

6:00 p.m. Study session – Community Room**Discussion items**

1.	Statutory boards annual meeting preparation discussion
2.	Disposition of public land

Written reports

3.	Add single-family and owner-occupied duplexes as eligible properties for 4d
4.	Inclusionary housing policy updates
5.	Single-family rentals update
6.	Quarterly development update – 4 th quarter 2024
7.	2025 Social Services request for proposal update

Members of the public can attend St. Louis Park Economic Development Authority and city council meetings in person. At regular city council meetings, members of the public may comment on any item on the agenda by attending the meeting in-person or by submitting written comments to info@stlouisparkmn.gov by noon the day of the meeting. Official minutes of meetings are available on the city website once approved.

Watch St. Louis Park Economic Development Authority or regular city council meetings live at bit.ly/watchslpcouncil or at www.parktv.org, or on local cable (Comcast SD channel 14/HD channel 798).

Recordings of the meetings are available to watch on the city's YouTube channel at www.youtube.com/@slpcable, usually within 24 hours of the meeting's end.

City council study sessions are not broadcast. Generally, it is not council practice to receive public comment during study sessions.

The council chambers are equipped with Hearing Loop equipment and headsets are available to borrow. If you need special accommodations or have questions about the meeting, please call 952.924.2505.

Executive summary

Title: Statutory boards annual meeting preparation discussion

Recommended action: There is no action being requested today, this item is for discussion purposes only.

Policy consideration: The council will discuss the following questions with representatives of the city's statutory board and commissions:

1. What has each commission been working on in 2024?
2. How can council best support your commission in the future?

Summary: The city council expressed a desire to play a more significant role with boards and commissions. In response, staff has organized a conversation with 3 statutory boards and commissions as the start of new opportunities and interactions between the council and boards and commissions. These statutory boards are governed by the city council's rules and procedures, as outlined in Chapter 2 of the St. Louis Park City Code, and their members are appointed by the city council.

This conversation will serve the same purpose as the Sept. 16, 2024 special study session conversation with the city's five advisory boards. The goal of this conversation is for the council to hear from boards and commissions what they are working on and how they might work together better going forward. The insights gathered will help council members set future priorities for them.

Financial or budget considerations: No, there are no financial or budget considerations for this item.

Strategic priority consideration: Not applicable.

Supporting documents: Discussion
Planning commission and BOZA work plan 2023-2024
Planning commission and BOZA accomplishments 2023-2024
Housing Authority Five-Year PHA plan 2025-2029

Prepared by: Pat Coleman, community engagement coordinator

Reviewed by: Cheyenne Brodeen, administrative services director

Approved by: Kim Keller, city manager

Discussion

Background:

During a study session on May 20, 2024, council members discussed the following policy consideration: How should the council provide policy direction to statutory boards and commissions? This question stemmed from previous council directives, where members expressed a desire to play a more significant role with boards and commissions. A key part of the discussion focused on the nature and frequency of interactions between the council and the statutory bodies. As the conversation evolved from past practices to exploring new opportunities for engagement, the following points emerged:

- The council agreed on holding an annual meeting with boards and commissions to discuss priorities.
- The council supported one-on-one meetings with commissions to discuss their systems approach and work plans.

Several factors, such as the COVID-19 pandemic and a recent redesign project, influenced the changes in past interactions. Now that the council has made a final decision on the redesign project, board and commission members have expressed a need for more engagement with the council.

Present considerations:

Today's study session will serve as the start of new opportunities for interaction between the council and members of the city's statutory boards and commissions: fire civil service, housing authority, planning commission/board of zoning appeals. The discussion will center on the following questions:

1. What has each commission been working on in 2024?
2. How can the council best support your commission in the future?

This meeting will feature a roundtable format with one representative from each statutory board and commission. Each commission will be given time to share what their group has been working on in 2024. Then as a group will discuss how council can best support their board/commission in the future. The insights and details gathered from this discussion will provide the council with essential guidance as they set priorities for the boards and commissions later this year.

Next steps:

Based upon the direction provided by council during this discussion and the discussion between council and the five advisory boards on Sept. 16, 2024, staff will incorporate the information to the design of the annual priority setting meeting with the council and boards and commissions that will be held early next year. The priority setting meeting will in turn, provide guidance to board and commission members as they are developing their 2025 work plans.

In 2025, boards will begin their annual one on one conversation with the council. Staff is in the process of developing the 2025 systems calendar and will provide schedule to the council and board and commissions later this fall.

Planning commission and board of zoning appeals work plan 2023-2024

Time Frame	Initiative		Strategic Priorities	Purpose (see last page for definitions)
Ongoing	Review development applications; hold study sessions and hearings in order to make informed decisions and recommendations to city council.	<input type="checkbox"/> New Initiative <input checked="" type="checkbox"/> Continued Initiative <input checked="" type="checkbox"/> Ongoing Responsibility	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A	<input type="checkbox"/> Commission Initiated Project <input type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)
Ongoing	Identify strategies to broaden participation and reduce barriers to public participation.	<input type="checkbox"/> New Initiative <input checked="" type="checkbox"/> Continued Initiative <input checked="" type="checkbox"/> Ongoing Responsibility	<input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A	<input type="checkbox"/> Commission Initiated Project <input type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)
Q1 2023 – Q4 2024	Update light rail station area plans (Arrive + Thrive)	<input type="checkbox"/> New Initiative <input checked="" type="checkbox"/> Continued Initiative <input type="checkbox"/> Ongoing Responsibility	<input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A	<input type="checkbox"/> Commission Initiated Project <input checked="" type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested)

				<input checked="" type="checkbox"/> Formal Recommendation (council requested)
Q2 2022 – Q1 2025	Review residential districts, including two-family dwelling units (twin homes and duplexes) on appropriately sized lots in low density residential areas	<input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Continued Initiative <input type="checkbox"/> Ongoing Responsibility	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> N/A	<input type="checkbox"/> Commission Initiated Project <input checked="" type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)
Q2 2022 – Q1 2025	Increase densities and housing options on high frequency transit routes and near rail stations	<input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Continued Initiative <input type="checkbox"/> Ongoing Responsibility	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> N/A	<input type="checkbox"/> Commission Initiated Project <input checked="" type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)
Q4 2022 – Q1 2023	Review temporary use regulations	<input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Continued Initiative <input type="checkbox"/> Ongoing Responsibility	<input type="checkbox"/> 1 <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> N/A	<input checked="" type="checkbox"/> Commission Initiated Project <input type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)

<p>Q2 2025 - Q2 2026</p>	<p>Transit oriented development zoning regulations (Arrive + Thrive implementation)</p>	<p><input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Continued Initiative <input type="checkbox"/> Ongoing Responsibility</p>	<p><input type="checkbox"/> 1 <input checked="" type="checkbox"/> 2 <input checked="" type="checkbox"/> 3 <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Commission Initiated Project <input checked="" type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)</p>
<p>Q2-Q3 2024</p>	<p>Hold a planning commission meeting at an off-site location to foster community relationships.</p>	<p><input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Continued Initiative <input checked="" type="checkbox"/> Ongoing Responsibility</p>	<p><input type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input type="checkbox"/> N/A</p>	<p><input checked="" type="checkbox"/> Commission Initiated Project <input type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input type="checkbox"/> Formal Recommendation (council requested)</p>
<p>Q3-Q4 2024</p>	<p>Racial equity and inclusion training. Possibly joint training with other boards and commissions like ESC and police advisory commission. Alternatively, staff will share information or resources regarding the latest city policies and activities that intersect with the planning commission's work plan.</p>	<p><input checked="" type="checkbox"/> New Initiative <input type="checkbox"/> Continued Initiative <input type="checkbox"/> Ongoing Responsibility</p>	<p><input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input type="checkbox"/> 5 <input type="checkbox"/> N/A</p>	<p><input type="checkbox"/> Commission Initiated Project <input type="checkbox"/> Council Initiated Project <input type="checkbox"/> Report Findings (council requested) <input checked="" type="checkbox"/> Formal Recommendation (council requested)</p>

Parking Lot

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

Initiative	Comments:
Water conservation and water recycling	Explore ways to encourage reduced water use, capture and reuse of storm water, and protect ground water resources.
Housing analysis	Explore setting policy targets for different housing types in the city based on present inventory and unmet demand, and promote homeownership opportunities as well as inclusionary housing goals.
Transitional industrial zoning district	This item was identified in the comprehensive plan. Several amendments have been made to the existing industrial districts that reflect elements of this idea through applicant-driven requests in the past two years. For this reason, it is a lower priority.

City of St. Louis Park Strategic Priorities

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

Purpose: definitions

Commission Initiated Project

- Project initiated by the board or commission

Council Initiated Project

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

Report Findings

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

Formal Recommendation

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

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

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

2023-2024 accomplishments

Key duties:

- Review development projects, planning studies and zoning amendments.
- Hold public hearings and make recommendations to the city council.

Activities:

- Zoning code changes!
 - A zoning code audit identified that over 95% residential districts is zoned for single-family housing, which is one of the barriers to more housing options.
 - We propose new neighborhood zoning districts wherein it will be legal to build up to a three-unit dwelling in all residential areas of the city, along with other low-rise housing types along transit corridors as aligned with the comprehensive plan. We are also simplifying the code to be more user-friendly.
 - 400+ people have shared 200+ comments through a variety of online and in-person engagement opportunities. We also have 1300+ people signed up for zoning code updates via email, indicating a high turnout of engaged residents.
- Planning commission reviewed 10 applications in 2023 and 20 in 2024. These included several school district building projects, mixed-use and apartment developments, and ordinances related to floodplain, breweries temporary uses and tree preservation.
- Board of zoning appeals reviewed a variance request and an appeal of a zoning administrator determination.

2023-2024 work plan

Zoning code changes: Hold the public hearing for the comprehensive rezoning and associated comprehensive plan amendments for the new neighborhood zoning districts. Next planning commission will review the commercial zoning districts and performance standards.

Long range planning activities. Review and provide input on the updates to light rail transit station area plans (Arrive + Thrive).

Review development applications: Highlights include Zelia on Seven, Achromatic 6013, Central Community Center, Aquila School, Groves Academy and Wells Roadside.

Racial equity and inclusion:

- Identify strategies to broaden participation and reduce barriers to public participation. Review notification methods, online opportunities to submit input, and consider when providing translation services, transportation or childcare may be warranted.
- Participate in racial equity training, if offered.
- Hold a planning commission study session at an off-site location to foster community relationships.

Opportunities for collaboration:

Include other bodies (e.g., environment and sustainability and police advisory commissions) when conducting commissioner training.



Housing Authority **Five-Year PHA Plan 2025 – 2029**

The Housing Authority is required to submit a Five-year PHA plan to HUD. The following is the mission, goals and objectives and progress report from the Five-year PHA Plan approved by the Housing Authority Board 10/9/2024 and submitted to the U.S. Department of Housing and Urban Development.

Mission. State the PHA’s mission for serving the needs of low-income, very low-income and extremely low-income families in the PHA’s jurisdiction for the next five years.

The Housing Authority develops, integrates, and operates 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 the residents of St. Louis Park

Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income, very low-income and extremely low-income families for the next five years.

Goal 1: Maintain or increase the availability of decent, safe and affordable housing in St. Louis Park.

Objectives:

- Maximize utilization of Housing Choice Voucher program funds and vouchers
- Continue to provide 159 public housing units within St. Louis Park
- Maintain high performer status for both the HCV and Public Housing programs
- Continue to apply for new funding, program opportunities and vouchers as they become available
- Administer the locally funded Kids in the Park rental assistance program
- Administer the Stable HOME rental assistance program for suburban Hennepin County
- Begin administering the Bring it Home Minnesota state rental assistance program expected in 2025
- Build strong relationships with landlords and property managers to encourage participation in rental assistance programs and share information with their tenants the programs

Goal 2: Promote self-sufficiency and stabilize families.

Objectives:

- Administer a Family Self-Sufficiency Program
- Administer the ROSS program at Hamilton House
- Inform program participants of city and state homeownership programs

Goal 3: Administration of programs that support and/or promote a well-maintained housing stock using the city’s housing rehab programs and homeownership programs.

Goal 4: Provide input on strategies to promote the creation and preservation of affordable rental and homeownership options for low- and moderate-income households in St. Louis Park.

