a percentage (+9.9%). The city experienced an increase in all types of households except non-family roommate households (-3.8%) and other family households (-1.0%). “Other family” includes single parents and unmarried couples with children.
- » St. Louis Park has a lower portion of Married with Children households (15.1%) compared to 18.9% in Hennepin County and 21.5% in the metro area.
- » This data indicates an increase in seniors in the community or millennials moving to the area. As seniors age and face declining health and mobility, they typically move out of their homes in pursuit of housing with services. However, due to the lost home equity after the Great Recession, seniors’ decisions to move out of their homes and into age-restricted housing has been slower, especially they do not need care services. Millennials are more likely to live alone for a variety of factors, including delayed marriage, lower home purchasing rates, and preferences for living in urban settings often with smaller housing units.

Figure 5-13. Household Types Distribution, 2010 and 2016



Source: Comprehensive Housing Market Study Update, Maxfield Research & Consulting

Figure 5-14. Average Household Size since 1970 for St. Louis Park, Hennepin County, Metro



Source: Comprehensive Housing Market Study Update, Maxfield Research & Consulting

Household Sizes

Today, 74% of the city’s households are one or two-person households. The average renter household consists of 1.87 persons while the average owner household contained 2.24 persons. Persons living alone accounted for the highest household type percentage (40.8%), which is significantly larger than in Hennepin County (33.0%) and the metro area (28.8%).

Household size influences the size of housing that residents demand. As households in St. Louis Park continue to be relatively small, the city will need to ensure that its housing distribution aligns with its residents needs and preferences.

The following chart illustrates declining household sizes in St. Louis Park compared to Hennepin County and the Metro over the last 40 years. Household size is one of the major factors influencing the type of housing that is in high demand in a community. If trends in the city continue, smaller housing units will become more and more appealing for our residents.

Household Incomes

Non-Senior Households

Median household incomes are highest for the 45 to 54 age group at \$80,571. Households in this age group are in their peak earning years and have a high homeownership rate (68.4%). With the median resale price of homes in St. Louis Park being \$265,000 through 2017, the household income required would be about \$75,714 to \$88,333 based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt).

In 2017, 5.1% of the non-senior (under age 65) households had incomes under \$15,000 (958 households), which would make them eligible for subsidized rental housing. Another 5.9% of non-senior households had incomes between \$15,000 and \$25,000 (1,092 households), which would also qualify for subsidized housing. Some of these households may also be able to afford naturally occurring affordable housing or older market rate rentals.

Senior Households

The oldest householders are likely to have lower incomes. The 2017 median income for households age 65 to 74 and 75+ are \$61,978, and \$39,334, respectively. In St. Louis Park, 6.2% of households age 65 to 74 had incomes below \$15,000, along with 10.9% of households ages 75 and over.

Some key findings:

- » Many of these low-income senior households rely solely on social security benefits, while others have assets that can supplement their income. Typically, younger seniors have higher incomes due to the fact they are still able to work or are married with two pensions or higher social security benefits.
- » Generally, senior households with incomes greater than \$35,000 can afford market rate senior housing. Based on a 40% allocation of income for housing, this translates to monthly rents of at least \$1,000. An estimated 2,815 senior households had incomes above \$30,000 in 2017.
- » Seniors who are able and willing to pay 80% or more of their income for assisted living housing would need an annual income of \$39,000 to afford monthly rents of \$2,600, which is approximately the monthly rent for assisted living projects in St. Louis Park. An estimated 1,085 older senior (age 75+) households, which are the primary market for assisted living housing, had incomes greater than \$36,000 in 2017.
- » Lower median household incomes, along with demand for home health care services and retrofitting of existing homes, will lead some seniors to seek out different housing than what they lived in earlier in life.

Current Housing Stock

Analysis of the city's current housing stock is based on the following factors:

- » Mix of housing types
- » Age of housing
- » Home ownership/rental mix
- » Housing values/costs

Mix of Housing Types

Table 5-11 quantifies the city's current (2017) housing stock in terms of housing types. The city's housing stock is a mix of single-family detached (47%), apartments (37%), townhomes/condos (14%), along with duplex and cooperative housing units.

Residential Construction Trends 2000 to Present

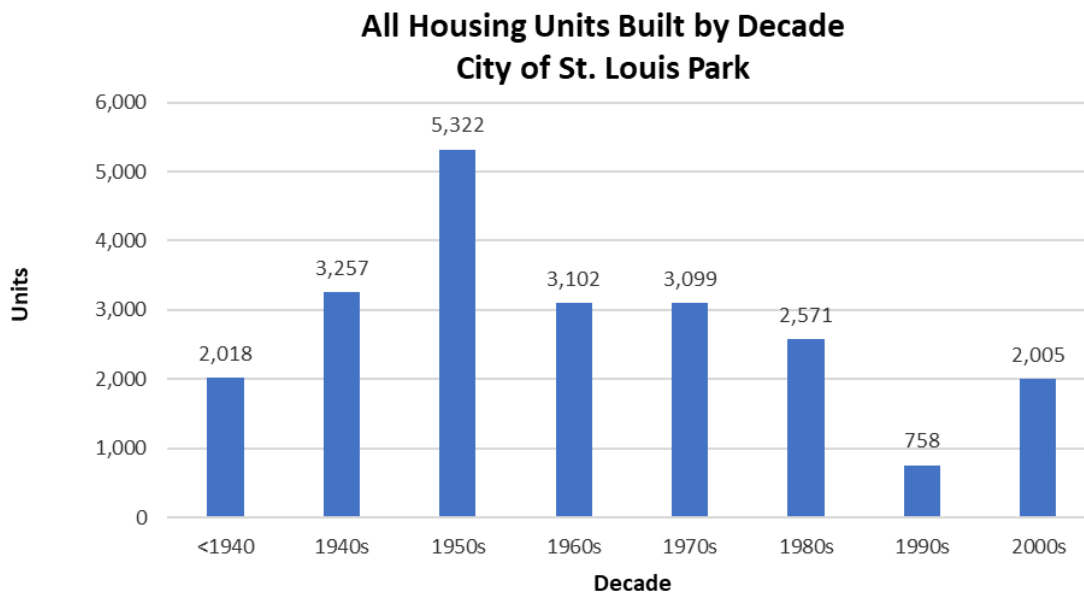
- » The city issued permits for 2,533 new residential units from 2000 through 2017, which equated to 140 units annually since 2000.
- » Residential construction averaged about 141 units per year. Beginning in 2007, building permits declined rapidly. From 2007 through 2011, the City averaged only 9 units per year.
- » A building boom of multifamily apartments began in 2012 with permits for 391 units, the greatest number of new multifamily housing units since 2006. Since 2012, an average of 222 multifamily units have been added each year.
- » On average, about eight new single-family homes have been added annually since 2000. Nearly all these units are tear downs or infill locations.
- » Over 94.7% of the units (2,398) built since 2000 have been multifamily units with the remaining 135 being single-family units. Many of the units are in new multifamily rental developments.

Table 5-11. St. Louis Park Housing Types, December 2017

HOUSING TYPE	HOUSING UNITS		NET UNITS ADDED IN 2017	OWNER OCCUPIED (NO RENTAL LICENSE)		RENTAL LICENSES		LARGE SINGLE FAMILY HOMES	
	Count	Percentage		Count	Percentage	Count	Percentage	Count	Percentage
Single Family Detached	11,613	47%	5		10,774		839		2,288
Duplex	430	2%	0		262		168		
Condos & Townhomes	3,561	14%	0		2,760		801		
Apartments	9,167	37%	431				9,167		
Co-ops	114	<1%	0		114				
Totals	24,885		436		13,910	56%	10,975	44%	2,288
									20% of SF Homes

Source: 2017 Annual Housing Activity Report

Figure 5-15. Number of Housing Units Built by Decade Since 1930



Source: *Comprehensive Housing Market Study Update, Maxfield Research & Consulting*

Age of Housing

Homes built in the 1950s comprised 24% of the city’s entire housing stock. As a comparison, the greatest percentage of homes in Hennepin County were built before 1940 (19%). Over 60% of the city’s rental housing was constructed prior to 1980. Rental units are on average 20 years newer than owner-occupied units. The median year built for owner-occupied housing was 1954 compared to 1975 for rental units.

The age of the city’s housing stock can influence housing demand due to potential mismatches between current consumer preferences and outdated designs of older housing stock. Residents also spend more on maintaining and renovating older housing stock, which results in increased housing costs.



Home Ownership/Rental Mix

Housing tenure – whether one owns or rents their home – can have a wide range of impacts on the livability of a community. The city values and promotes both types of housing tenure as part of having a range of housing options for residents.

Owner-occupied (homestead) residential properties now comprise 52% of the housing market with rental (non-homestead) at 48%.

Home Ownership/Rental by Housing Type

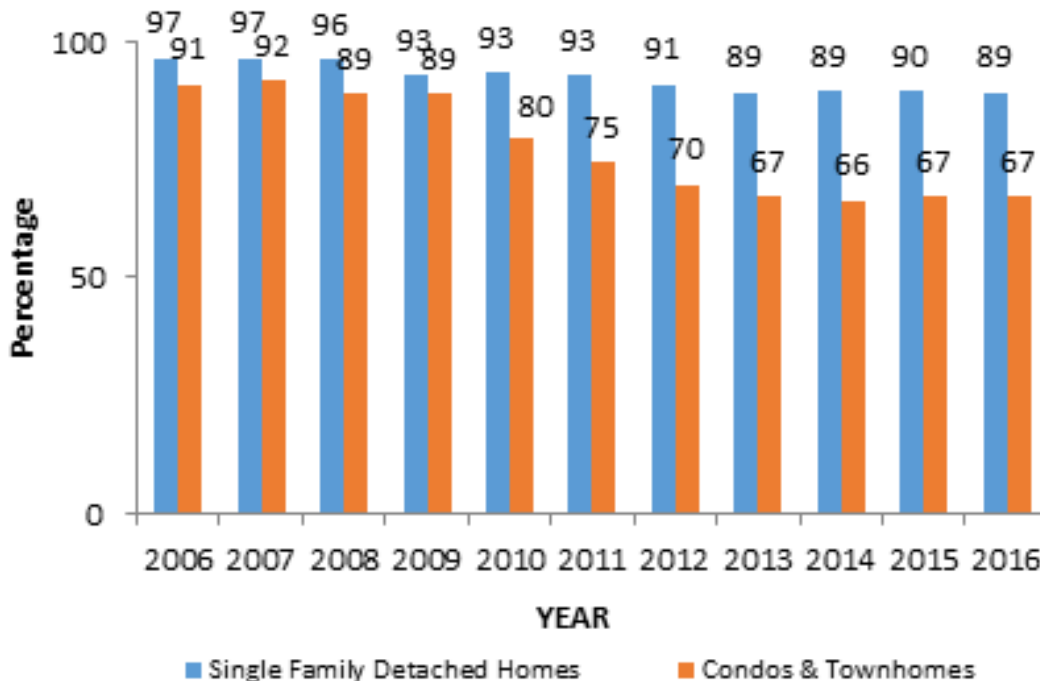
Figure 5-16 shows the percentage of owner-occupied housing units vs. rental for single-family detached homes and condos/townhomes over time. The percentage of single-family detached homes that are owner-occupied has decreased from 97% to 89% from 2006 to 2015. The percentage of condos/townhomes that are owner-occupied has also decreased, from 91% to 67% from 2006 to 2015.