This information is important! If you do not understand the information have someone translate it for you, or call the Housing Authority (HA) at 952.924.2579 to arrange for language assistance. Contact the HA if you or anyone in your family is a person with disabilities and you require a specific accommodation to fully utilize our programs and services.

Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous Five-Year Plan.

Oversee the administration of the Housing Authority's core federally funded rental assistance programs including review and approval of program policies, ensuring sound fiscal policies and funding administration, approving the submission of competitive grant applications to secure new and renewal funding and review and approval of the 5-year capital improvement plan for the Public Housing properties.

- i. Oversaw the fiscal and administrative integrity of HUD's federally funded rental assistance programs ensuring maximize utilization and administration at a level to maintain HUD's High Performer Standard in both the Public Housing and Housing Choice Voucher programs.
- ii. Continued to support staff's submission of competitive grants applications for HUD renewal funds to ensure continuation of the Family Self-Sufficiency Program and the Resident Service Coordinator at Hamilton House and the award of new vouchers. The St. Louis Park HA has historically been a "qualified PHA" because we had a combined unit total of 550 or less public housing units and housing choice vouchers. In 2024 the HA became a qualified agency because we exceed the 550 combined unit count because of the additional vouchers the HA now administers. In the past 5 years the HA has added 83 new vouchers from 323 to 406 vouchers in 2024. The following is the breakdown of new vouchers since the last 5 year plan: 12 FUP, 24 FYI, five (5) fair share, 17 mainstream, 25 VASH.
- iii. Held the annual HA agency plan public hearing, received and reviewed comments from the tenant advisory committee, reviewed and approved the HA's capital improvement plans for the public housing properties owned and managed by the HA.
- iv. Continued to support HA partnerships to create and administer rental assistance opportunities with Hennepin County, Wayside, Vail Place, STEP and the SLP School District to continue to seek future opportunities to partnering

Oversee the administration of programs that support/promote a well-maintained housing stock using the city's housing rehab programs.

- i. The board reviews and provides input to staff on the proposed annual allocation of the CDBG funds, proposed modifications to existing housing programs and reviews approves initial and renewal of contracts related to the administration of various housing programs.

Explore/support/provide input on strategies to promote the creation and preservation of affordable rental and homeownership options for low-and-moderate-income households in the community including both new construction and preservation of existing naturally occurring affordable housing.

- i. The board reviews the annual housing activity report and provides input to staff on new and existing housing initiatives and programs that create and preserve affordable housing.

This information is important! If you do not understand the information have someone translate it for you, or call the Housing Authority (HA) at 952.924.2579 to arrange for language assistance. Contact the HA if you or anyone in your family is a person with disabilities and you require a specific accommodation to fully utilize our programs and services.

Executive summary

Title: Disposition of public land

Recommended action: Provide staff direction on disposition of certain parcels of publicly owned land.

Policy consideration: Should city staff further consider selling or developing any of the four properties listed below?

Summary: The city owns an assortment of properties to accomplish a variety of services and functions. Sometimes, developers or members of the community request that the city consider selling parcels for private use. Adopted city policy provides staff direction on how to respond to many of these inquiries. However, there are some individual properties that do not fit neatly into the policy for various reasons and need further direction.

There are likely competing goals and policies that council must balance and decide which is the priority, and inevitably city priorities will evolve. Council may elect not to pursue any action, as there may not be an immediate issue to resolve. However, this may leave decisions to future councils and future staff to resolve and is not as proactive of an approach to determining the appropriate goals and uses of these lands.

Council has expressed growing interest in seeing more home ownership opportunities in the city, especially affordable opportunities that are well-suited for larger families with children, intergenerational households and/or meet culturally specific housing needs. Some city-owned land may be suitable for this purpose or to advance other strategic goals of the city.

Financial or budget considerations: None at this time. Depending on council direction, costs may be incurred relating to future disposition.

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

Supporting documents: Discussion

Prepared by: Sean Walther, planning manager/deputy community development director
Laura Chamberlain, senior planner

Reviewed by: Karen Barton, community development director

Approved by: Kim Keller, city manager

Discussion

Background:

The city owns an assortment of properties to accomplish a variety of services and functions. Sometimes, developers or members of the community request that the city consider selling parcels for private use or development.

Adopted city policy established how different types of properties were to be evaluated, establishing criteria and procedures around disposition requests. This was done in part because previously each of these requests would be required to be evaluated by staff and presented to the planning commission and city council. The policy allows for staff to review the policy's objective criteria and provide timely responses or direction to interested parties. Temporary use is the most common request. Few inquiries for permanent disposition proceed to formal applications and requests.

Resolution No. 97-30 defines eligible land and eligible applicants for such requests:

- Lists procedures for permanent disposition by sale, as well as permanent disposition by vacation, temporary public service use, and temporary private use
- Requires there to be no identified current or future public need for disposition by sale
- Establishes lower eligibility threshold for adjacent landowners
- Cannot have been obtained by the city through tax delinquency
- Cannot be guided in the comprehensive plan as park or open space

There are individual properties that may not fit neatly into the policy and need further direction. Absent a formal request or immediate concern, these lands generally remain fallow and unprogrammed. Eventually, if the city does not have a plan for the property, it increases the likelihood someone else will approach the city with their ideas for the city's land.

Undeveloped land in the city likely has challenges associated with it. These challenges may include lack of services available to the site, title issues, poor soils, poor drainage, etc. Some of these limitations may not be fully understood. Some land the city owns has purely natural systems benefits to water quality and habitat and would be very difficult or inappropriate to develop (e.g. large and high-quality wetlands, flood prone areas, etc.).

There are likely competing goals and policies that council must balance and decide which is the priority. And over time the city's priorities will evolve. Even land that is identified as not serving any public purpose may be resource-intensive or too politically sensitive to dispose of and/or change the use, especially if proposed to sell or develop the land for a non-public purpose.

In the early and mid-2000s the city disposed of several city parcels. The priority at the time was to identify parcels that would be suitable for move-up single-family owner-occupied housing that had at least three bedrooms, two bathrooms and a two-car garage. The process included a community task force to review the land with staff and make recommendations to city council. The city also sought the highest price it could get for the land and went through a sealed bid process. The revenues from the land sales did not fully cover the city's expenses related to the process. It did result in new housing, reduced the amount of city-owned land, reduced

operational costs to maintain the lots and returned the land to the tax rolls. It also sparked neighborhood opposition or concerns and a “protect our parks” lawn sign campaign, even though the subject parcels were not dedicated as park land. To address concerns, the city created a parks and open space zoning district, rezoned *most* of the city-owned park land in the city, and adopted an ordinance that requires a supermajority to rezone land that is zoned park and open space.

Present considerations:

Staff seeks direction on a few sites that may deserve council’s consideration for future disposition. For each of these parcels, staff is asking council to consider the following questions:

1. Are there specific uses and priorities that council expects we consider when developing the process?
2. Does council want staff to develop a process to explore selling any of these parcels?
3. Does council want to take no action?
4. What other information would council need to provide staff direction?

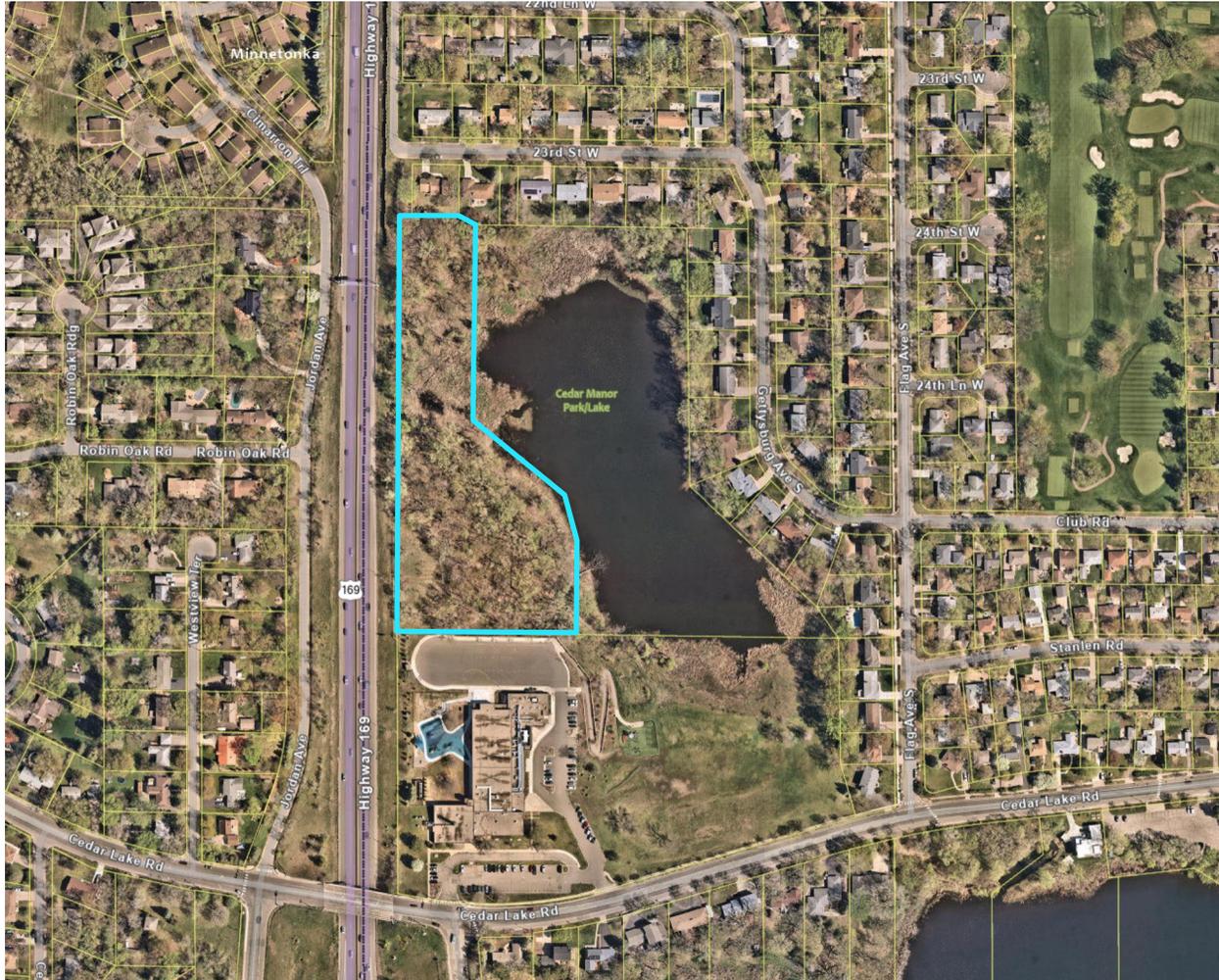
Staff will share some basic information about the parcels and describe any inquiries that staff have received or are aware of. Staff will also share our initial recommendations, if any, related to each site.

The properties staff are drawing attention to in this discussion include 9258 Club Road, 3940 France Ave. S., 2800 Toledo Ave. S., and 16XX Quentin Ave. S.

Cedar Manor Park

Site information

Property at 9258 Club Rd.



Site area (acres): 5.46 acres.

Current use:

Open space

Surrounding land uses:

North: Single-unit detached residential

East: Cedar Manor Park and lake

South: Park Spanish Immersion

Elementary School

West: Highway 169

Current 2040 land use guidance

PRK - park and open space

Current zoning

R-1 single-family residence

Site features

- The northern portion of the property is lowland containing wetlands and is in the FEMA special flood hazard area.

- The upland area of the site is heavily wooded with significant trees, including an Oak Savannah which may be the last remaining grove in St. Louis Park.
- Between the lowlands and uplands are steep slopes through much of the site.
- Access to the parcel is challenged. There is no suitable direct road access to the site. Access roads would need to be built. This would require land and/or easement acquisitions, potentially over city park or school property and/or MNDOT (highway right of way).
- There is not sanitary sewer service to the site.
- The property is used for passive recreation and walking trails. Woodchip trails are maintained by the city on the property.

Background

There was an application in 1992 by a developer to fill the floodplain and make part of the property, which was ultimately not approved. In 1993, the city purchased the parcel after determining it was in the city's best interests to extend Cedar Manor Park. This helped resolve pending legal challenges to the city and developer, the inability of the proposed development to meet wetland regulations and complications with Minnesota Department of Transportation (MNDOT) regarding access.

In 2019 representatives from a local church and church members with a development background approached the city about developing the site with a mixed-use building. The church wanted to operate an affordable daycare and partner with a developer that would manage an all-affordable apartment building.

Discussion

- Under the policy, the property would not be eligible for sale because of the comprehensive plan designation.
- Discussion question:
 - Should staff initiate rezoning the property to park and open space district as part of the upcoming proposed zoning code update?

40th & France

Site information

Property at 3940 France Ave. S.



Site area (acres): 4.77 acres.

Current use:

Playfields (Minnikahda Vista Park)
City of Minneapolis pump house
Open space

Surrounding land uses:

North: single unit detached residential
East: single unit detached and two-unit residential
South: City boundary, expanded Weber Pond (Edina's Morningside flood infrastructure project), trails
West: Morningside Park, private school grounds

Current 2040 land use guidance

PRK - park and open space

Current zoning

R-2 single-family residence

Site features

- Part of the parcel is in the FEMA special flood hazard area, including the western 1/3 west of the tree line, and an area on the south adjacent to Weber Pond in Edina.
- The upland area is fill material that includes construction debris according to soil borings.

- The upland area and slopes on the property are heavily wooded area. A tree survey would be required to determine how many would be considered significant or heritage trees by city code.
- The western lower portion is used as the ballfield field for Minikahda Vista Park.
- City of Minneapolis pump house and an easement in southeast corner
- City of St. Louis Park has a storm water main along the west and north property lines
- The site includes informal trails that connect to Minikahda Vista Park, Weber Pond and Weber Park.

Background

For decades, the city leased the west half of the site from the City of Minneapolis for park use (the ballfield) for \$1 per year. Weber Woods in Edina was popular with area for surrounding residents and their pets to visit for informal walking trails in a natural area. The City of Minneapolis approached both cities about selling the properties ten years ago. Neighborhood meetings at the time included discussion about whether residents thought the cities ought to purchase the land and for what purpose. Residents expressed interest in preserving the area for park, formalizing it as an off-leash dog park with improvements, along with discussions of developing a small portion of the site near France Avenue for housing. For Edina, there was attention also to ongoing flooding issues that houses in Edina and Minneapolis experienced regularly. The consensus from attendees was widespread support to purchase and control the properties.

St. Louis Park City Council had concerns and less consensus about the outlay for the purchase. While the council ultimately decided to support buying the land, it was important to the council to obtain the land without restriction on the use to potentially recover some of the city's costs to purchase.

- In 2016, the city council agreed to purchase the property from the City of Minneapolis (Resolution No. 16-059)
 - Minneapolis sold 4.77 acres to City of St. Louis Park and 9.77 acres to City of Edina.
 - City of Minneapolis retained an easement to access and maintain the pump house, which is still on the property.
 - St. Louis Park bought the property for \$609,813 from the park improvement fund and without restrictions on the use.
 - At the time, the council wanted to preserve the ability to sell a portion of the site for future development to recover some or all of the city's acquisition costs and retain the remainder for park purposes.
- In 2022 – 2023, the City of Edina completed its Morningside Flood Infrastructure Project
 - Expansion of Weber Pond and the Lynn/Kipling Pond to accommodate flood storage and reduce flooding impacts on adjacent neighborhood
 - Approximately 6 acres of trees were removed within Weber Park to accommodate the pond expansion.
 - Installation of paths, bridge crossings, and nature trails throughout the project area.

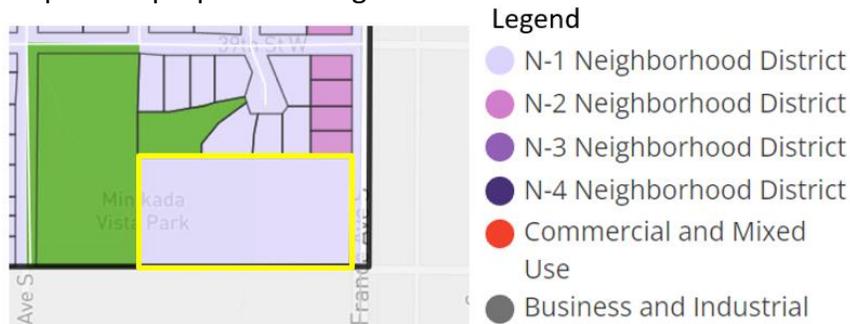
A developer has expressed interest in a medium density housing development on the property that would create affordable owner-occupied housing units.

The proposed zoning code update would rezone every residential district in the city. This site is presently shown in the draft maps as changing from R-2 single family residential to N-1 neighborhood district. However, all the parcels along France Avenue north of this site are shown as N-2.

The N-1 district is intended for mostly house-scale buildings located among neighborhood streets, along portions of multi-modal streets, and farther from commercial and employment centers than other districts. Proposed housing types include single-unit dwelling, courtyard cottages/bungalows, two-unit dwelling (duplex), attached two-unit dwelling (twinhome), three-unit dwelling, and manufactured home park.

The N-2 district is intended for low-rise scale buildings in neighborhood areas primarily adjacent to transit-priority streets, multi-modal streets, and neighborhood commercial nodes. In addition to the housing types allowed in the N-1, it would also allow four-unit dwellings, small townhouse buildings (up to four units per building), and low-rise apartment buildings (up to three stories) as currently proposed.

Map of the proposed zoning.



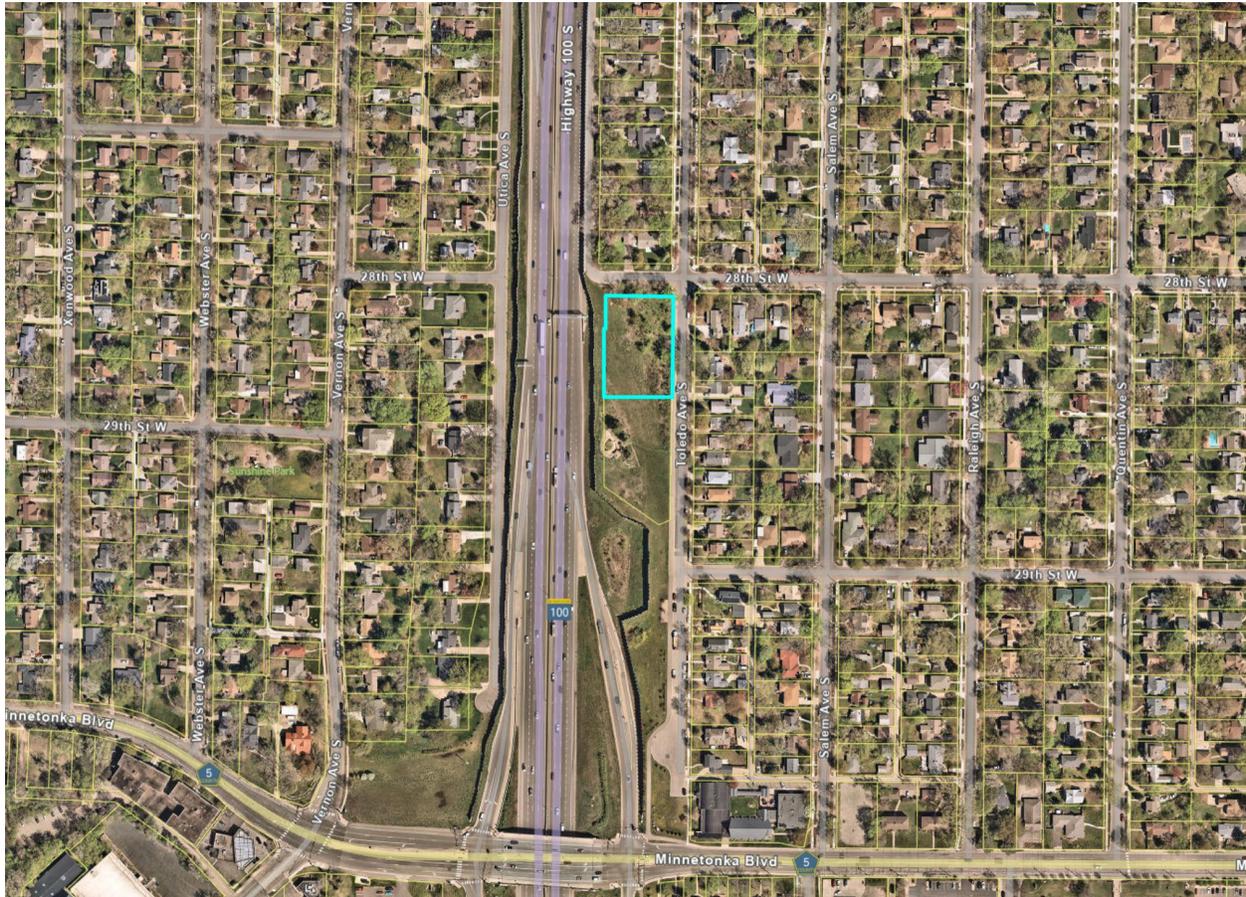
Discussion

- Under the current policy, the property would not be eligible for sale because of the comprehensive plan designation as park open space.
- The council discussions at the time of the purchase added some uncertainty about the long-term intentions of the city for this land and preserved flexibility to develop a portion of the site provided the city council amends the comprehensive plan to change the land use designation.
- Discussion questions:
 - Should the eastern half of the property at 3940 France Ave be considered for future residential development? Should the whole property be considered part of Minikahda Vista Park?

28th & Toledo

Site information

Property at 2800 Toledo Ave. S.



Site area (acres): 0.81 acres.

Current use:

Open space

Surrounding land uses:

North: 28th Street, single-unit detached houses

East: Toledo Avenue, single-unit detached houses

South: park, Rock Island, vacant city right-of-way beyond

West: noise wall, Highway 100

Current 2040 land use guidance

ROW - right of way

Current zoning

R-2 single-family residence

Site features

- Wooded along the streets north and northeast sides of the property. There is a line of mature lilacs shrubs along part of the east side of the site.
- MNDOT native grasses mix planted in the open areas of the site.
- City trail along Toledo Avenue on the east side of the site.

Background

This site has been tied to Highway 100 and part of the right-of-way until recently with the property in MNDOT ownership and used to include the northbound highway on-ramp. In 2021, much of the low-lying vegetation was cleared and replanted with native grasses. MNDOT preserved many of the trees along city streets and approximately five trees in the middle of the site.

The noise wall installed with the Highway 100 improvements completely visually separated this land from the highway and whatever contribution it had to the viewshed from motorists on Highway 100. It also screened the highway entirely from the surrounding residential uses, as well as reducing noise impacts from the highway as the name implies. After the improvements to Highway 100 were complete, MnDOT identified this land as excess right-of-way eligible for conveyance and offered to sell it to the city.

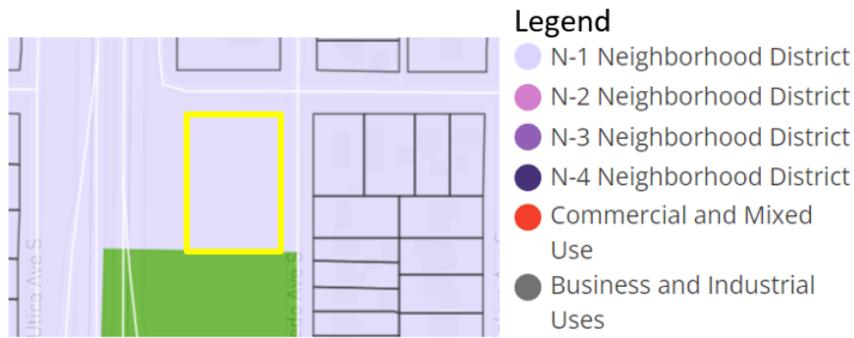
- Resolution No. 23-059 approved the acquisition of real property from MnDOT for the fair market value of \$187,000 from the development fund and without restrictions on the use.
- Adjacent property to the south was acquired by the city (Resolution No. 23-058) from MnDOT for \$0, with the stipulation that the property be used only for public open space or park uses. The Rock Island rock garden remnants from the former MNDOT wayside rest is entirely on this south lot and now guided and zoned park and open space.