Condominium Developments

There are 41 condominium developments with a total of 2,756 units in St. Louis Park. Condominiums comprise about 22% of the total owner-occupied housing stock in St. Louis Park. These units tend to be older, as over 50% of the units were construction in the 1970s and 1980s.

- » A total of 14 condominium projects were developed between 2000 and 2007, accounting for 35.6% of St. Louis Park's total inventory. These projects also have the highest market values.
- » Condominium construction has been slow since the housing market downturn last decade; in part due to the recession and because of the state law construction defect statute. However, the construction defect law was recently modified which could result in more condominium construction in the future.
- » Most of condominium units in St. Louis Park are owner-occupied. However, 32% of the units are non-homesteaded, most of which are likely rental.
- » Most 2018 resales are of comparable value to the Hennepin County taxable market values. Condominium values suffered the greatest loss of appreciation during the economic downturn and are slowly stabilizing. Due to declining lender-mediated (foreclosed and short sale properties) sales in this sector, condominium pricing should continue to increase.
- » Over one-third of condominium projects were converted from a previous use. Most were former older rental properties converted last decade during the housing expansion from 2000 to 2006.

Figure 5-16. Percentage of Owner Occupied Housing Units Since 2006



Source: 2017 Annual Housing Activity Report

Vacant Lots/New For-Sale Construction

As a fully developed city, there are very limited opportunities for new subdivisions or for-sale multifamily developments in St. Louis Park. Few areas in the community can accommodate residential development. Land acquisition costs are high. New single-family homes are desired but are typically in the form of individual infill or redevelopment lots. Lack of availability of developable land also results in homes with less square footage.

Home Ownership/Rental by Age of Householder

As people age and progress through their lives, housing needs change. Typically, the proportion of renter households decreases as people become older and begin having children. For seniors, rental housing often becomes a more viable option than homeownership, reducing the responsibility of maintenance and a financial commitment.

In 2016, 95.3% of households in the 18- 24 age group rented their housing, compared to 65.5% in the 25- 34 age group. Households in the 65- 74 age group were overwhelmingly homeowners, resulting in a 79.2% homeownership rate.

Home Ownership/Rental by Household Income

Household tenure information is helpful to determine household affordability for owner-occupied or renter-occupied housing options. HUD defines affordable housing as not exceeding 30% of the household's income. It is important to note that the higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well as many young and senior households, spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income. This allocation greatly impacts a household's financial and housing security.

- » Typically, as income increases, so does the rate of homeownership. For example, in St. Louis Park, the homeownership rate increases from 21.6% of households with incomes below \$15,000 to over 76.4% of households with incomes above \$100,000.
- » A portion of renter households are referred to as lifestyle renters, or those who are financially able to own but choose to rent, and have household incomes above \$50,000 (almost 50% of St. Louis Park's renters in 2016). Households with incomes below \$15,000 typically need a deep subsidy for rental housing (almost 14% of St. Louis Park renters in 2016).

Home Ownership/Rental by Household Size

In 2016, the average city's renter household consisted of 1.87 persons compared to the average owner household of 2.24 persons.

An estimated 78.8% of renter households in the city in 2016 had either one or two people. The one-person households and two-person households that are couples primarily seek one-bedroom units. Two-person households that consist of a parent and child or roommates primarily seek two-bedroom units. Larger households seek units with multiple bedrooms.



Housing Values/Costs

Owner-Occupied Housing Units

St. Louis Park median home values peaked in 2017 at \$265,000, posting an 8% year-over-year increase. Home prices have increased annually since the low of \$185,000 in 2011. Housing costs in the city are relatively affordable compared to the previous decade given the continued low mortgage interest environment.

Figure 5-17 below presents data on housing values summarized by nine price ranges and Figure 5-18 illustrates the locations of homes whose value is either above or below \$238,500.

Housing value refers to the estimated price point that the property would sell at if the property were for sale. For single-family and townhome properties, value includes both the land and the building. For condominiums, value refers only to the housing unit.

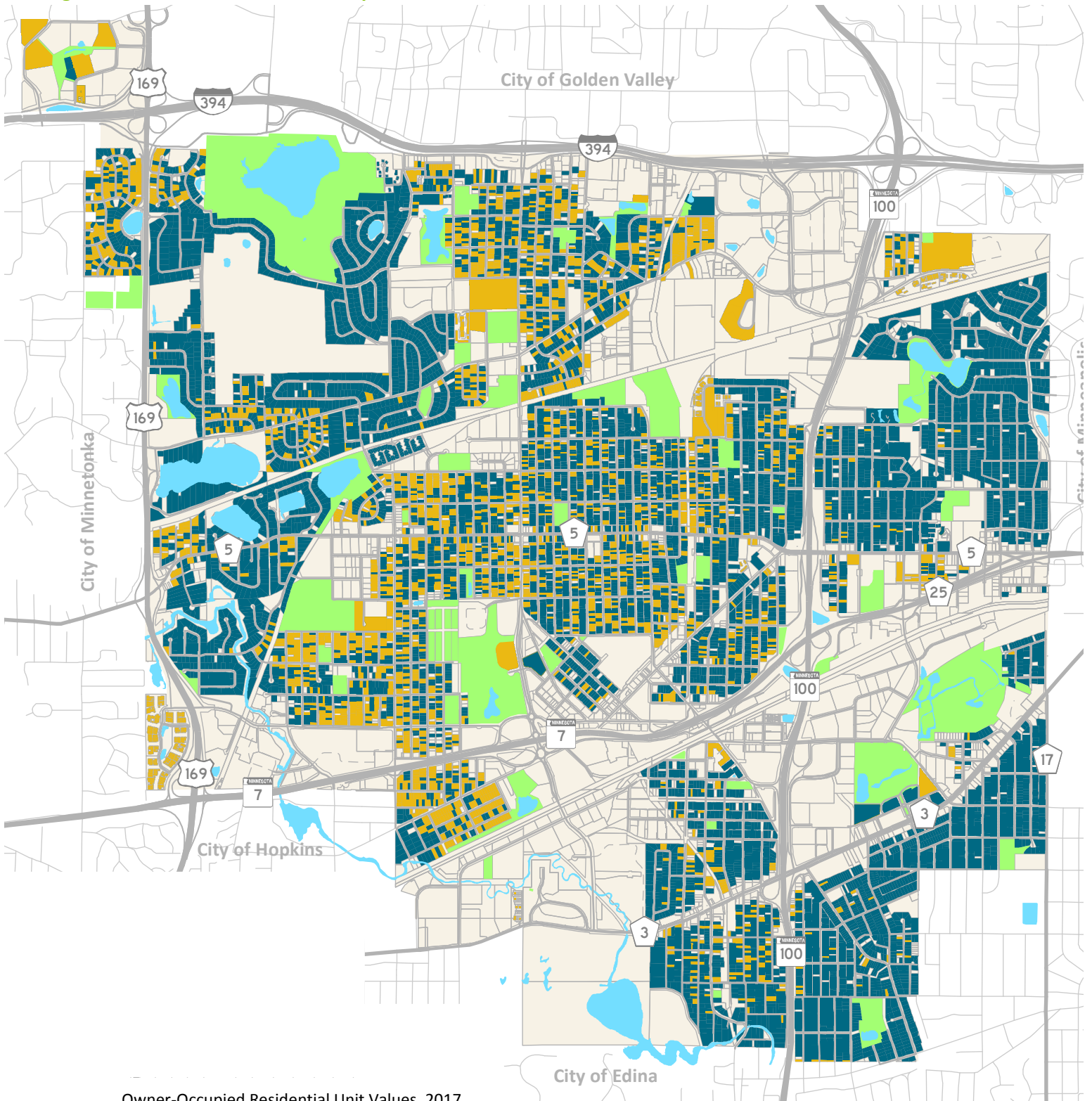
- » The biggest category of owner-occupied housing stock in the city is estimated to be valued between \$200,000 and \$249,999 (22.7%).
- » The median owner-occupied home in the city is \$236,900 or \$1,100 higher than Hennepin County's median home value (\$235,266) and \$9,290 higher than the metro area (\$227,610).
- » An estimated 28.4% of the city's owner-occupied housing stock is valued above \$300,000, which is less than Hennepin County's at 33.9%.

Figure 5-17. Owner-Occupied Housing Units by Value in St. Louis Park

Home Value	ST. LOUIS PARK		HENNEPIN CO.		METRO AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
Less than \$50,000	255	2.0	7,795	2.5	28,187	3.6
\$50,000-\$99,999	546	4.3	13,456	4.4	35,074	4.5
\$100,000-\$149,999	953	7.5	35,860	11.7	98,890	12.6
\$150,000-\$199,999	2,451	19.4	60,156	19.6	160,325	20.4
\$200,000-\$249,999	2,865	22.7	50,728	16.5	135,355	17.2
\$250,000-\$299,999	1,981	15.7	35,196	11.5	96,165	12.2
\$300,000-\$399,999	1,913	15.1	44,988	14.6	113,816	14.5
\$400,000-\$499,999	834	6.6	22,574	7.3	52,689	6.7
Greater than \$500,000	836	6.6	36,513	11.9	66,742	8.5
Total	12,634	100.0	307,266	100.0	787,243	100.0
Median Home Value	\$236,900		\$235,800		\$227,610	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

Figure 5-18. Value of Owner-Occupied Units



Owner-Occupied Residential Unit Values, 2017

Property Value (Count)

- Above \$238,500 (9,113)
- Below \$238,500 (4,962)

source: City of St. Louis Park Assessing Office

Rental Housing

Outside the central cities, St. Louis Park has been one of the leading communities for apartment development during the apartment boom. Most of these units have been market-rate apartments targeting middle-market to upper-middle market households. The following rental housing needs are based on a 2017 housing study for rental properties conducted by Maxfield Research & Consulting.

Figure 5-19 presents information on the monthly housing costs for renters called contract rent (also known as asking rent). Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included in the lease.

- » The median contract rent in St. Louis Park in 2017 was \$966. Based on a 30% allocation of income to housing, a household in St. Louis Park would need an income of about \$38,640 to afford this average monthly rent.
- » An estimated 30.6% of St. Louis Park renters have monthly rents ranging from \$750 to \$999, 28.5% had monthly rents ranging from \$1,000 to \$1,500, and 17.6% had monthly rents greater than \$1,500.

- » Housing units without payment of rent (“no cash rent”) make up only 0.7% of St. Louis Park renters. Typically, units may be owned by a relative or friend whom allows occupancy without charging rent. Other sources may include caretakers or ministers who may occupy a residence without charge.
- » Rents in St. Louis Park are 11.9% (+\$131) higher than the metro area, but lower than the surrounding communities of Golden Valley and Edina.
- » Even with the new market rate properties completed recently, St. Louis Park’s rental housing stock is older as the median year built for all units is 1967.
- » More than one half of all the market rate units in St. Louis Park are one-bedroom units.

Figure 5-19. Quantity of Renter-Occupied Units by Contract Rent in St. Louis Park

RENTER-OCCUPIED UNITS BY CONTRACT RENT ST. LOUIS PARK ANALYSIS AREA 2016						
Contract Rent	ST. LOUIS PARK		HENNEPIN CO.		METRO AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
No Cash Rent	71	0.7	1,474	0.8	2,288	0.6
Cash Rent	9,631	99.3	182,386	99.2	360,667	99.4
\$0 to \$249	402	4.1	11,275	6.1	19,997	5.5
\$250-\$499	196	2.0	10,785	5.9	22,469	6.2
\$500-\$749	1,591	16.4	34,543	18.8	70,617	19.5
\$750-\$999	2,969	30.6	52,804	28.7	110,146	30.3
\$1,000-\$1,500	2,763	28.5	51,853	28.2	101,620	28.0
\$1,500+	1,710	17.6	21,126	11.5	35,818	9.9
Total	9,702	100.0	183,860	100.0	362,955	100.0
Median Contract Rent	\$966		\$904		\$771	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC

Source: Comprehensive Housing Market Study Update, Maxfield Research & Consulting

Affordable Housing

Low vacancy rates hold across almost all housing submarkets, but especially for affordable units. A variety of factors, from the low vacancy rate in market rate housing to lack of support for housing programs at the state and federal levels, suggest that the current demand for affordable housing will only increase in the near future.

Housing Cost Burden

The cost of housing is typically the most significant expense in a household's budget. A residence is considered "affordable" when 30% or less of the household's gross income is spent on housing. If housing costs more than 30% of a household's gross income, it is experiencing a "housing cost burden". Table 5-13 shows the Metropolitan Council's estimates of the number of St. Louis Park households experiencing a housing cost burden.

Table 5-12. Rental Housing Affordability Upper Limits in St. Louis Park

# OF BEDROOMS	RENT AT 30%	RENT AT 50%	RENT AT 60%	RENT AT 80%
Efficiency	\$495	\$826	\$991	\$1,321
1 bedroom	\$531	\$885	\$1,062	\$1,416
2 bedroom	\$636	\$1,061	\$1,273	\$1,697
3 bedroom	\$735	\$1,226	\$1,471	\$1,961
4 bedroom	\$820	\$1,367	\$1,640	\$2,187

Source: Metropolitan Council

Table 5-13. Cost Burdened Households in 2015

	NUMBER OF COST BURDENED HOUSEHOLDS	% OF TOTAL HOUSEHOLDS
Income at or Below 30% of AMI	1,793	8.02%
Income 31% to 50% of AMI	1,599	7.15%
Income 51% to 80% of AMI	973	4.35%
Subtotal at or Below 80% AMI	4,365	19.51%
Total Households- All Income Levels	22,367	

Source: Metropolitan Council, Local Planning Handbook 2016

Almost 20 percent of St. Louis Park households have incomes below 80 percent AMI and are experiencing a housing cost burden. This shows a need for increased availability of housing that is affordable, especially to those with incomes in the very low- (below 30% AMI), low- (31% to 50% AMI), and moderate- (51% to 80% AMI) ranges.

Rent Burdened Households

The percent of St. Louis Park households that are housing cost burdened has increased slightly since the 1990s, after peaking during the housing crisis in 2006-2010. Renter households continuously experience greater housing cost burden than owner households. Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. This, combined with the fact that renter households tend to have smaller incomes than owner households, leads to renter households being especially vulnerable to housing instability due to financial distress.

Current Affordable Housing Stock

While a majority of the city's housing stock meets Metro Council affordability criteria, this percentage has decreased in recent years. Due to the age and condition of the city's rental housing stock, the majority of units have monthly rents that are affordable to households earning 50% to 60% of Hennepin County's AMI. According to the 2017 Maxfield housing study, of the 8,600 market rate units inventoried, 41% of the units are affordable to householders at 50% AMI. Together with 22% of the units affordable at 60% AMI, 64% of the market rate rental housing inventory is affordable at 50% to 60% AMI, which is down from 71% estimated in the 2013 housing study. If this decrease in affordability continues, the city will face increasing challenges in providing affordable housing to city residents.

As seen in Table 5-14, the city has a limited number of housing units that are considered affordable to very low income households (those households with 30% or less of the Area Median Income [AMI]). Very low income householders have the most difficult time finding units that are affordable, as they often require public subsidies to reach an affordable threshold. There are a fair number of homes considered in the affordable range for low income households (31% to 50% AMI) and even more units available to moderate income households (51% to 80% AMI).

Table 5-14. Affordability of Units to Different Income Levels

	UNITS AFFORDABLE TO HOUSEHOLDS	% OF TOTAL HOUSING UNITS
Income at or Below 30% of AMI	1,297	5.37%
Income 31% to 50% of AMI	3,391	14.03%
Income 51% to 80% of AMI	10,929	45.23%
Total Housing Units- All Income Levels	24,165	

Source: Metropolitan Council, Local Planning Handbook 2016

Publicly Subsidized Housing

Sometimes the cost of housing is so out of reach for individuals or families that the only way to make a unit affordable is through public subsidy. Table 5-15 shows the number of publicly subsidized units currently in St. Louis Park.

Table 5-15. Publicly Subsidized Units

ALL PUBLICLY SUBSIDIZED UNITS	PUBLICLY SUBSIDIZED SENIOR UNITS	PUBLICLY SUBSIDIZED UNITS FOR PEOPLE WITH DISABILITIES	PUBLICLY SUBSIDIZED UNITS: ALL OTHERS
779	196	6	577

Source: Metropolitan Council, Local Planning Handbook 2016

Senior Housing Market

There are eight senior housing developments located in St. Louis Park with 14 different senior service levels and a total of 957 units. An additional housing project, The Elmwood, is set for construction in Spring 2018 and will add 53 market rate and 17 affordable active adult apartments. There were 18 vacancies identified within the housing developments posting an overall vacancy rate 1.9%. Generally, healthy senior housing vacancy rates range from 5% to 7% depending on service level. Together with the aging of the baby boomer population; demand will be strong for senior housing for the next decade and beyond..

Affordable/Subsidized Senior Housing Projects

Subsidized senior housing offers affordable rents to qualified lower income seniors and handicapped/disabled persons. Typically, rents are tied to residents' incomes and based on 30% of adjusted gross income (AGI), or a rent that is below the fair market rent. For those households meeting the age and income qualifications, subsidized senior housing is usually the most affordable rental option available. HUD funded multi-family or public housing projects offer income based rents and can serve senior households at the lowest incomes. As our population becomes older, affordable senior housing projects will only grow in their necessity and demand.

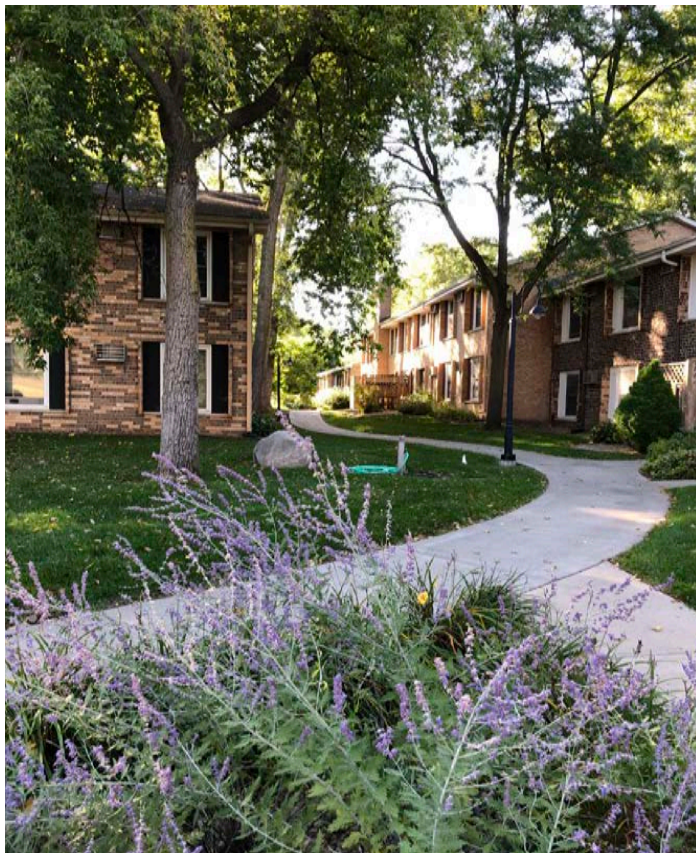
Housing Preservation and Naturally Occurring Affordable Housing (NOAH)

Although affordable housing is often associated with an income-restricted property, there are other opportunities to live in affordable housing units. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered "naturally-occurring" or "unsubsidized affordable" units. This housing supply is available through the private market, versus assisted housing programs which is supplied through various governmental agencies. Property values and monthly rents on these units are lower than other housing units based on a combination of factors, such as: age of the structure, location, condition, size, functionally obsolete, or school district. These homes are typically smaller in size and have fewer amenities. They may also have some deferred maintenance.

According to the Joint Center for Housing Studies of Harvard University, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted projects nationwide. Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties (one to four-unit structures) or in older multifamily structures. Some of these older developments are vulnerable to redevelopment due to their age, modest rents, and deferred maintenance.