The city is aware of varying interest in the property. The people involved with Restore Lilac Way celebrated the council's decisions to both of the above parcels and the designation of the south parcel as park. They are also waiting for a community engagement process related to the north parcel and their interest appears to be preservation of the land as park and open space. The city has also been approached with interest from members of the Jewish community regarding housing options for members of the area synagogues. The team of Greater Minnesota Housing Corporation and Homes Within Reach that are working with the city on the Minnetonka Blvd Twin Home development expressed interest for development of this or other sites for affordable owner-occupied housing, understanding that it was on hold for now but could become available.

The proposed zoning code update would rezone every residential district in the city. This site is presently shown in the draft maps as changing from R-2 single family residential to N-1 neighborhood district.

The N-1 district is intended for mostly house-scale buildings located among neighborhood streets, along portions of multi-modal streets, and farther from commercial and employment centers than other districts. Proposed housing types include single-unit dwelling, courtyard cottages/bungalows, two-unit dwelling (duplex), attached two-unit dwelling (twinhome), three-unit dwelling, and manufactured home park.

Map of the proposed zoning.



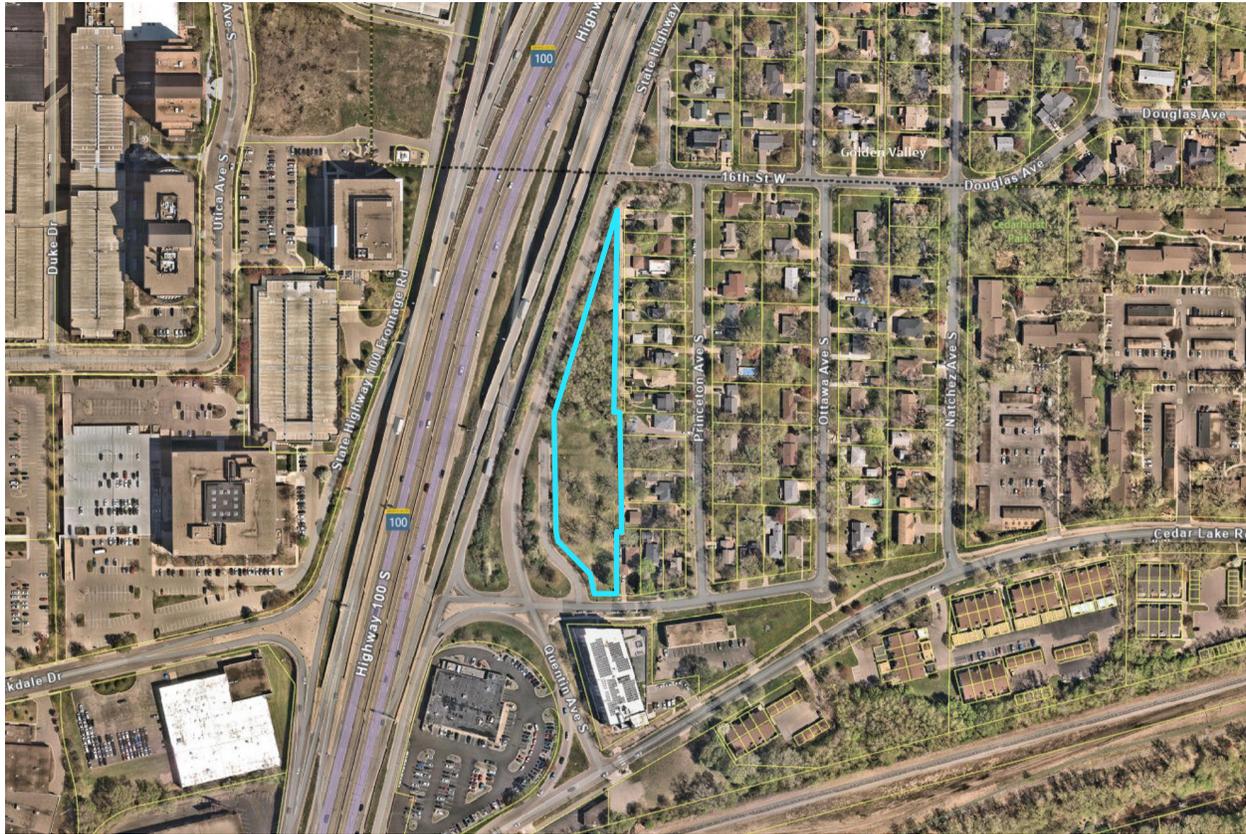
Discussion

- Under the policy, the property would not yet be eligible for sale because the property is within right-of-way.
- This parcel offers an opportunity to create new ownership housing units in the city.
- Discussion questions:
 - Should the property at 2800 Toledo Ave. S. be considered for future residential development/sale? Should the whole property be considered part of the park land to the south?

Quentin & Old Cedar Lake Rd

Site information

No address: 16XX Quentin Ave. S



Site area (acres): ~1.95 acres.

Current use:
Open space

Surrounding land uses:
North: 16th Street, city boundary, single-unit detached houses
East: single-unit detached houses
South: Old Cedar Lake Road, apartments
West: Dead end road, frontage road, noise wall, Hwy. 100

Current 2040 land use guidance
ROW - right of way

Current zoning
R-2 single-family residence

Site features

- Dead end stub of Quentin Avenue
- Portion of block has an existing alley that serves properties on Princeton Avenue
- Dense shrubs west of Quentin Avenue dead end, around a dozen significant trees along the boulevard of Quentin Avenue, another dozen significant trees east of the Quentin Avenue.

- Densely wooded on the northern portion of the lot between the alley and frontage road south of 16th Street.
- City sanitary and water service run underneath Quentin Avenue dead end. City storm sewer runs from the ally to frontage road. All services are available to the site.
- Presents an opportunity to develop ownership housing.

Background

This land was excess right-of-way turned back to the city by MNDOT as part of the turnback of Wayzata Boulevard many years after I-394 was constructed. Staff has done little research to draw from to further inform the council at this time.

The proposed zoning code update would rezone every residential district in the city. This site is presently shown in the draft maps as changing from R-2 single family residential to N-2 neighborhood district.

The N-1 district is intended for mostly house-scale buildings located among neighborhood streets, along portions of multi-modal streets, and farther from commercial and employment centers than other districts. Proposed housing types include single-unit dwelling, courtyard cottages/bungalows, two-unit dwelling (duplex), attached two-unit dwelling (twinhome), three-unit dwelling, and manufactured home park.

The N-2 district is intended for low-rise scale buildings in neighborhood areas primarily adjacent to transit-priority streets, multi-modal streets, and neighborhood commercial nodes. Proposed housing types include single-unit dwelling, courtyard cottages/bungalows, two-unit dwelling (duplex), attached two-unit dwelling (twinhome), three-unit dwelling, manufactured home park, four-unit dwelling, small townhouse building (up to four units per building), and low-rise apartment building (up to three stories).

Discussion

- Under the policy, the property would not yet be eligible for sale because the property is within right-of-way.
- Should the property be further considered for development/sale?

Next steps:

Based on council direction, staff will prepare next steps for each of the parcels. Staff concluded that a one-size fits all process for engagement was not appropriate and each of these deserves a different level of engagement that will be based in part upon council's direction. Some of these could be advanced as part of the overall comprehensive plan and zoning map amendments. Others will demand more research, engagement and council discussion.

Executive summary

Title: Add single-family and owner-occupied duplexes as eligible properties for 4d

Recommended action: No formal action required. This report is for informational purposes only.

Policy consideration: Does the city council wish to expand the 4d affordable housing incentive program to facilitate a broad range of affordable housing by including single-family rentals and owner-occupied duplexes?

Summary: The city created a local 4d Affordable Housing Incentive program in 2019. The city's local 4d program allows qualifying properties to receive the 4d tax reduction in return for agreeing to conditions which meet the city's housing policy goals. To be eligible the owner of the property must agree to rent and income restrictions for households at 60% of area median income (AMI) or below and receive "financial assistance" from federal, state or local government. Participating owners must sign a commitment to keep at least 20% of units in their building affordable for a term of at least five years. In return, the city pays the first year application fee to the State of Minnesota for certification of the 4d property tax classification (\$10/unit) and offers a city grant in the amount of \$200 per affordable unit, capped at \$6,000 per property, for the cost of energy efficiency and healthy homes improvements as identified in the energy audit or other property improvements as approved by the city. Owners participating in this program must also agree to limit future rent increases to 5% or less annually for residents in affordable units.

The current program is limited to rental properties with at least two rental units, excluding single family rentals and owner-occupied duplexes. To facilitate a broad range of affordable housing in the city, staff are updating the policy to allow single family rentals and duplexes where only one side of the duplex is rented to enroll in the 4d program. A restrictive covenant is placed on the property during the program period requiring the property to remain affordable if it is sold. However, to support future affordable homeownership, the policy will allow the city to release the 4d declaration of restrictive covenants if the property is sold to a current tenant, another buyer with an income at or below 80% AMI, or a non-profit that will sell the property to a buyer with an income at or below 80% AMI.

Financial or budget considerations: \$20,000 has been budgeted in the affordable housing trust fund for 4d in 2025. It is anticipated that adding these units will be able to be absorbed into the program budget and will have a minimal impact to the city's overall tax capacity.

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

Supporting documents: St. Louis Park 4d affordable housing incentive program guide draft

Prepared by: Marney Olson, housing supervisor
Katie Kline housing specialist

Reviewed by: Karen Barton, community development director

Approved by: Kim Keller, city manager

St. Louis Park 4d affordable housing incentive program guide

Due to recent housing, economic and demographic trends, St. Louis Park is in need of more affordable housing. Already burdened low- and moderate-income tenants are increasingly paying more than 30 percent of their income on rent and utilities. At the same time, many rental property owners are faced with increased operating and maintenance costs, as well as market opportunities to increase rents.

In response, the city is offering incentives for rental property owners to reduce property tax liability, improve energy efficiency and address conditions of aging buildings, if present. The goal is to preserve affordability, reduce energy use and enhance healthy homes to support tenants and strengthen the bottom line for property owners.

Benefits to property owners

Qualified market rate building owners that agree to keep a minimum of 20 percent of units per building affordable to households making 60 percent of area median income (AMI) for five (5) years will receive:

- Five-year eligibility for 4d(1) property tax rate, which provides property tax reductions on qualifying units.*
- City pays the first-year fee for the Minnesota Low Income Rental Classification (LIRC) application, also known as 4d(1) tax classification (\$10 per unit).
- \$200 grant per affordable unit, capped at \$6,000 per property.
- Free energy efficiency and healthy homes assessments available to buildings with five or more units. Free or low-cost energy assessments are available to two-to-four-unit properties.
- Utility rebates for energy efficiency and healthy homes improvement identified in the free assessment.
- Reduced renter turnover.
- Lower maintenance and operating costs, if owners take advantage of opportunities to make energy efficiency improvements to properties.

**Minnesota Statute 273.128 provides that qualifying low-income rental properties, including those enrolled in the St. Louis Park 4d incentive program, are eligible for 4d(1) tax classification. According to state statute, eligible units use the 4d(1) tax class rate of 0.25%. The regular rental class rate of 1.25% will apply to the remainder of the property.*

Eligibility guidelines

This program is intended for NOAH (Naturally Occurring Affordable Housing) properties that do not currently have requirements to restrict rents.

Owners of multifamily properties that meet the following criteria:

- At least 20 percent of rental units in a building are affordable to households whose family income is at or below 60 percent of the area median income (AMI).
- Existing tenants in units that have program-compliant rents do not need to be income qualified.
- Income qualification for tenants is determined upon initial occupancy. Increased income of tenants in affordable units will not violate program requirements.

- Licensed residential rental properties that ~~have at least two rental units and~~ are in good standing with no code compliance violations.
- Single family rental homes can be enrolled in the 4d program. In order to support future affordable homeownership opportunities, the city will release a 4d program declaration of restrictive covenants only if the property is sold to a current tenant, another buyer with an income at or below 80% of Area Median Income (AMI) or a non-profit organization that will sell the property to a buyer at or below 80% AMI. Note: contract for deed sale structures are not eligible for release of the restrictive covenant.
- Buildings can include units with owner occupants, but only rental units are eligible for 4d(1) tax status.
- Building does not already qualify for LIRC tax status in Minnesota.