About 64% of the market rate rental housing stock in St. Louis Park is affordable at 50% to 60% of area median incomes. According to the Harvard's Joint Center for Housing Studies (JCHS) unsubsidized rentals account for more than 75% of the affordable housing stock in the United States. It is estimated that over one-third of the naturally occurring affordable housing stock is composed of smaller multifamily buildings from 5 to 49 units. Within the Twin Cities Metro Area, it is estimated that about 60% of the rental stock is unsubsidized rentals affordable to households at or below 50% AMI.

Because the unsubsidized housing market is unregulated, there is a risk that some affordable market rate units could see rents increase rapidly and/or be redeveloped.



Where We Are Headed

Developing Creative Housing Solutions

The city's vision for "Developing Creative Housing Solutions" will enable St. Louis Park to meet future demand for housing, including affordable housing, due to the metro area's growing and changing demographics. The housing vacancy rate will more than likely stay below market equilibrium for the foreseeable future, which will cause higher housing prices and rents. Additionally, housing costs are likely to continue increasing at a faster rate than income, resulting in more housing cost burdened households.

In simple economic terms, the demand for housing is anticipated to remain greater than the supply in St. Louis Park.

Future Housing Demand

Demand for For-Sale Housing

As an inner-ring suburb, St. Louis Park is fully developed and has a very limited supply of vacant land available for future development of housing. Due to the age, price, and square footages of the existing single-family homes, they will continue to appeal to first-time and move-up households. This existing housing stock will drive demand for remodeling services or tear down and replacement of homes. Demand for remodeled or new single-family homes will be strong across most neighborhoods.

Some existing St. Louis Park homeowners who want to upgrade their housing may be unable to find what they are looking for in the city's older housing stock. As a result some households may choose to relocate to another city in the metro area. Another factor will be the generally higher costs for larger homes in St. Louis Park compared to other communities located further out from the central cities. There continues to be demand for larger, well-located, higher-amenity homes from both the existing household base and those who desire to relocate to St. Louis Park. The addition of larger single-family homes will be especially attractive to families who desire to stay in St. Louis Park but have outgrown their current home. Many families desire a minimum of three to four bedrooms, two baths, two-car garages and at least 2,500 square feet.

Because of the high land costs in St. Louis Park and current construction costs, it will be nearly impossible to build new entry-level single-family homes; hence new household construction will be for buyers seeking a larger home and more amenities.

A growing number of households will desire alternative housing types such as townhouses, detached townhomes, and twin homes. Typically, the target market for for-sale multi-family housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, professionals, particularly singles and couples without children, also will seek townhomes if they prefer not to have the maintenance responsibilities of a single-family home. In many housing markets, younger households also find purchasing multi-family units to be generally more affordable than purchasing new single-family homes. This is particularly true in St. Louis Park where many of the older townhome and condominium developments offer more affordably priced homes. As housing affordability continues to be an issue throughout the metro area, alternatives to single-family detached homes will become increasingly attractive to more households.

Demand for Rental Housing

Several factors will influence the demand for rental housing in St. Louis Park:

- » The 65 and older age group is typically not a target market for new general occupancy rental housing, although as baby boomers age this may change.
- » Younger households tend to be highly mobile but more restricted in the amount of rent they can pay. Consequently, the city's population will have a significant proportion of renters that corresponds with a higher housing turnover rate. This is also due to the city's location in a metro area and its close proximity to Minneapolis. These households are one of the drivers for the rental housing demand.
- » About a quarter of the total demand for new rental units in St. Louis Park are predicted to come from people currently living outside of the city.
- » The vacancy rates for all types of rental housing is below market equilibrium (2.5% vacancy rate for stabilized properties) indicating continued pent-up demand for rental housing.
- » Due to the age and positioning of the city's existing rental housing supply, a significant portion of units are priced at or below guidelines for affordable housing. This helps satisfy demand from some households that income-qualify for financially assisted housing.

- » Renters are also seeking newer rental properties with additional and updated amenities that are not offered in older developments. As a result, there are also numerous new market rate apartment buildings with vacancies near or below market equilibrium.

Market Rate Rental

St. Louis Park will continue to be a preferred destination for new market rate rental housing development, however the apartment market is expected to cool as new apartment construction begins to slow down in the metro area.

Despite new construction in the city, particularly along the Southwest LRT corridor, the market will eventually soften given the magnitude of new construction and high rents.

St. Louis Park can accommodate a variety of development types; from higher density mid-rise apartment buildings to lower density townhome rentals. Because the land supply is limited in St. Louis Park, most new construction will likely be higher density multi-family housing.

Affordable Housing: Vision 3.0 Viewpoints

Affordable housing means different things to different residents in the community. Although the term "affordable housing" was mentioned often throughout the city's visioning process, its meaning is different depending on one's perspective:

- » Seniors – or those nearing retirement – worry that they won't be able to pay the city's property taxes on a fixed income and therefore may not be able to afford to stay in St. Louis Park. They could sell their homes, but perceive a lack of affordable housing suited for seniors in St. Louis Park.
- » Residents who moved into small bungalows in St. Louis Park are ready to move into larger homes, but don't feel they can afford a larger house in St. Louis Park.
- » The working poor – especially those who have their children in St. Louis Park schools and don't want to disrupt their education – are getting priced out of once-affordable housing.
- » Longtime residents express concern that their children – who have grown up and moved away to other cities and now want to come back to St. Louis Park – can't afford starter homes in St. Louis Park.

Although there is consensus that more affordable housing is needed, there is also vocal opposition by some residents to multi-story “high density” development. Many residents also expressed concern about tear downs and “McMansions”. Overall, residents want to preserve the character of St. Louis Park’s traditional single-family homes and ensure that housing continues to be affordable for many people.

Future Housing Needs

Racial Equity

St. Louis Park, like many cities in the United States, has a legacy of housing discrimination that still negatively impacts community members of color. As part of the city’s desire to provide racially equitable housing options and programs that meet the needs and desires of all residents, the city will work to identify and address all residents’ needs for access to safe and affordable housing.

City’s Climate Action Plan

In addition to increasing the St. Louis Park’s housing supply and range of options, the city is continuously working to improve the quality and sustainability of its housing stock. One of the goals of the recently adopted Climate Action Plan is to reduce energy consumption in residential buildings by 35% by 2030. Strategies to support this goal include:

- » Energy code enforcement for all new and renovated residential buildings;
- » Stretch energy code for new construction.
- » Building retrofits and weatherization for existing single-family households;
- » Appliance, equipment, and fixture efficiency promotion;
- » Encouraging household behavior change for more sustainable living.

The city’s housing strategies related to home improvement and remodeling, as well as new housing construction, will all be crucial in achieving the Climate Action Plan’s goals.

Life-Cycle Housing

In addition to planning for more affordable units, St. Louis Park continues to explore opportunities to diversify its housing stock. Often termed “life-cycle” housing, the intent is to provide housing options for all cycles or phases in a person’s life. The spectrum of life-cycle housing typically includes:

- » Rental housing for young adults without the interest or financial capacity for home ownership;
- » Smaller homes for first-time home buyers;
- » Opportunities that allow growing families to expand their home or move to a larger home;
- » Maintenance-free housing for empty nesters;
- » Housing with supportive services for the elderly.

Housing needs typically expressed in St. Louis Park include expansion of existing housing units and new housing choices for empty-nesters and seniors. The creation of these additional options will enable families to remain in the community. With limited vacant land available to build new housing, one of the city’s goals is to support the creation of larger homes through the expansion of existing homes or housing redevelopment on substandard properties and brownfields.

Senior Housing

In the future, rather than seniors living in age-restricted communities, they will demand a broader range of housing options, including staying in their current homes. The aging of the baby boom population will increase demand for senior housing over the next decades.

As the baby boom generation has aged, they have tended to recreate the desired housing options. This trend is expected to affect the senior housing market as well as the baby boomers become seniors. New types of development will be needed to support the active and healthy lifestyles of the baby boomers. It is important for communities to explore and support the diversification of housing choices to meet seniors’ varying needs, whether it is housing style (townhome versus high rise apartment), ownership preference (owner- versus renter-occupied, including senior cooperative ownership housing) or lifestyle needs (amenities, services available or not available).

In addition, senior housing should be located near transit services and in walking distance of parks & recreation, shopping and services that cater to their needs to help support seniors' independence. Finally, the city must ensure that there are adequate affordable housing options available to seniors.

Demand exists for nearly all types of senior housing product types in St. Louis Park. The development of additional senior housing serves a two-fold purpose in meeting the city's housing needs: older adult and senior residents can relocate to new age-restricted housing that better fits their needs and desires, and existing homes and rental units that were occupied by seniors become available to other new households. Hence, development of additional senior housing does not mean the housing needs of younger households are ignored; rather creating more senior housing has a ripple effect of creating more housing for other residents.

Home Ownership

Home ownership offers many financial, emotional, and community benefits. The city will continue to support home ownership for its residents. As the demand for alternative owner-occupied housing grows, St. Louis Park will explore policies and programs to meet this evolving housing need.

Rental Housing

Although the city is a developed community, St. Louis Park is expected to grow over the next two decades. Bordered and intersected by major transportation corridors and located just minutes from downtown Minneapolis, the community will continue to be a desirable place to live. Rental housing will be an important way the city meets the housing needs of its residents. St. Louis Park continues to encourage new rental housing and preserve our existing rental housing stock. The city will also continue to implement the Tenant Protection Ordinance and pursue other appropriate NOAH preservation policies.

Preservation and Rehabilitation

The city is committed to ensuring all housing is safe and well maintained. These goals are especially important in a city like St. Louis Park that has little room for greenfield housing development. Several city programs which are listed in the Housing Programs in St. Louis Park section are currently in place to assist with preservation and rehabilitation projects. Continued efforts to develop and implement new programs that address current needs will be a high priority for the city in the next 5-10 years. One example is the development of Home Improvement Areas (HIAs), a loan program which makes it possible for condo and townhome associations to borrow money at affordable rates from the city for major improvements and upgrades. Another example is the city's green remodeling program, which encourages green design and environmentally friendly rehabilitation.

St. Louis Park and the Regional Housing Market

Since St. Louis Park is not an isolated community, the city's housing stock influences the demographic composition of the community rather than the other way around. For example, the large number of smaller "starter" homes attracts single persons and young families to St. Louis Park. This results in a different demographic mix in terms of household size and age than other communities. If St. Louis Park wants to enable residents to remain in the community throughout their entire lives, it needs to offer a diverse range of housing options as well.

Affordable Housing

The issue of affordable housing is not unique to St. Louis Park. City Councils in Minneapolis, St. Paul, and other first and second-ring suburbs are studying the issue and the working together to devise strategies. For its part, St. Louis Park is gaining affordable units in some of the new development projects and working with other communities on a regional approach. The affordable housing crisis cannot be solved by one community, but rather municipalities, private developers, non-profits, and all levels of government working together.

The small supply of vacant land for housing development will limit the opportunities for St. Louis Park to create additional affordable housing. Most of the affordable housing that will be created is likely to be created through private redevelopment. These future housing units must provide adequate opportunities to develop affordable housing that would meet the community's share of the region's future projected affordable housing needs.

One-bedroom units target singles and couples, whereas two and three-bedroom units target families. Some retired seniors would also be attracted to an affordable concept. The city will explore a variety of multifamily affordable concepts that would target residents at 50% to 60% AMI.

Demand is strong for both stand-alone tax credit projects and for mixed-income market rate developments that have a proportion of units at 50% to 60% AMI. Similar to market rate general-occupancy rental housing, new affordable development will likely occur in multifamily development with higher densities.

Because of the lack of funding sources for subsidized housing it will be exceptionally challenging to develop future deep subsidy projects. City policies that promote and incentivize affordable housing will be increasingly invaluable in meeting our community's affordable housing needs.

Table 5-16. Affordable Housing Need Allocation for St. Louis Park

HOUSEHOLD INCOME LEVEL	UNIT NEED
At or below 30% AMI	229
31 – 50% AMI	132
51 – 80% AMI	78
Total Units	439

Source: Metropolitan Council, 2015

St. Louis Parks' Affordable Housing Allocation

The Metropolitan Council determines the regional need for very low-, low- and moderate- income housing for every community in the metro area. St. Louis Park's share of the region's affordable housing need is 439 new units to be developable from 2021-2030. Of these new units, the need is for 229 affordable to households earning at or below 30% AMI, 132 affordable to households earning 31% to 50% of AMI, and 78 affordable to households earning 51% to 80% of AMI.

The way that communities accomplish this affordable housing allocation is by designating adequate vacant land or redevelopable land at minimum densities (units/acre) that are high enough for affordable housing to be an option. The idea being that the more units per acre allowed on a site, the less it costs per unit to build, making per unit cost more affordable. That higher density then makes the development an option for both affordable housing and market-rate developers. The affordable housing allocation does not mean that all of the units built within these land uses will be affordable. Rather, through future land use guidance, the city needs to ensure that the opportunity for affordable housing exists by having adequate vacant or redeveloped land guided for higher densities to meet the stated share.

Increasing density alone will not address affordability issues in housing. It is important to remember that these numbers are new affordable units. Like many communities in the Twin Cities metro area, St. Louis Park is at risk of losing existing affordable units, both subsidized and naturally occurring, from ownership transfers, redevelopment, or demolition of obsolete buildings. The city has many programs and initiatives not only to facilitate the building of new affordable units, but also to help with maintenance and upkeep of existing affordable housing within St. Louis Park

Table 5-17. Residential Future Land Use Designations & Affordable Allocation

FUTURE LAND USE	MIN. UNITS/ ACRE	QUALIFY?
RL- Low Density Residential	3	No
RM – Medium Density Residential	6	No
RH – High Density Residential	30	YES
MX – Mixed Use	20	YES- % RESIDENTIAL APPLIED
TOD – Transit Oriented Development	50	YES- % RESIDENTIAL APPLIED
COM – Commercial	20	YES- % RESIDENTIAL APPLIED
OFC – Office	50	YES- % RESIDENTIAL APPLIED

Source: St. Louis Park, 2018

According to the Metropolitan Council, any residential future land use designation that has a minimum density of eight units per acre or more can count towards affordable housing allocation calculations for all income level needs. Table 5-17 features all residential future land use designations for St. Louis Park and their minimum units per acre.

Vacant or redevelopable land designated as High Density Residential, Mixed-Use, Transit Oriented Development, Commercial, or Office, that is phased to be redeveloped between 2021-2030 may count toward affordable housing allocation calculations.

As seen in Table 5-18, the net developable or redevelopable acres of each applicable land use have been multiplied by the minimum units per acre to determine the minimum number of units that could be developed on this available land; for many of these designation only a proportion of their developable lands is expected to become residential, so those percentages apply to the unit count for this calculation.

Between 2021 and 2030, areas of St. Louis Park that are expected to develop at high densities should yield a minimum of 1,513 units, which meets the City’s allocation of affordable housing need in the region for that decade.

Table 5-18. St. Louis Park Development Potential for Affordable Allocation 2021-2030

FUTURE LAND USE	ACRES (NET) 2021-2030	MINIMUM UNITS PER ACRE	% RES.	UNITS
RH – High Density Residential	0.00	30	100%	0
MX – Mixed Use	5.19	20	75%	77
TOD – Transit Oriented Development	37.52	50	75%	1,407
COM – Commercial	6.79	20	10%	13
OFC – Office	3.27	50	10%	16
Total				1,513

Source: St. Louis Park, 2018

Areas of Future Housing Growth

As discussed earlier, the city’s future housing growth will come from redevelopment activities. As part of the city’s land use, economic development, and redevelopment planning, the city identifies potential and planned redevelopment sites. Some of these sites are or will be guided for redevelopment with new housing. In general, future housing growth is currently planned for the following redevelopment areas:

- » Elmwood neighborhood within the Wooddale Transit Station Area
- » Beltline Transit Station Area
- » Louisiana Transit Station Area
- » Shelard Park neighborhood
- » Texa-Tonka neighborhood commercial node
- » Louisiana/Cedar Lake Road neighborhood commercial node
- » Wayzata Boulevard corridor (I-394 frontage road), east of Louisiana Avenue
- » Excelsior Boulevard corridor

The majority of these future housing developments will be in the form of high density, medium density, or mixed-use housing types and located convenient to community amenities such as public transit, retail/service businesses, parks, etc.

Since growth in housing units also has implications on transportation infrastructure, areas where housing growth is likely to occur have been identified by city staff. See the map on Figure 5-3. Place Types Framework on page 5-120.

Southwest Light Rail Transit METRO Green Line Extension (SWLRT)

The Southwest Light Rail Transit METRO Green Line Extension (SWLRT) project, which is now planned to open in 2023, will extend the METRO Green Line (Central Corridor LRT) approximately 14.5 miles and run southwest from downtown Minneapolis through St. Louis Park, Hopkins, Minnetonka, and Eden Prairie. The LRT will run along the Cedar Lake Trail in St. Louis Park and have stations at Louisiana Avenue, Wooddale Avenue, and Beltline Boulevard. The Southwest LRT project will drive even greater demand for housing in St. Louis Park, and represents an excellent opportunity for the city to meet its housing goals.

The Louisiana Avenue Station, which will include park-and-ride lots, will be located just north of the Park Nicollet Methodist Hospital and the Era on Excelsior apartments. The Wooddale Station will be located near a variety of residential options, including Via (PLACE), the Tower Light senior apartments, the Village in The Park condominiums, and the Hoigaard Village apartments. The Beltline Boulevard Station will contain a mix of uses and have nearby park-and-ride lots. The Edge of Uptown and Park Towers apartments and Sholom Menorah Plaza will all be within 0.5 miles of the station. Proximity to the SWLRT will give St. Louis Park housing developments an added draw for potential residents. The city seeks to maintain flexibility near the transit stations to promote higher-density redevelopment.

Table 5-19. Projected Phased Residential Development Potential by Station Area

STATION NAME	SHORT TERM (3-5)	MID TERM (6-10)	LONG TERM (10+)	TOTAL
Beltline	240	440	420	1100
Wooddale	120	240	240	600
Louisiana	0	340	460	800
Total around stations	360	1020	1120	2500

Source: Comprehensive Housing Market Study Update, Maxfield Research & Consulting

Housing Programs and Tools in St. Louis Park

Housing Authority Programs and Tools

The Housing Authority (HA) administers programs that ensure availability of affordable, safe, and desirable housing options in the city. In 2018, the HA provided services for approximately 500 eligible, low-income households through its housing programs. The HA also oversees administration of home improvement loans to assist homeowners with renovations, facilitates redevelopment of blighted or vacant properties, and partners with developers to meet affordable housing needs.

Public Housing

The HA owns 37 scattered site single-family units (3 to 5 bedrooms) acquired and constructed between 1974 and 1996, and Hamilton House, a low-rise apartment building with 108 one-bedroom units and 2 two-bedroom caretaker units built in 1975. Although the apartment building is designated for general occupancy, priority is given to elderly and disabled residents. The single-family scattered units house families with children. The HA also holds the HUD Annual Contributions Contract (ACC) and maintains a waiting list for 12 two-bedroom public housing apartment units located at Louisiana Court.

Housing Choice Voucher Program (HCV)

The HA is allocated 268 HUD Housing Choice Vouchers. This rental assistance program provides rent subsidies for low-income individuals and families in privately owned, existing market rate housing units. The rent subsidy is paid directly to the owner of the rental property by the HA with funds provided by HUD. The HA offers both tenant-based and project-based vouchers. Out of the HA's allocation of vouchers, 41 of them are designated for use in three privately owned developments (Excelsior & Grand, Vail Place, and Wayside) and are referred to as project-based vouchers.

Stable HOME Rental Assistance Program

The Stable HOME program provides rent assistance to low-income singles and families who were homeless or would otherwise be at risk of homelessness. Rent assistance is limited to three years. During the three years, participants must establish good rental histories and relationships. They must also work to improve their earnings enough to where they do not need rental assistance. The program is administered by the HA, but participants are free to choose a rental unit anywhere in Hennepin County except Minneapolis. Participants are referred to the program by Hennepin County. This program is funded with federal HOME funds allocated to Hennepin County. Single participants are also participants in the county's Employment Pays program and families are also in the Stable Families Initiative program. Within suburban Hennepin County, 41 families were served by this program in 2017.

Kids in the Park Shallow Rent Subsidy Program

This program provides rental assistance to households with school-age children for up to four years. Participants receive a flat monthly rental assistance that decreases annually over the four-year period. Eligible households must have children attending St. Louis Park schools (or St. Louis Park schools are in their assigned attendance area), have an income at or below 50% AMI, one parent/guardian that works a minimum of 28 hours/week, live in rental housing in St. Louis Park, and comply with their lease. Families with disabled and elderly heads of household do not need to comply with the work requirement. The program was developed in partnership with STEP and the St. Louis Park School District.

Continuum of Care

The Continuum of Care Program (CoC) is designed to link rental assistance with supportive services for hard-to-reach homeless persons with disabilities (primarily those who are seriously mentally ill or have chronic problems with alcohol, drugs or both) and their families. Grants are provided to be used for permanent housing which must be matched with supportive services that are equal in value to the amount of rental assistance and appropriate to the needs of the population to be served. St. Louis Park is the grant recipient and we partner with two sponsor organizations that administer supportive housing programs.