The city will receive and review applications on an annual basis. The city expects to accept applications January through late February. Properties will be selected based on city goals of preserving housing affordability in neighborhoods throughout the city, subject to the availability of city grant funds. The city reserves the right to deny any application and to suspend or discontinue this program at anytime.

Note: The city reserves the right to deny applications for the 4d incentive program if the subject property has outstanding code compliance issues or the owner or property manager applying owns or manages other properties with outstanding code compliance issues.

Process and program requirements

Step 1 (required)

- Property owners submit a 4d program application and rent roll and sign a participation agreement with the city. The participation agreement includes a commitment to accept tenant-based assistance and affirmative fair marketing and prohibits involuntary displacement of existing tenants.
- The city will draft and record a declaration against the property that limits the rents and incomes on the qualified units for five (5) years (a recorded document is required for 4d(1) tax classification status). The declaration also limits rent increases for tenants in affordable units to five percent or less annually, unless the unit is turning over to a new tenant, or the owner provides evidence that a larger rent increase is needed to address deferred maintenance or unanticipated operating cost increases.
- City staff must approve an alternative schedule for rent increases.
- The city will provide a grant to each 4d(1) property in the amount of \$200 per affordable unit, capped at \$6,000 per property. This funding is intended to help property owners cover the cost of 4d(1) administrative and reporting requirements associated with the program, as well as to help owners make health, safety, and energy efficiency improvements to properties. Owners must certify to the use of the funds for the property.
- Property owners will select the percentage of their building units to restrict, with a minimum of 20 percent. After completing the five-year program, property owners can request an extension up to five years with the option to reduce the percentage of restricted units to a minimum level of 20 percent of the units per building.
- Property owners will sign a 4d application once declaration is filed.

- The city will submit a signed 4d application, application fee and declaration to Minnesota Housing on behalf of the property owner for their first year. Owners are responsible for submitting annual applications to Minnesota Housing to renew 4d(1) tax status. See “annual owner compliance” for additional information. Owners are responsible for complying with any state requirements for 4d(1) tax classification status, including certifying to the use of any Property Tax Savings for Eligible Uses. Information regarding Eligible Uses can be found on the [MN Housing LIRC program website](#).

Step 2 (required)

Properties must complete an energy assessment and meet with city staff to discuss energy efficiency improvements and available rebate packages.

- Owners of five or more unit buildings: sign up for the Multi-Family Building Efficiency Program through Xcel Energy and CenterPoint Energy, and complete a free energy assessment to receive a report of recommended improvements.
- Owners of ~~two~~ one to four-unit properties: sign up to receive a free or low-cost energy assessment from the Home Energy Squad.

Benefits to owners:

- A free energy assessment, including free installation of energy saving products such as LED light bulbs, high-efficiency water devices, smart power strips and door sweeps throughout common areas and resident units.
- Implementation support and guidance over the two-year Multi-Family Building Efficiency program.
- Bonus rebates of up to 60% on any qualifying projects completed through the program.

Step 3 (encouraged)

Following the free energy assessment, property owners can choose from a variety of energy efficiency, weatherization or healthy homes improvements and may qualify for utility company subsidies and rebates that can cover between 25 percent and 90 percent of costs.

Benefit to owners:

- Public recognition for your partnership with the city.
- Financial assistance to help cover the cost of energy efficiency upgrades.

Modifications to declarations

- The declaration for the 4d program commitments runs with the property. Anyone buying and selling 4d property should contact Katie Kline at kkline@stlouisparkmn.gov or 952.928.1314 to complete an assignment, assumption and consent form transferring the declaration to the new owner.
- Any other changes to the declaration, such as revisions to the Exhibit B document specifying which units in the building are restricted, should also contact Katie Kline.

What does annual owner compliance involve?

To continue to receive 4d status, property owners are required to submit:

- An annual 4d application to Minnesota Housing
- An annual report to the City of St. Louis Park

Executive summary

Title: Inclusionary housing policy updates

Recommended action: No formal action required. The purpose of this report is to inform council of proposed amendments to the inclusionary housing policy.

Policy consideration: Does the council support the proposed amendments to the inclusionary housing policy?

Summary: The inclusionary housing policy was first approved in June 2015 and has been amended several time to improve its efficiency and effectiveness in meeting the city's goals. The inclusionary housing policy is directly responsible for the creation of nearly 700 affordable rental units in St. Louis Park and is achieving the goal of creating affordable housing opportunities in the community. Staff regularly monitor the implementation of the policy and make appropriate recommendations to amend the policy as needed. The current policy requires new market-rate multifamily residential rental properties with ten or more units that receive financial assistance from the city, seek PUD land use approvals, or request a comprehensive plan amendment to include units affordable to low-income households in the development. In the case of a for-sale property, developers are required to make a payment to the city in lieu of including affordable units in the project. Given recent council feedback, staff will be scheduling a future conversation with council to discuss the inclusionary housing policy. In the interim, staff can incorporate that feedback as the policy is implemented. Staff is, however, recommending the following amendments to the policy at this time as they have been proven challenge areas and have been fully vetted:

- Eliminating the comprehensive plan amendment as a requirement for complying with the policy,
- Setting a per unit cap on the payment in lieu for affordable homeownership developments, and
- Additional updates that provide clarity to developers in complying with the policy.

Financial or budget considerations: City staff time to implement, manage and monitor compliance of the inclusionary housing policy as the number of developments subject to the policy continue to increase.

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

Supporting documents: Discussion and inclusionary housing policy

Prepared by: Marney Olson, housing supervisor

Reviewed by: Karen Barton, community development director

Approved by: Kim Keller, city manager

Discussion

Background: In June 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 promote economic and social integration.

As the policy has been implemented, staff have recommended and the council has approved a number of updates to make it more effective in achieving the city's goals. Updates to the inclusionary housing policy since its adoption in 2015 include:

- **2017:** Increased percentage of affordable units required and added a requirement that developments covered by the policy must not discriminate against tenants who pay their rent with government provided Housing Choice Vouchers or other public rent subsidies.
- **2018:** Increased percentage of required affordable units at 60% AMI, added a 30% AMI option and changed the ownership to require a payment-in-lieu. Payment-in-lieu provides the city the opportunity to create long-term affordable homeownership housing, as opposed to the home being affordable to the initial buyer only. The income limit eligibility for existing tenants was also amended in 2018 to be consistent with the tax credit income limits.
- **2019:** In an effort to expand the eligibility of developments obligated to comply with the policy requirements, the policy was updated to include one-for-one replacement or naturally occurring affordable housing units (NOAH) that would be lost due to multifamily residential development. The policy was also updated to include market rate multi-unit residential developments that seek PUD land use approvals or request a comprehensive plan amendment.
- **2021:** Based on the council's interest in creating rental opportunities for larger size families and the need to clarify language related to parking requirements, the policy was updated to require developments with 50 or more units to include a minimum number of family-sized units (three bedroom or larger) in the development. Parking requirements were also updated in situations where underground or enclosed parking is the only on-site parking option available for residents and requires a discount from the market rate fee.
- **2023:** Increased the affordability period to 26 years to be consistent with the requirement for housing TIF districts, placed a cap on the payment in lieu equal to the for-sale home purchase amount affordable to a household with an income at or below 80% AMI, allow staff to make administrative adjustments to the number of bedrooms in the affordable units for senior developments, and added language around recorded agreements, conditions and restrictions.

Inclusionary housing policy requirements

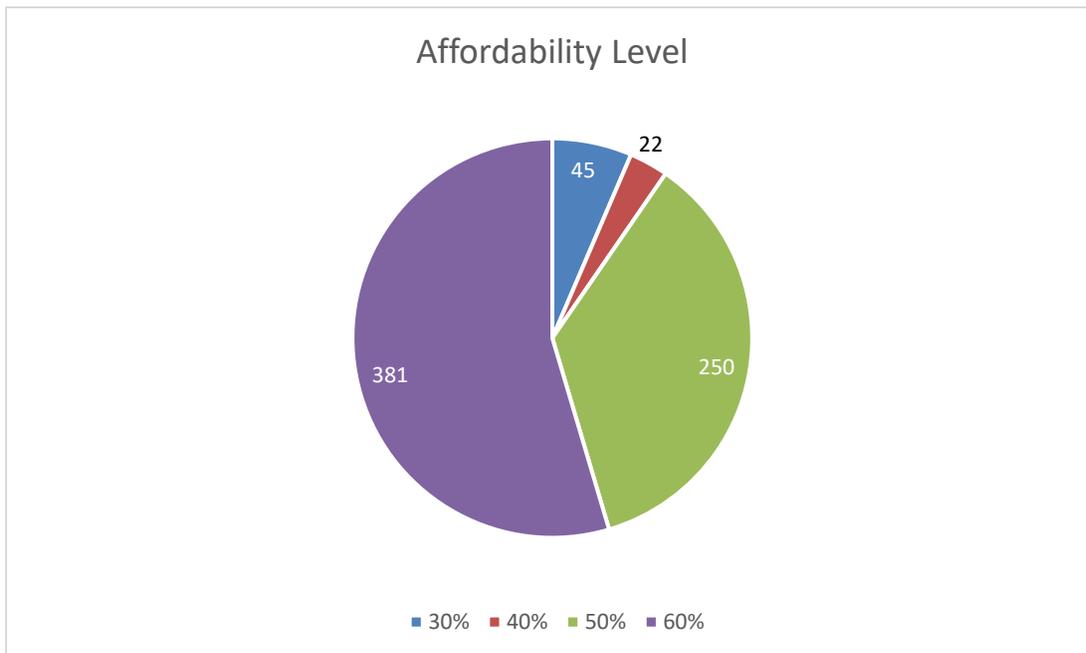
- Applies to developments with 10 or more units that receive financial assistance from the city, seek PUD land use approvals or request a comprehensive plan amendment
- A minimum of 26 years affordability
- Bedroom mix of affordable units must reflect the market rate units
- Affordability level for rental units:
 - 20% of units at 60% AMI, or
 - 10% of units at 50% AMI, or
 - 5% of units at 30%, and/or
 - One-for-one replacement
 - Family size unit requirement applies to developments with 50 or more units
 - Requires at least one on-site parking stall provided for each affordable unit.
- Ownership: payment in lieu required

The current policy is achieving the desired goal of increasing affordable units in St. Louis Park. Nearly 700 affordably units have been created under the policy to date. However, staff is recommending several changes to clarify the policy for developers, allow greater flexibility to achieve more deeply affordable units at 30% AMI, as well as ensure that the policy does not deter homeownership development from occurring in St. Louis Park.