Independent Living Supportive Services

Resident Opportunities for Self Sufficiency (ROSS)

This program is a federally funded public housing program for elderly and persons with disabilities. The HA administers this program to provide and coordinate supportive services to assist elderly and disabled residents at Hamilton House to continue to live independently.

Family Self Sufficiency (FSS)

This program is a federally funded family self-sufficiency program that operates in conjunction with the HUD Housing Choice Voucher program and the HA's public housing program, designed to enable families to improve their employment status through training and educational opportunities.

City of St. Louis Park Programs and Tools

The City of St. Louis Park, in addition to the HA, has a number of programs addressing housing in the city, which include the following:

Community Development Block Grant (CDBG)

St. Louis Park receives an annual allocation of Community Development Block Grant (CDBG) funds which are HUD funds distributed through Hennepin County. The city currently allocates and plans to continue to allocate the funds to projects that preserve existing housing and increase affordable ownership opportunities.

Neighborhood Revitalization Grants

Grants are made by the city to organized neighborhoods for activities and projects to build community and neighborhood cohesion.

St. Louis Park Rental Coalition (SPARC)

SPARC's mission is to provide a community-wide forum that promotes effective management practices and quality rental housing in St. Louis Park. This valuable networking opportunity is intended for rental housing owners, managers and city staff.

Housing Improvement Area (HIA)

This housing finance tool assists with preservation of the city's existing townhome and condominium housing stock. An HIA is a defined area within the city where housing improvements are made and the cost of the improvements are paid in whole or in part from fees imposed on the properties within the area. The neighborhood housing association borrows low interest money from the city, improvements are completed and unit owners repay the loan through fees imposed on their properties and collected with property tax payments. To date, seven HIAs have been established and over twelve million dollars of improvements has been made to 1,100 units.

Affordable Homeownership Tools

Habitat for Humanity Partnership Program

In partnership with Twin Cities Habitat for Humanity, the city facilitates the purchase of homes in need of substantial rehabilitation and transfers ownership to Habitat for Humanity for the development of owner-occupied housing for low- and very low-income households.

Live Where you Work Homeownership Program

This program began in spring 2009 with the goal of promoting home ownership within the city among employees of St. Louis Park businesses. The city provides a deferred loan of \$2,500 to an eligible employee and an additional \$1,000 is provided to employees purchasing vacant lender-owned foreclosed properties. Employers are invited to contribute a matching or lesser amount to the city's contribution. The deferred loan will be forgiven after three years if the employee continues to work for the employer and meets other qualification requirements. The city contracts with the Center for Energy and Environment (CEE) for loan administration. In 2016 Citizens Independent Bank met with city staff and now offer qualified borrowers \$500 off the origination fee.

WHAHLT – West Hennepin Affordable Housing Land Trust (Homes within Reach)

- » Creates and preserves affordable homeownership opportunities for working households in western suburbs of Hennepin County.
- » Community land trust practice takes the cost of land out of real estate transaction, making the home more affordable. Families can more easily purchase the home where they live/work, retain for generations, and over burden their incomes in becoming homeowners. Expands home ownership, sustains community resources, supports residential stability, preserves affordable housing and supports stronger local workforce.
- » Purchases properties, rehabilitates and then sells the home to qualified low- to moderate-income households. Buyers pay for cost of home only and lease the land for 99 years. City funds are leveraged with CDBG, Hennepin County Affordable Housing Incentive Fund (AHIF), HOME Partnership, Metropolitan Council, Minnesota Housing and other funds.
- » Since 2006, 16 homes have been purchased and sold to low- to moderate-income families and an additional home has been purchased and is currently being rehabbed.

Move Up in the Park Housing Tools

A group of loan programs and educational/building assistance programs designed to encourage and help residents to expand existing homes.

Move-up Transformation Loans

Encourages residents with incomes at or below 120% of median area income to expand their homes. The program provides deferred loans for 25% of the applicant's home expansion project cost, with a maximum loan of \$25,000. The revolving loan pool will continue to fund future expansions.

Architectural Design Service

Architectural consultation for residents to assist with brainstorming remodeling possibilities and to raise the awareness of design possibilities for expansions. Residents select an approved architect from a pool developed in conjunction with the MN Chapter of the AIA. All homeowners considering renovations are eligible for this service regardless of income; however to ensure committed participants, residents make a \$25 copay.

Home Improvement Loan Programs

Deferred Loan

Working with Hennepin County, the city funds loans up to a maximum of \$20,000 to pay for basic safety and/or maintenance improvements. The funds are available to very low income homeowners and are deferred until the home is sold or forgiven after 15 years.

Emergency Repair Program

The city funds grants up to \$4,000 to low income homeowners to address immediate emergency repairs such as furnace replacement, roof repair, etc.

Energy-Related Rehabilitation Loans

Public and private grants and loans for energy-related improvements including furnaces, insulation, windows, etc.

Remodeling Advisor

Provides technical help before and during the construction process. All homeowners are eligible for this service regardless of income. Resident surveys indicated that homeowners valued the service and would recommend it to others. The city contracts with CEE for this free service.

Home Energy Squad Visits

Comprehensive residential energy program designed to help residents save money and energy and stay comfortable in their homes. The program is administered by CEE. The city pays \$50 per resident visit which is leveraged with funds from Xcel Energy, Center Point Energy and CEE. The cost per resident is \$50 per enhanced visit.

Consultant evaluates energy saving opportunities and installs energy-efficiency materials. Also performs diagnostic tests, insulation inspection, safety checks. The enhanced visits qualify residents for CEE low interest financing and utility rebates.

Discount Loan Program

Discounts the interest rate on the Minnesota Housing Finance Agency (MN Housing) home improvement loans based on household income.

Home Remodeling Tour

Designed to meet the goal to remodel and expand single family owner occupied homes. The self-guided tour of six homes provides a showcase of a variety of home remodeling projects to residents.

Home Remodeling Fair

Annual four-city event to disseminate information and educate residents about remodeling. Cosponsored by St. Louis Park, Hopkins, Minnetonka, and Golden Valley. Residents can attend seminars, talk with vendors and city staff about permitting, zoning, loans, and environmental issues. Vendor registration fees cover the costs of the fair.

Green Remodeling Program

Programs that “piggy-back” on existing housing program to encourage green remodeling through technical advice and rebates. This energy improvement loan has no income restrictions and there is no cost to the city.

Home Maintenance Programs

Certificate of Property Maintenance Permitting and Inspections

The Point of Sale program issues a Certificate of Property Maintenance for all buildings to ensure property maintenance code compliance anytime a residential or commercial building is sold or title is transferred.

Rental Licensing and Inspections

This program includes annual licensing of all non-owner occupied properties. An inspection occurs once every two years to ensure compliance with the Property Maintenance Code and, when required, by tenants experiencing problems with their rental properties. The city plans on continuing the rental licensing program to ensure quality rental properties within the community. A component of the program coordinated with the Police Department is the Crime Free/Drug Free requirement for training, leases and behavior compliance.

Property Condition Evaluation

Every four years, St. Louis Park systematically evaluates residential and commercial property conditions throughout the city to verify exterior building maintenance. The program has been integrated with the rehab program on a city-wide scale and during other years has concentrated on smaller localized neighborhoods and commercial areas.

Construction Management Plan

The city recognizes that many households are looking for larger homes. As a result, significant additions and/or tearing down of existing homes and rebuilding larger homes is becoming more common. Because St. Louis Park is a fully built community, these major additions and construction of new homes impacts the surrounding neighbors. Major additions (second story additions, additions over 500 square feet), demolitions and new construction need to comply with a Construction Management Plan (CMP).

Real Estate Forum

Every two years the city hosts a St. Louis Park Realtor Forum with the Minneapolis Area Association of Realtors (MAAR). Realtors receive continuing education credits and learn what makes St. Louis Park a desirable place to live. The wide ranging topics include such areas as development, livability, public safety, market analysis, the school district, and buying and selling homes in St. Louis Park.

City Housing Policies & Ordinances

Inclusionary Housing Policy

In June of 2015, the City Council adopted an Inclusionary Housing Policy that requires the inclusion of affordable housing units for lower income households in new market rate multi-unit residential developments receiving financial assistance from the city. The goal of the Inclusionary Housing Policy is to increase the supply of affordable housing and to promote economic and social integration. This policy focuses on market rate developments where affordable housing would not otherwise occur. In 2018, the City Council amended the policy to raise the percentage of required affordable units.

Development has continued at a robust level in the city since the adoption of the Inclusionary Housing Policy. The city is balancing all impacts of the policy with the city's expanding need for affordable housing as they consider modifications to the policy in the future.

Table 5-20. Review of Inclusionary Housing Policy to Date

DEVELOPMENT	TOTAL UNITS	AFFORDABLE UNITS	AFFORDABILITY LEVEL
Required per Policy			
Shoreham	148	30	50% AMI
4800 Excelsior	164	18	60% AMI
Elmwood (PUD approved)	85	17	60% AMI
PLACE (PUD Approved)	299	200	60%/80% AMI
Voluntary			
Central Park West	363	6	60% AMI
Liv. Comm. Required			
Arlington Row (PUD approved)	61	6	80% AMI
Total Units	1,120	282	

Source: St. Louis Park Community Development

Key Components of the Adopted Policy

The policy allows the income and affordability requirements to be fulfilled in the following ways:

- » On-site development of units within the proposed market rate ownership or rental residential development; or development of income and rent restricted rental units at another site approved by the city.
- » Affordability Level:
 - Rental: 20% of units at 60% of area median income (AMI), or 10% of units at 50% AMI
 - Ownership: 15% of units at 80% AMI
- » Length of Affordability Requirement: Minimum of 25 years.
- » Bedroom Mix of Affordable Units: The bedroom unit type of the affordable units will be reflective of the development's market rate units and will be distributed throughout the development.
- » Building Size: The policy is applicable to buildings that have 10 or more units.
- » Tenant Eligibility: Affordable rental dwelling units shall be rented only to income eligible families during the period of affordability. An income eligible family may remain in the rental inclusionary dwelling unit for additional rental periods as long as the income of the family does not exceed one-hundred twenty percent (120%) of the applicable AMI.

- » Developments covered by the policy must not discriminate against tenants who would pay their rent with government provided Housing Choice Vouchers or other local rent subsidies.

Tenant Protection Ordinance

NOAH Preservation Workgroup

In September 2017, the City Council directed staff to convene a workgroup with representatives from MN Multi-Housing Association, the St. Louis Park rental industry and representatives from agencies advocating for NOAH preservation strategies. The purpose of the workgroup was to review and discuss the preservation strategies being considered by the City Council and identify middle ground. The workgroup met three times and generated several NOAH preservation strategies, including the Tenant Protection Ordinance.

Key Components of the Adopted Ordinance

This ordinance requires a three month period following the ownership transfer of a NOAH multi-family residential property in which the new owner would be required to pay relocation benefits to tenants if the new owner increases the rent, rescreens existing residents or implements non-renewals without cause and the tenant chooses to move during this period. NOAH properties would be defined as buildings where at least 18% of the units have rents affordable to households with incomes at or below 60% AMI. Eighteen percent mirrors the percent of affordable housing required at 60% AMI per the city's Inclusionary Housing Policy.

This ordinance does not prohibit a new owner from taking the actions listed above; however, the owner would be required to pay resident relocation benefits if they do take any of those actions during the tenant protection period. The ordinance allows for a three month period of time for residents to work with housing support resources and seek alternative housing if they are facing unaffordable rent increases, new screening criteria requirements that would be problematic for them, or a thirty day non-renewal without cause notice to vacate. The ordinance also requires the new owner of an affordable housing building to provide notice of the ordinance protections to tenants of affordable housing units within 30 days of the sale of an affordable housing building.

Future Housing Tools

St. Louis Park will continuously evaluate and refine our existing housing tools to ensure they meet the housing needs of our residents. The city is currently exploring these housing tools to maintain the livability of our community.

Housing Trust Fund:

The city established a local Housing Trust Fund in October 2018. Housing trust funds are distinct funds established by city, county or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing. Housing trust funds can also be a repository for private donations.

Legacy Transfer:

This idea was generated as an outcome of the NOAH preservation workgroup's discussion on the Advance Notice of Sale ordinance. The workgroup acknowledged that the majority of owners appreciate and care about their residents and that there are owners that would be interested in creating a "legacy" by preserving their property as affordable housing. The workgroup discussed the creation of a program that could be marketed to owners to make them aware of the financial advantages of transferring their NOAH property to a non-profit preservation buyer. All participants agreed that this could be a collaborative effort between Minnesota Multi-Housing Association (MMH), preservation buyers and local communities. Several members of the workgroup including representatives from MMH, Greater MN Housing Fund and Common Bond have volunteered to explore this idea further.



Rehabilitation Funding in Exchange for Rent Restricted Units/4D Tax Classification:

The NOAH preservation workgroup members endorsed this strategy in theory but felt the terms and requirements of the program will determine if the program will appeal to rental owners. This program may attract mid- and small property owners with less access to capital. The Urban Land Institute (ULI), Family Housing Fund (FHF) and MN Housing have established a workgroup to explore establishing a pilot for a rental rehab program targeted at small and mid-size properties modeled after a current program funded and administered by MN Housing for greater MN. The workgroup also noted that eligibility for the 4D tax classification as a result of participation might incent more owners to use the program. The workgroup discussed the feasibility of lowering the 4D tax rate which would make the requirement to establish rent-restricted units more financially manageable. The workgroup also discussed exploring how the 4D tax benefit could be used as an incentive to leverage commitments from property owners to accept Housing Choice Voucher participants. For example, an owner agrees to rent up to 20% of their units could qualify for the 4D tax classification.



Housing Goals and Strategies

- 1. The City of St. Louis Park will promote and facilitate a balanced and enduring housing stock that offers a continuum of diverse life-cycle housing choices suitable for households of all income levels including, but not limited to affordable, senior, multi-generational, supportive and mixed-income housing, disbursed throughout the city.**



Strategies

- A. Create a broad range of housing types to provide more diverse and creative housing choices to meet the needs of current and future residents.
- B. Review existing policies, programs and regulations to remove barriers to innovative and creative housing options.
- C. Ensure new housing policies promote fair and equitable housing choices.
- D. Use data and research to guide and evaluate housing priorities, policies, and programs.
- E. Use infill and redevelopment opportunities to assist in meeting housing goals.
- F. Create policies, tools and strategies to promote the goals of the city's Climate Action Plan, encouraging energy efficiency and reducing energy consumption in residential properties.
- G. Create senior housing opportunities: both market rate and affordable, homeownership and rental, and active and supportive.

- 2. Single Family Homes: The city is committed to creating, preserving, and improving the city's single-family housing stock.**



Strategies

- A. Promote the creation of family-sized, owner-occupied, single-family homes that meet the needs and desires of current and future residents through the expansion of existing homes and through construction of new homes.
- B. Proactively address substandard housing properties through code enforcement and public or private redevelopment activities such as acquisition, demolition and housing replacement.

- C. Promote high-quality architectural design standards of homes through the use of good design practices which are complementary and compatible with the neighborhood, utilizing quality materials and superior construction.
- D. Allow for Accessory Housing Units (AHUs) in all low density residential areas.
- E. Allow for two-family dwelling units (twin homes and duplexes) on appropriately-sized lots in low density residential areas.

3. Multi-Family: The city is committed to promoting quality multi-family developments, both rental and owner occupied, in appropriate locations, including near transit centers, retail and employment centers and in commercial mixed use districts.



Strategies

- A. Promote the preservation and maintenance of existing multi-family housing stock.
- B. Promote high-quality architectural design in the construction of new multi-family developments.
- C. Be proactive in analyzing and guiding redevelopment opportunities for multi-family developments.
- D. Increase densities and housing options on high-frequency transit routes and near rail stations.

4. Residential Rental Housing: The city is committed to creating, preserving and improving the city's rental housing stock.



Strategies

- A. Ensure rental housing is well-maintained and safe through policies and programs for property owners including building inspections, education and rehabilitation resources.
- B. Promote the inclusion of family-sized units (2 and 3 bedroom) in newly constructed multi-family developments.
- C. Minimize the involuntary displacement of people of color, indigenous people and vulnerable populations, such as low-income households, the elderly and people with disabilities from their communities as neighborhoods grow and change.

5. Home Ownership: The city is committed to promoting home ownership, including affordable homeownership options and exploring traditional and non-traditional owner-occupied housing options such as: row houses, courtyard housing, high-rises, live-work units, three-story homes, co-housing, Land Trust, Habitat sponsored homes, and multi-generational housing.



Strategies

- A. Promote and facilitate a balanced and sustainable housing stock to meet diverse needs for today and in the future.
- B. Continue promoting first-time home buyer, homeownership counseling, down payment, and other assistance programs.
- C. Expand homeownership opportunities and improve access to homeownership, especially for low-income residents, people with disabilities, and people of color.
- D. Explore strategies and tools to prevent loss of affordable homeownership opportunities, especially near light rail transit station areas.

6. Affordable Housing: The city is committed to promoting affordable housing options for low- and moderate-income households.



Strategies

- A. Ensure affordable housing is dispersed throughout the city and not concentrated in any one area.
- B. Continue to support the preservation of naturally-occurring affordable housing.
- C. Promote the inclusion of affordable housing in new developments, including those located near the Southwest Light Rail Transit Corridor and other transit nodes, retail and employment centers and commercial mixed-use districts.
- D. Pursue policies, tools and programs to ensure long-term housing affordability for households at or below 30, 50, 60 and 80% of AMI.

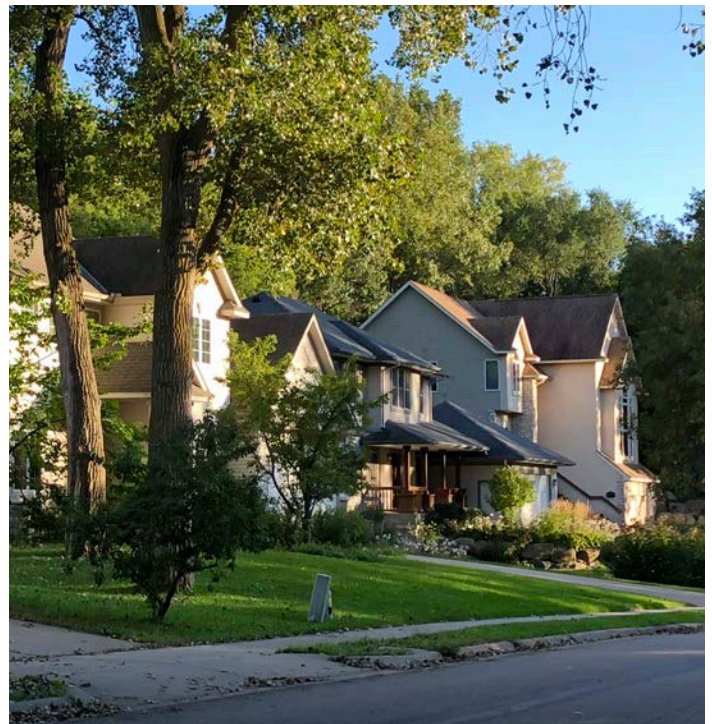
- E. Pursue innovative strategies to maximize the creation and preservation of affordable housing:
 - Continue the implementation of the Inclusionary Housing Policy.
 - Support shallow rent subsidy programs to promote the ability of rental households to secure and maintain stable housing (such as Kids in the Park).
 - Develop additional strategies to ensure long-term housing affordability, such as the city’s Tenant Protection Ordinance, non-discrimination of rental subsidy, reductions in fees, incentives, and others.
 - Continue and strengthen partnerships with local nonprofits who are addressing housing needs and challenges in St. Louis Park, including St. Louis Park Emergency Program, Community Action Program- Hennepin County, Project for Pride in Living and others.
 - Partnership support may include funding to carry out the tasks of the Housing Authority or city to preserve housing & avoid displacement of citizens.
 - Continue acceptance and support of transitional and supportive housing programs for specialized groups and affordable housing providers.
 - Promote safe, stable and affordable housing opportunities and strategies for homeless youth, singles, and families. Continue to support households at risk of homelessness through programs such as the Stable HOME program and STEP Emergency Program.
 - Continue to engage in regional dialog and collaboration to expand and maximize affordable housing resources and tools at the local, regional, state and federal levels.
- F. Continue successful administration of the Housing Authority’s core federally funded rental assistance programs, including maximizing program utilization, ensuring sound fiscal policies, securing renewal funding through the submission of competitive grant applications, and maintaining and improving the Public Housing properties.