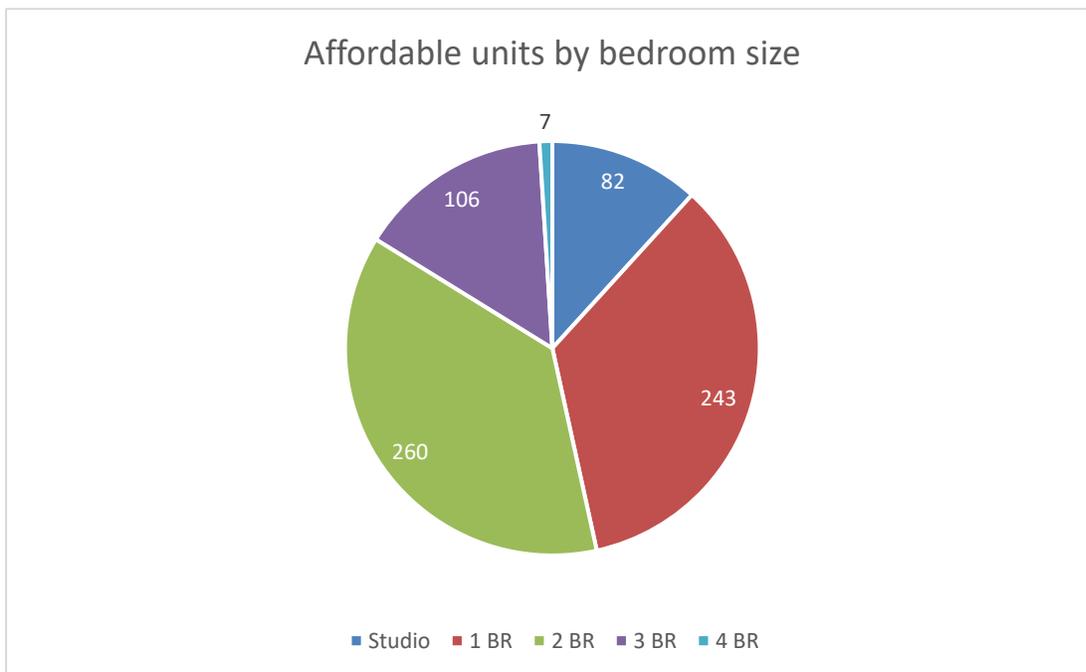
Staff's recommended changes to the policy

- *Remove comprehensive plan amendment as a requirement to comply with the inclusionary housing policy.* In the history of the policy, the city has not received a development request that was solely for a comprehensive plan amendment. Additionally, the mechanism of how the city would apply the policy to this type of action alone is less clear than when associated with city financial assistance or a planned unit development that includes a development agreement or other contract.
- *Set the maximum payment in lieu amount per affordable unit at \$100,000* so the policy does not deter multifamily ownership development, including co-operatives in the city but still provides sufficient payment into the AHTF to facilitate future affordable housing.
- *Insert language to reflect that the city will direct the unit affordability level based on community need and the city's identified goals and priorities.* City staff currently work with developers to determine the affordability levels and mix of units in each development to advance the city's priorities. This policy language captures what is already in practice and demonstrates to developers that the city evaluates the need and will provide direction to the developer towards achieving the city's affordable housing goals when implementing the inclusionary housing policy.
- *Clarify parking requirements to ensure compliance with zoning code and specify that any approved reduction in parking requirements must not disproportionately reduce parking for the affordable units.*
- *Clarify the requirements of the Affordable Housing Plan and the requirement to comply with the restrictive covenant related to the property.* The current language was confusing and did not accurately reflect how to comply with the Affordable Housing Plan.

Affordability level chart: The chart below shows the number of units approved, under construction and completed at affordability levels ranging from 30% AMI to 80% AMI.



Affordable units by bedroom size: The chart below shows the number of affordable units that are approved, under construction and completed by bedroom size.



184 three bedroom and 7 four bedroom units have been completed, approved or are under construction. 106 of the 184 three bedroom units are affordable and all 7 of the four bedroom units are affordable. While the city cannot inquire about familial status, it is likely that the affordable three and four bedroom units are occupied by families with children in order to meet the income eligibility requirements. In addition, roommate situations in market rate

developments offer affordable options for people who may not be able to afford a studio or one bedroom rent on their own, but can afford the rent in a two or three bedroom apartment when shared with roommates.

Affordable housing goals: As part of the decennial comprehensive plan update, the Metropolitan Council provides affordable housing goals for the city over the upcoming 10-year period. The city incorporates these goals into its planning efforts to facilitate achieving and/or exceeding those goals. The Metropolitan Council affordable housing goal for St. Louis Park between 2021 and 2030 is a total of 326 units broken down by 30%, 50% and 80% AMI. Staff created and maintains a [multi-family housing dashboard](#) to provide current data on the city’s progress towards achieving these goals. The Metropolitan Council does not count units toward the goal until they are complete; however, the chart below shows the number of affordable units completed and under construction since 2021:

Area median income	Met Council goal	Completed	Under Construction	Total completed and under construction compared to Met Council AMI goals
30% AMI	169 (30% AMI and below)	24	16	40
40% AMI	N/A	22	0	N/A
50% AMI	98 (31%-50% AMI)	185	27	234*^
60% AMI	N/A	241	17	N/A
80% AMI	59 (51%-80% AMI)	0	0	258*~
Total	326	472	60	532*

***Goal met**

^Includes 50% and 40% AMI units; Met Council’s goal includes units between 31% and 50% AMI

~Includes both 80% and 60% AMI units; Met Council’s goal includes units between 51% and 80% AMI

The adoption and implementation of the city’s inclusionary housing policy, affordable housing trust fund, and use of tax increment financing have led directly to the success of exceeding the Met Council’s goals for the creation of affordable housing at 80% and 50% area median income, as well as the creation of units affordable at 60% AMI and 40% AMI. 30% AMI continues to be a challenge to facilitate due to the extensive subsidies needed to create this level of affordability. In addition to the 40 units at 30% AMI that have been completed or are currently under construction, another 5 units at 30% AMI have been approved.

It should be noted that an effective means to provide housing at or below 30% AMI is using housing assistance vouchers, such as Section 8/Housing Choice Vouchers (HCV). The housing authority is currently administering 406 housing choice vouchers. The Housing Authority has added 83 vouchers since 2020. Additionally, the State of Minnesota has provided funding for Bring it Home, a state level rental assistance program that will add additional affordable housing in St. Louis Park and throughout Minnesota. Minnesota Housing anticipates the request for proposal for Bring it Home to open in early 2025. The Housing Authority will submit a

proposal for the full allocation offered by the state for our jurisdiction, currently estimated to be 42 to 57 vouchers.

Rental units at all affordability levels as well as market rate units are valuable and support the strategic priority of providing a broad range of housing and neighborhood-oriented development. Rental assistance vouchers are an important tool to further affordable housing opportunities for low to moderate income households. The creation of 50% AMI units create opportunities for Housing Choice Voucher (HCV) participants to lease up in St. Louis Park. Depending on a tenant's income and voucher bedroom size they may be able to utilize a voucher in a 60% AMI unit.

Compliance: St. Louis Park is unique in having staff who can monitor compliance and ensure that the affordable units being developed by the inclusionary housing policy are using the correct rents and are correctly determining eligibility of households based on income. Staff use several strategies to develop relationships between property management and the city including education. Through education, outreach and relationship building, the inclusionary units developed in St. Louis Park have resulted in substantial compliance with the inclusionary housing policy.

Next steps: Staff will bring the amended inclusionary housing policy to a future city council meeting for adoption. Upon approval of the amended inclusionary housing policy the new requirements will become effective immediately for any future residential housing developments required to comply with the policy.



Experience LIFE in the Park

Inclusionary Housing Policy

This policy promotes high quality housing for households with a variety of income levels, ages, and sizes in order to meet the city's goal of preserving and promoting economically diverse housing options in our community.

The city recognizes the need to provide affordable housing to households of a broad range of income levels in order to maintain a diverse population and to provide housing for those who live or work in the city. Without intervention, the trend toward rising housing prices in new developments will continue to increase. As a result, this policy is being adopted to ensure that a reasonable proportion of each new development receiving city financial assistance, seeking PUD land use approvals or requesting a comprehensive plan amendment include units affordable to low-and-moderate income households and working families or in the case of for-sale units, make a payment in lieu of including affordable units.

The requirements set forth in this policy further the city's housing goals and the city's comprehensive plan to create and preserve affordable housing opportunities. These requirements are intended to provide a structure for participation by both the public and private sectors in the production of affordable housing.

I. Applicability and minimum project size

This policy applies to market rate multi-unit residential developments that receive financial assistance from the city ~~or, seek~~ planned unit development (PUD) land use zoning approvals ~~or request a comprehensive plan amendment~~, and includes:

- a. New development that create at least 10 multi-family dwelling units; or
- b. any mixed-use building that creates at least 10 multi-family dwelling units; or
- c. renovation or reconstruction of an existing building that contains multi-family dwelling units that includes at least 10 dwelling units; or
- d. any change in use of all or part of an existing building from a non- residential use to a residential use that includes at least 10 dwelling units.

The development must comply with the Inclusionary Housing Policy as amended and approved by the city council as of the date the development enters into a development agreement with the city or submits a planned unit development application for the project, whichever action comes first.

II. Affordable dwelling units

General requirement

~~Adopted Jan. 17, 2023~~ Proposed Oct. 28, 2024

Rental developments and for-sale developments subject to this policy shall provide a minimum number of affordable dwelling units or a payment in lieu subject to the requirements listed below.

Calculation of units and payment in lieu required.

For development of multi-family dwelling units:

- a. The required number of affordable dwelling units or corresponding payment in lieu is based on the total number of dwelling units that are approved by the city or the number of naturally occurring affordable housing (NOAH) dwelling units that are being demolished or converted to a use other than low-income dwelling units in connection with construction of the development.
- b. To calculate the number of affordable dwelling units or payment in lieu required in a development the total number of approved dwelling units shall be multiplied by five percent (5%), ten percent (10%), fifteen percent (15%) or twenty (20%) depending on the affordability standard. If the final calculation includes a fraction, the fraction of a unit shall be rounded to the nearest whole number
- c. If an occupied rental property with existing dwelling units is remodeled and/or expanded, the number of affordable dwelling units shall be based on the total number of units following completion of renovation/expansion. At least five percent (5%), ten percent (10%) or twenty percent (20%) shall be affordable, depending on the affordability standard.
- d. NOAH dwelling units that are being demolished or converted to a use other than low-income dwelling units in connection with construction of the development must be replaced in the new development on a one-for-one basis. New developments must include a minimum number of affordable dwelling units equal to at least five percent (5%) to twenty percent (20%) of the total number of dwelling units in the development or the number of naturally occurring affordable housing dwelling units that are being demolished or converted, whichever is greater. Any deviation from replacing NOAH units on a one-for-one basis requires city approval.

*A NOAH unit is defined as a unit in which the amount of rent charged is affordable to a household whose income is at or below 60% area median income based on bedroom size, or for a for-sale unit, affordable to a household whose income is at or below 80% AMI.

- e. For-sale home ownership developments will be required to pay a payment in lieu of including affordable units in the development. The payment in lieu will be an amount equal to the difference between the average market rate sale price of the for-sale units in the development and the for-sale home purchase amount

affordable to a household with an income at or below eighty percent (80%) AMI, not to exceed ~~for-sale home purchase amount at the 80% AMI~~ \$100,000. The amount of the difference will be multiplied by a number equal to fifteen percent (15%) of the total number of for-sale units in the development. Home-ownership housing is defined as a **form of housing tenure in which a person, called the owner-occupier, owner-occupant, or homeowner, owns the home in which they live**. The home can be a house, such as a single-family house, an apartment, condominium, or a housing cooperative.

III. Affordability level

The required number of affordable dwelling units within a residential project subject to this policy shall meet an income eligibility and rent affordability standard for the term of the restriction as follows:

- a. Rental Projects, the city will direct the unit affordability level based on community need and the city's identified goals and priorities:
 1. At least twenty percent (20%) of the units shall be affordable for households at sixty percent (60%) Area Median Income (AMI), or
 2. At least ten percent (10%) of the units shall be at affordable for households at fifty percent (50%) AMI, or
 3. At least five percent (5%) of the units shall be affordable for households at thirty percent (30%) AMI.
- b. Demolished or converted NOAH units:

NOAH units demolished or converted to a use other than affordable housing in connection with the construction of the new development must be replaced on a one-for-one basis or at rate and affordability level as noted in III. a, whichever is greater. The new units must be comparable in bedroom size to the units demolished or converted and be affordable to households at 60% AMI or below.

*A NOAH unit is defined as a rental unit in which the amount of rent charged is affordable to a household whose income is at or below 60% area median income based on bedroom size or a for-sale unit affordable to a household whose income is at or below 80% AMI. NOAH status for rental units will be based on the rents charged on the date 6 months prior to the submitting of a development application.
- c. For-Sale projects:

For-sale home ownership developments will pay a payment in lieu of including affordable units in the development. The payment in lieu will be an amount equal to the difference between the average market rate sale price of the for-sale units in the development and the current for-sale home purchase amount affordable to a household with an income at or below eighty percent (80%) AMI. The payment will be multiplied by a number equal to fifteen percent (15%) of the total number of for-sale units in the development. NOAH pricing for for-sale dwelling units shall be determined at time of issuance of the occupancy permit.

The master mortgage, in addition to the sale price, will be considered when determining the payment in lieu for housing cooperatives.

d. Rent and sale price level

Rental unit: The monthly rental cost for an affordable dwelling unit shall include rent, utility costs, and any other non-optional monthly occupancy charges. Surface parking for all inclusionary units, if available, or enclosed parking for inclusionary units at the 30% AMI affordability level shall also be included in the monthly rent for the unit. The maximum rent amount shall be based on the metropolitan area that includes St. Louis Park adjusted for bedroom size and calculated annually by the Department of Housing and Urban Development and posted by Minnesota Housing for establishing rent limits for the Housing Tax Credit Program.

For-sale projects: The qualifying affordable sale price for an owner-occupied affordable dwelling unit shall be based on a homeownership unit affordable to a household with income at or below eighty percent (80%) AMI for the metropolitan area that includes St. Louis Park calculated annually by the Department of Housing and Urban Development and posted by the Metropolitan Council.

e. Period of affordability

For rental developments subject to this policy, the period of affordability for the affordable dwelling units shall be at least twenty-six (26) years.

IV. Family sized unit requirement

Developments with 50 units or greater are required to include a minimum number of three bedroom or larger size units. The specific number of three bedroom or larger size units required per development is based on the total number of units in the development as noted in the table below.

Development size – total residential units	Required Minimum Number of three-bedroom or larger size units
50 - 74	2
75 – 99	3
100 - 124	4
125 - 149	5
150 – 174	6
175 +	7

Developments that are 100% age restricted_serving households 55 years of age or older are exempt from this requirement. Any deviation from the family size unit policy requires city approval.

V. Parking requirement

The Inclusionary Policy requires that at least one on-site parking stall, as identified by Chapter 36 of the city code, (either surface or enclosed) be provided for each affordable unit. If adequate on-site surface parking exists as determined by the city based on the development’s parking plan, the requirement will be met by providing a surface parking space at no additional cost to the tenant. If underground or enclosed parking is the only on-site parking option available for residents, an enclosed parking stall must be offered to the tenant at a discounted rate. The market rate parking fee will be discounted based on the affordability level of the inclusionary units as follows:

Inclusionary affordability level	Parking fee cost to resident
30 % AMI	Free —Included in rent
50% AMI	50% of the market rate fee *
60% AMI	60% of the market rate fee

*Example: if the market rate fee for parking is \$100 per month, residents of inclusionary units at the 50% AMI affordability level will pay \$50 per month.

For developments utilizing a combination of surface parking and enclosed parking to meet the inclusionary parking requirements, a waiting list will be established, and parking options will be offered based on the resident’s placement on the list. Only inclusionary unit residents with a tenant owned vehicle are eligible for parking at no or a reduced charge.

City approval must be obtained for any proposed alternative to the parking requirements noted in the policy. All developments must meet the zoning code parking requirements. If a reduction in parking is granted, that reduction must not disproportionately reduce parking for the affordable units.

VI. Location of affordable rental dwelling units

Except as otherwise specifically authorized by this policy, the affordable dwelling units shall be located within the development.

VII. Standards for inclusionary rental units

Size and design of affordable units

The size and design of the affordable dwelling units should be consistent and comparable with the market rate units in the rest of the project and is subject to the approval of the city. The interior of affordable dwelling units is not required to be identical to the market rate units but if units are smaller than the other units with the same number of bedrooms in the development, city approval must be obtained.

If naturally occurring affordable housing dwelling units are being demolished or converted to a use other than lower-income dwelling units in connection with construction of the development, an equal number of affordable units with a comparable number of bedrooms to the units demolished or converted must be included in the new development.

Exterior/interior appearance.

The exterior materials and design of the affordable dwelling units in any development subject to these regulations shall be indistinguishable in style and quality with the market rate units in the development. The interior finish and quality of construction of the affordable dwelling units shall at a minimum be comparable to entry level rental housing in the city. Construction of the affordable dwelling units shall be concurrent with construction of market rate dwelling units.

VIII. Integration of affordable dwelling units

Distribution of affordable rental housing units

The affordable dwelling units shall be incorporated into the overall project unless expressly allowed to be located in a separate building or a different location approved by the city council. Affordable dwelling units shall be distributed throughout the building.

Number of bedrooms in the affordable units.

The affordable dwelling units shall have a number of bedrooms in the approximate proportion as the market rate units. The mix of unit types, both bedroom and accessible units, of the affordable dwelling units shall be approved by the city. Developments that are 100% age restricted serving households 55 years of age or older may propose an alternative unit mix for consideration. Any deviation from this policy requires city council approval and must be reflected in any request for city financial assistance.

Tenants

Rental affordable dwelling units shall be rented only to income eligible families during the period of affordability. A household that was income eligible at initial occupancy may remain in the affordable dwelling unit for additional rental periods as long as the income of the household does not exceed one-hundred forty percent (140%) of the applicable AMI. Affordable units must be administered in compliance with the rules and procedures stated in St. Louis Park's Inclusionary Housing Program Guide.

IX. Alternatives to on-site development of affordable dwelling units

This section provides alternatives to the construction of affordable dwelling units onsite.

The alternatives are listed in subsection (c), below.

- a. The alternatives must be:
 1. Approved by city council and
 2. Agreed to by the applicant in an Affordable Housing Performance Agreement with the city; and
 3. Applicant must show evidence acceptable to the city that a formal commitment to the proposed alternative is in place.

- b. This section does not apply unless the applicant demonstrates:

1. The alternative provides an equivalent or greater amount of affordable dwelling units in a way that the city determines better achieves the goals, objectives and policies of the city's housing goals and Comprehensive Plan than providing them onsite; and
 2. Will not cause the city to incur any net cost as a result of the alternative compliance mechanism.
- c. If the conditions of (b) are met, the city may approve one or more of the following options to providing affordable dwelling units that are required by this policy.
1. Dedication of existing units: Restricting existing dwelling units which are approved by the city as suitable affordable housing dwelling units through covenants or contractual arrangements. The city shall determine whether the form and content of the restrictions comply with this policy. Off-site units shall be located within the City of St. Louis Park. The restriction of such existing units must result in the creation of units that are of equivalent quality and size of the affordable dwelling units which would have been constructed on-site if this alternative had not been utilized.
 2. Off-site construction: Offsite construction of affordable units must be constructed within the city and should be located in proximity to public transit service at a site approved by the city.
 3. Partnering with an affordable housing developer: Participation in the construction of affordable dwelling units by another developer on a different site within the city.
 4. Proposed alternative: An alternative proposed by the applicant that directly provides or enables the provision of affordable housing units within the city. The alternative must be approved by the city and made a condition of approval of the Affordable Housing Performance Agreement.

X. Non-discrimination based on rent subsidies

Developments covered by the policy must not discriminate against tenants who would pay their rent with federal, state or local public assistance, including tenant based federal, state or local subsidies, including, but not limited to rental assistance, rent supplements, and Housing Choice Vouchers.

XI. Affordable housing plan

a. Applicability

Developments that are subject to this policy shall include an Affordable Housing Plan as described below. An Affordable Housing Plan describes how the developer complies with each of the applicable requirements of this policy.

b. Approval

1. The Affordable Housing Plan shall be approved by the city.
2. Minor modifications to the plan are subject to approval by the city manager. Major modifications are subject to approval by the city council. Items that

are considered major and minor will be designated in the Affordable Housing Plan.

c. Contents

The Affordable Housing Plan shall include at least the following:

1. General information about the nature and scope of the development subject to these regulations.
2. For requests of an alternative to on-site provision of affordable housing, evidence that the proposed alternative will further affordably housing opportunities in the city to an equivalent or greater extent than compliance with the otherwise applicable on-site requirements of this policy.
3. The total number of market rate units, and for rental developments, the number of affordable dwelling units in the rental development.
4. The floor plans for the affordable dwelling units showing the number of bedrooms and bathrooms in each unit.
5. The approximate square footage of each affordable dwelling unit and average square foot of market rate unit by types.
6. Building floor plans and site plans showing the location of each affordable dwelling unit.
7. The pricing of each ownership dwelling unit shall be determined at time of issuance of the occupancy permit. At time of sale this price may be adjusted if there has been a change in the median income or a change in the formulas used in this ordinance.
8. The order of completion of market rate and affordable dwelling units.
9. Documentation and specifications regarding the exterior appearance, materials and finishes of the development for each of the affordable dwelling units illustrating that the appearance of affordable units are comparable to the appearance of the market-rate units.
10. ~~An Affordable Dwelling Unit Management Plan documenting~~ Documentation of policies and procedures for administering the affordable dwelling units in accordance with ~~the Affordable Housing Performance Agreement~~ any Restrictive Covenants and the Inclusionary Housing Program Guide.
11. Any and all other information that the city manager may require that is needed to achieve the council's affordable housing goals.

XII. Recorded agreements, conditions, and restrictions

- a. ~~An Affordable Housing Performance Agreement~~ Restrictive Covenant shall be executed between the city and a developer, in a form approved by the city attorney, based on the Affordable Housing Plan described in Section VII, which formally sets forth development approval and requirements to achieve affordable housing in accordance with this policy and location criteria. The Agreement shall identify:

- b. The applicant or owner shall execute any and all documents deemed necessary by the city manager, including, without limitation, restrictive covenants, and other related instruments, to ensure the affordability of the affordable housing units in accordance with this policy.
- c. The applicant or owner must prepare and record all documents, restrictions, easements, covenants, and/or agreements that are specified by the city as conditions of approval of the application prior to issuance of a zoning compliance permit for any development subject to this policy.
- d. Documents described above shall be recorded in the Hennepin County Registry of Deeds as appropriate.
- e. Inclusionary Housing Program Guide: All affordable units in the ~~affordable housing performance agreement~~ restrictive covenant will be managed and operated in compliance with rules and regulations outlined in the Inclusionary Housing Program Guide.

XIII. Definitions

Affordable Dwelling Unit: The required affordable dwelling units within a residential project subject to this policy shall meet an income eligibility and rent affordability standard for the term of the restriction as follows:

- a. Rental Projects:
 1. At least twenty percent (20%) of the units shall be affordable for households at sixty percent (60%) Area Median Income (AMI), or
 2. At least ten percent (10%) of the units shall be at affordable for households at fifty percent (50%) Area Median Income.
 3. At least five percent (5%) of the units shall be affordable for households at thirty percent (30%) Area Medium Income.

- b. For-Sale Projects:

The qualifying affordable sale price for an owner-occupied affordable dwelling unit shall be based on a household income of eighty percent (80%) AMI for the metropolitan area that includes St. Louis Park calculated annually by the Department of Housing and Urban Development.

Home-ownership housing is defined as **a form of housing tenure in which a person, called the owner-occupier, owner-occupant, or homeowner, owns the home in which they live.** The home can be a house, such as a single-family house, an apartment, condominium, or a housing cooperative.

~~*Affordable Housing Plan:* A plan that documents policies and procedures for administering the affordable dwelling units in accordance with the Affordable Housing Performance Agreement any Restrictive Covenants and the Inclusionary Housing Program Guide.~~

~~*Affordable Housing Performance Agreement:* Agreement between the city and the developer which formally sets forth development approval and requirements to achieve Affordable Housing in accordance with this policy.~~

Affordable Housing Performance Agreement: Agreement between the city and the developer which formally sets forth development approval and requirements to achieve Affordable Housing in accordance with this policy.

Financial Assistance: The Inclusionary Affordable Housing Policy applies to all new and renovated multifamily residential buildings receiving city financial assistance, seeking PUD land use approvals or request an amendment to the comprehensive plan.

Financial Assistance is defined as funds derived from the city and includes but is not limited to the following:

1. City of St. Louis Park Funds
2. Community Development Block Grant (CDBG)
3. City Housing Rehabilitation Funds
4. Revenue Bonds (private activity bonds are negotiable)
5. Tax Increment Financing (TIF) & Tax Abatement
6. Housing Authority (HA) Funds
7. Land Write-downs

NOAH units:

1. Rental units: A rental unit is defined as a NOAH unit if the amount of rent charged is affordable to a household whose income is at or below 60% area median income based on bedroom size.
2. Ownership unit: A for-sale unit is defined as a NOAH unit if the price of the home is affordable to a household whose income is at or below 80% AMI.

Restrictive Covenant: Agreement between the city and the developer recorded with the county which formally sets forth development approval and requirements to achieve affordable housing in accordance with this policy.