7. Preservation, Safety and Sustainability: The city is committed to ensuring all housing is safe and well maintained.



Strategies

- A. Strengthen the city’s single- and multi-family home maintenance and rehabilitation programs.
- B. Preserve and enhance housing quality and design through code enforcement and the promotion of housing improvement programs related to home rehabilitation, design and housing safety.
- C. Encourage the use of green building practices, energy-efficient products, and sustainable methods in both single-family and multi-family housing construction.
- D. Proactively address health hazards in housing and advance design that supports physical and mental health.
- E. Strengthen neighborhoods and neighborhood amenities to encourage residents to stay and reinvest in St. Louis Park.



Housing Tools By Need

Table 5-21. Housing Tools/Implementation by Housing Need

PROGRAM/TOOL	HOUSING NEED ADDRESSED?									DESCRIPTION* <small>*FOR CIRCUMSTANCES & SEQUENCE OF USE, SEE WRITE-UPS ON PAGE 5-179 THROUGH PAGE 5-184</small>	AFFORDABILITY LEVEL?			
	RACIAL EQUITY	HOUSING & THE CLIMATE ACTION PLAN	LIFE-CYCLE HOUSING	SENIOR HOUSING	AFFORDABLE HOUSING	HOME OWNERSHIP	RENTAL HOUSING	PRESERVATION & REHAB	DEMAND FOR HOUSING		30% AMI AND BELOW	31% - 50% AMI	51% - 80% AMI	ALL INCOME LEVELS
Existing Housing Authority Programs														
Public Housing				X	X		X		X	HA owns and manages 157 PH units	X	X	X	
Housing Choice Voucher Program					X		X		X	HA administers 268 HUD allocated HCVs	X	X		
Rental Assistance Programs														
Stable HOME Rental Assistance Program					X		X		X	Available to households who are homeless or at risk of homelessness; assistance available for up to three years	X	X		
Kids in the Park Rent Assistance Program					X		X		X	Interest rate write down of state rehab program	X	X	X	
Continuum of Care (CoC)					X		X		X	Income based rent assistance program for homeless disabled households				
Independent Living Supportive Services														
Resident Opportunities for Self Sufficiency (ROSS)				X	X					Support and referral services to promote successful independent living	X	X	X	
Family Self Sufficiency (FSS)					X					Promotes family economic self sufficiency for Public Housing and HCV participants	X	X	X	
Existing City Housing Tools														
Community Development Block Grant (CDBG) Program			X		X			X	X	Annual allocation of funds to support varies affordable housing initiatives	X	X	X	
St. Louis Area Rental Coalition (SPARC)			X				X			Community wide forum for rental property owners/managers that promotes effective management practices				X
HIA- Housing Improvement Areas					X			X		Provides loan to housing associations to address deferred maintenance and rehab needs				Home value restrictions
Excess Land/land banking					X		X		X	City sold excess land lots for single family housing construction; city assembled land to facilitate development of affordable housing				

PROGRAM/TOOL	HOUSING NEED ADDRESSED?									DESCRIPTION* <small>*FOR CIRCUMSTANCES & SEQUENCE OF USE, SEE WRITE-UPS ON PAGE 5-179 THROUGH PAGE 5-184</small>	AFFORDABILITY LEVEL?			
	RACIAL EQUITY	HOUSING & THE CLIMATE ACTION PLAN	LIFE-CYCLE HOUSING	SENIOR HOUSING	AFFORDABLE HOUSING	HOME OWNERSHIP	RENTAL HOUSING	PRESERVATION & REHAB	DEMAND FOR HOUSING		30% AMI AND BELOW	31% - 50% AMI	51% - 80% AMI	ALL INCOME LEVELS
Existing City Housing Tools (Cont.)														
Affordable Homeownership Programs														
Habitat for Humanity Partnership Program					X	X				X	City facilitates purchase of homes in need of major repair and transfers ownership to organization	X	X	X
Live Where You Work Homeownership Program					X	X				X	Available to moderate income households			120% AMI and below
West Hennepin Affordable Housing Land Trust					X	X				X	Assists low- and moderate-income households afford homeownership, by purchasing just the home, with the Land Trust owning the underlying property		X	X
Affordable Housing Incentive Fund			X		X	X	X			X	City incentives provided as leverage for housing developers and agencies creating affordable home ownership opportunities who are seeking AHIF funds	X	X	X
Move Up in the Park Housing Programs														
Move-Up Transformation Loans			X						X		Loan to assist with significant home expansion, deferred until sale or forgiven after 30 years			120% AMI and below
Architectural Design Service			X						X		\$25 co-pay for 2 hour consultation			X
Home Improvement Loan Programs														
Low Income Deferred Loan Program			X		X				X		Loan for rehab deferred until sale of home or forgiven after 15 years	X		
Emergency Repair Program			X		X				X		Grant program of up to \$4000	X	X	
Energy-Related Rehabilitation Loans		X							X		Through CEE program			
Remodeling Advisor			X						X		Technical advisors meets homeowners to discuss rehab projects- no cost to homeowners			X
Home Energy Squad Visits		X							X		Energy consultants evaluate home for energy saving opportunities- \$50 cost to owner			X

PROGRAM/TOOL	HOUSING NEED ADDRESSED?									DESCRIPTION* *FOR CIRCUMSTANCES & SEQUENCE OF USE, SEE WRITE-UPS ON PAGE 5-179 THROUGH PAGE 5-184	AFFORDABILITY LEVEL?			
	RACIAL EQUITY	HOUSING & THE CLIMATE ACTION PLAN	LIFE-CYCLE HOUSING	SENIOR HOUSING	AFFORDABLE HOUSING	HOME OWNERSHIP	RENTAL HOUSING	PRESERVATION & REHAB	DEMAND FOR HOUSING		30% AMI AND BELOW	31% - 50% AMI	51% - 80% AMI	ALL INCOME LEVELS
Discount Loan Program			X					X		Interest rate write down of state rehab loan program		X	X	
Home Remodeling Fair and Tour								X	X	Annual remodeling fair with 3 other adjacent communities				X
Green Remodeling Program		X						X		City matches 50% of utility rebates for energy efficient furnaces, water heaters, etc.				X
Existing City Housing Tools (Cont.)														
Home Maintenance Programs														
Certificate of Property Maintenance Permitting and Inspections								X		Prior to sale of property, city inspects property to protect housing stock- avoid unsafe conditions or deterioration				X
Rental Licensing and Inspections								X	X	All rental properties inspected every two years				X
Energy Efficient Matching Rebate		X						X		City matches 50% of the utility rebate for energy related improvements				X
Property Condition Evaluation								X		Drive-by inspections completed of all SF homes every 4 years to identify exterior code violations				X
Construction Management Plan Program										Ensures neighbors are notified of single family significant rehab and demo rebuild projects				
Realtor Forum			X			X			X	Held every two years to educate realtors on city of SLP				X
Maxfield Research Market Study									X	Comprehensive Housing analysis completed every five years				
Policies/Ordinances														
Inclusionary Housing Policy	X				X	X	X		X	Policy requiring affordable units included in new development		X	X	
Tenant Protection Ordinance	X				X		X	X	X	Provides 3 month protection period for residents of NOAH buildings that transfer ownership	X	X	X	60% AMI and below

PROGRAM/TOOL	HOUSING NEED ADDRESSED?										DESCRIPTION*	AFFORDABILITY LEVEL?			
	RACIAL EQUITY	HOUSING & THE CLIMATE ACTION PLAN	LIFE-CYCLE HOUSING	SENIOR HOUSING	AFFORDABLE HOUSING	HOME OWNERSHIP	RENTAL HOUSING	PRESERVATION & REHAB	DEMAND FOR HOUSING	*FOR CIRCUMSTANCES & SEQUENCE OF USE, SEE WRITE-UPS ON PAGE 5-179 THROUGH PAGE 5-184		30% AMI AND BELOW	31% - 50% AMI	51% - 80% AMI	ALL INCOME LEVELS
Future City Housing Tools															
Planned Housing Tools															
Affordable Housing Trust Fund										X	Ordinance approved November 2018				Up to 120% AMI
Legacy Transfer					X					X	Program to promote the sale of NOAH properties to preservation buyers				
4D Tax Classification Incentive Program					X			X		X	Local 4D program provides funding incentives and reduced tax rate in exchange for rent restricted units		X		
Multi-Family Rental Rehab					X			X		X	Rehab funding provided in exchange for rent restricted units		X		
Additional Tools for Consideration															
Housing Bond Issuance					X			X		X	City has issued Housing Reserve Bonds and Private Activity Bonds and will consider utilizing in the future for multi-family projects that provide units affordable to households with 50% AMI or less		X		
Tax Increment Financing			X	X	X	X		X			A majority of new residential rental housing developments receive TIF Funding and are required to include affordable housing units in the development. The city will continue to use this as a significant funding tool for housing development.		X		
Tax Abatement											While this is a recognized tool, the city does not plan on utilizing at this time				
Consolidated RFP to Minnesota Housing											While this is a recognized tool, the city does not plan on utilizing at this time				
Use of LCDA or LCA LCDA-TOD funds for housing					X			X	X	X	City has received and supported LCDA fund applications for multiple housing developments and will consider utilizing in the future especially for projects in TOD areas that provide units affordable to households with 80% AMI or less	X	X	X	
Use of HOME or HOPE funding for housing								X		X	Administer rental assistance program in partnership with Hennepin County / funded with HOME Fund				

PROGRAM/TOOL	HOUSING NEED ADDRESSED?									DESCRIPTION* <small>*FOR CIRCUMSTANCES & SEQUENCE OF USE, SEE WRITE-UPS ON PAGE 5-179 THROUGH PAGE 5-184</small>	AFFORDABILITY LEVEL?			
	RACIAL EQUITY	HOUSING & THE CLIMATE ACTION PLAN	LIFE-CYCLE HOUSING	SENIOR HOUSING	AFFORDABLE HOUSING	HOME OWNERSHIP	RENTAL HOUSING	PRESERVATION & REHAB	DEMAND FOR HOUSING		30% AMI AND BELOW	31% - 50% AMI	51% - 80% AMI	ALL INCOME LEVELS
Future City Housing Tools (Cont.)														
Site Assembly					X		X		X	This city would use this tool to assemble properties near future SWLRT investments or at Mixed Use nodes for projects that promoted affordable housing			X	
Partnership with Land Bank Twin Cities										The city would consider utilizing this tool if the opportunity arose				
Fair Housing Policy										St. Louis Park will adopt a Fair Housing Policy in 2019				
Preservation of expiring low-income housing tax credit properties					X		X		X	City has engaged in effort to prevent opt-out of project based units in St. Louis Park development & would engage developers in efforts to retain tax credits				
First time homebuyer down payment assistance										A new first time homeownership program was approved for implementation to begin in 2019				