Tenant paid rent: The monthly rent for an affordable dwelling unit shall include rent, utility costs and any other non-optional monthly occupancy charges. Surface parking for all inclusionary units if available and enclosed parking for inclusionary units at the 30% AMI affordability level shall also be included in the monthly rent for the unit. The rent shall be based on the metropolitan area that includes St. Louis Park adjusted for bedroom size and calculated annually by the Department of Housing and Urban Development and posted by Minnesota Housing for establishing rent limits for the Housing Tax Credit Program.

Executive summary

Title: Single-family rentals update

Recommended action: No action required. This report is for informational purposes only.

Policy consideration: None at this time.

Summary: The council discussed single-family rentals and consideration of rental density caps at the Nov. 28, 2022 study session as concern has grown over an increase of investor ownership of single-family houses. The result of the discussion was that staff would monitor the number of single-family non-owner-occupied licenses in St. Louis Park. Staff have tracked license data annually in the annual housing activity report.

This report provides information on the status of single-family non-owner-occupied licenses (rental licenses) in St. Louis Park. A rental license is required for any non-owner-occupied unit, including relative homesteaded properties, vacant units and properties that are not owner-occupied for at least six months per year. There are currently 942 non-owner-occupied rental licenses in St. Louis Park including 37 single-family public housing units owned and operated by the St. Louis Park Housing Authority.

Financial or budget considerations: Not applicable.

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

Supporting documents: Discussion

Prepared by: Marney Olson, housing supervisor

Reviewed by: Michael Pivec, property maintenance and licensing manager

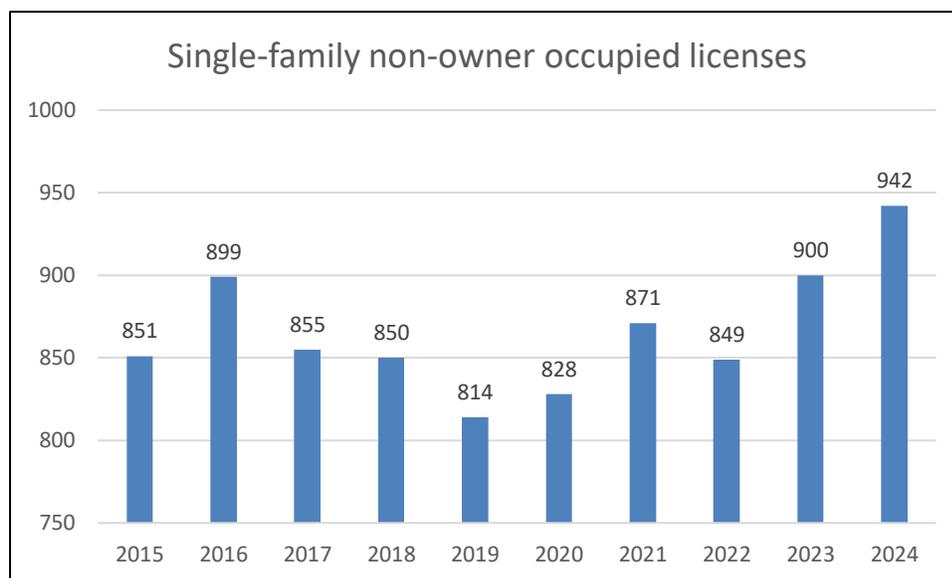
Approved by: Kim Keller, city manager

Discussion

Background: The council discussed single-family rentals and consideration of rental density caps at the [Nov. 28, 2022 study session](#) as concern across the metropolitan area has grown over an increase of investor ownership of single-family houses. The result of the discussion was that staff would monitor the number of single-family non-owner-occupied licenses in St. Louis Park. Staff have tracked license data each year in the annual housing activity report.

Single-family rentals in St. Louis Park: A non-owner-occupied license (rental license) is required for any non-owner-occupied unit, including relative homesteaded properties, vacant units and properties that are not owner-occupied for at least six months per year. The city does not track the various types of licensed single-family homes, and therefore does not have data on how many of the licenses are for rental properties versus vacant homes, homes rented to family members, or properties in which the homeowner does not occupy the home for at least six months. Vacant properties are often identified by neighbors who contact the building and energy department. Staff then follows up with the owners informing them of the requirement to apply for a rental license.

As of Oct. 21, 2024, there are 942 single-family non-owner-occupied licenses in St. Louis Park including 37 single-family public housing units owned and operated by the St. Louis Park Housing Authority. This represents 8.1% of the total number of single-family houses in St. Louis Park. Over the past ten years, the number of single-family non-owner-occupied licenses has fluctuated between 814 and 942 as shown in the chart below.



The final number of single-family rental licenses may change by the end of the year. A property owner could apply for a rental license between now and Dec. 31, 2024. Properties that receive renewal license reminders, which were sent Oct. 22, 2024, could contact the city to remove the rental license because the property was sold or otherwise meets the definition of owner-occupied.

Many factors contribute to the number of non-owner-occupied single-family homes at any given time. It is unknown what impact, if any, the recent increase in interest rates and current market conditions have had on the number of single-family rentals in St. Louis Park, or if the number of rental licenses will continue to increase, plateau or decrease given these market conditions.

Investor owned single-family homes: The city does not track investor-owned single-family properties; however, the [Minneapolis Federal Reserve](#), which uses non-homesteaded properties as a proxy for investor-owned single-family rentals, tracks investor-owned properties throughout the seven-county metro area. The percentage of investor-owned homes in St. Louis Park based on 2023 data from the Minneapolis Federal Reserve's tool shows St. Louis Park is consistent with the seven-county metro area and lower than the investor-owned home rate in Hennepin County as shown in the table below.

City	Number of properties to define investor owned properties		
	2 properties	5 properties	10 properties
St. Louis Park	3.6%	2.2%	2.0%
Hennepin County	3.7%	2.6%	2.3%

Staff Recommendation:

Given that 1) there has been less than a 10% increase in the number of single-family rentals, 2) the number of single-family rentals represents a small percentage of the total number of single-family homes (8.1%), and 3) single-family rentals provide a needed housing options for many families, staff recommends continuing to monitor the number of single-family rentals at this time and report back to council in a year with updated information.

Additionally, staff recommends the city support legislation through its legislative agenda to support tracking the impacts of investor-owned homes on the housing market and enacting local strategies to support owner-occupied homeownership through policies and programs that provide cities with tools to address and limit impacts from corporate ownership of single-family houses and encourage increased access to owner-occupied homeownership through programs and resources to build equity and wealth, which is also supported by the League of Minnesota Cities and Metro Cities.

Next steps: Staff will continue to monitor the number of single-family rental licenses over the next year and will present the city council with the above legislative priority during the upcoming legislative agenda discussion.

Executive summary

Title: Quarterly development update – 4th quarter 2024

Recommended action: None. The attached report summarizes the status of major development projects occurring in St. Louis Park.

Policy consideration: Not applicable. Contact staff with any questions.

Summary: The attached report is meant to keep the EDA/city council informed on a quarterly basis as to the metrics, construction status and tentative schedule of major development projects in the city. For clarity:

- **Proposed developments:** are those that are working through the planning entitlement process such as platting, PUDs, variances, and have not yet been approved.
- **Approved developments:** are those whose planning applications have been approved by the city council and have not yet commenced construction (but whose financial assistance agreements may or may not yet have been approved).
- **Under construction:** are those that just started or are actively being constructed.
- **Completed developments:** are those that have received their final certificates of occupancy.

More detailed information can be found on the interactive [development dashboard](#) on the city's website. The dashboard provides project metrics for all major developments or additions that have been approved, under construction or completed within the city since 2010. The dashboard includes website links, market rate and affordable unit counts by bedroom size, parking information for overall stalls, bike facilities and electric vehicle charging stations, and more.

Additionally, recent developments receiving financial assistance from the city are required to track Diversity, Equity and Inclusion (DEI) goals related to business enterprises and workforce hiring goals. The current goal status for each development is also included in the update.

Financial or budget considerations: Development activity affects the city's total tax capacity as reflected in the city's annual budget and long-range financial plan. It also plays a significant role in the retention of the city's AAA bond rating.

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

Supporting documents: Major developments in St. Louis Park – 4th Quarter 2024
DEI goal summary

Prepared by: Jennifer Monson, redevelopment administrator

Reviewed by: Greg Hunt, economic development manager
Karen Barton, community development director, EDA executive director

Approved by: Kim Keller, city manager

Major Developments in St. Louis Park 4th Quarter 2024

Multifamily housing development summary	Total	Market rate	Affordable
Proposed units	231	178	53
Approved units	607	525	82
Units under construction	60	0	60
Recently completed units (last two years)	1,585	1,113	472
All units	2,483	1,816	667
Total Development Costs (TDC)*	\$801 million		

*TDC includes all developments in the above categories to the extent known

For additional information please see [Development Projects](#) on the city's web site.

Proposed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p>Minnetonka Blvd redevelopment 5707 – 5639 Minnetonka Blvd.</p> <p>GMHC (Greater Metropolitan Housing Corporation) & Homes Within Reach Affordable Housing Land Trust</p>	 <p>Proposed is the removal of four modest single-family houses and construction of four twin homes (eight-units), providing eight affordable home-ownership opportunities.</p> <p>Estimated total development cost \$3.7 million</p>	<p>Received pandemic relief grant funding from Hennepin County.</p> <p>Concept plans presented to council in June 2024.</p> <p>Construction commencement Q2, 2025 upon GMHC securing LIHTC financing.</p>
<p>Terasa 5401 Gamble Drive</p> <p>Hempel Real Estate</p>		<p>Concept plans presented to council in August 2024.</p> <p>Construction commencement Q2 2025 upon Hempel securing entitlements and financing.</p>

Proposed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
	<p>Proposed is the redevelopment of the northwest office tower located within the West End Office Towers complex and construction of a new six story, 223-unit mixed-use building with 21,000 square feet of commercial space, potentially including a grocer, restaurant and coffee shop. The development would include 45 affordable units.</p> <p>Estimated total development cost \$93.7 million</p>	

Approved developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Park Place East</u> 5775 Wayzata Blvd.</p> <p>GW Properties</p>	 <p>Proposed is the construction of two retail buildings in the southeast corner of the parking lot at 5775 Wayzata Blvd. The new buildings will contain four fast casual restaurants.</p> <p style="text-align: center;">Estimated total development cost: TBD</p>	<p>Planning entitlements approved in December 2023 and June 2024.</p> <p>Building permits are submitted and construction commencement is anticipated Q4, 2024.</p>
<p><u>2625 Louisiana Avenue</u> 2625 Louisiana Ave.</p> <p>Web Development LLC</p>	 <p>Largely vacant parcel adjacent to North Cedar Lake Regional Trail to be redeveloped with a 57-unit, four-story, mixed-use market-rate building with approximately 4,000 square feet of ground floor commercial space along with underground and surface parking. Project includes a public path connecting Louisiana Avenue to the Regional Trail.</p> <p style="text-align: center;">Estimated total development cost: TBD</p>	<p>Planning entitlements approved 2022 and reapproved 2024.</p> <p>Construction commencement TBD.</p>

Approved developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Achromatic 6013</u></p> <p>6013 and 6019 Cedar Lake Rd.</p> <p>Joshua Aaron</p>	 <p>Proposed is the redevelopment of two single-family homes and the construction of a 36 unit, three-story building with one level of below grade parking.</p> <p style="text-align: center;">Estimated total construction costs: TBD</p>	<p>Planning entitlements approved March 2024.</p> <p>Construction commencement TBD.</p>
<p><u>Arlington Row East & West</u></p> <p>7705 Wayzata Blvd. & 7905 Wayzata Blvd.</p> <p>Melrose Company</p>	 <p>Two development sites:</p> <ul style="list-style-type: none"> • 7905 Wayzata includes two three-story apartment buildings with 34 units total and off-street parking covered by a solar power carport. • 7705 Wayzata includes a three-story apartment building with 27 units and surface parking. <p style="text-align: center;">Estimated construction cost: \$TBD</p>	<p>Planning applications approved.</p> <p>Tentative construction commencement TBD.</p>

Approved developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Beltline Blvd Station Site</u> SE quadrant of CSAH 25 & Beltline Blvd.</p> <p>Sherman Associates</p>	 <p style="text-align: center;">Major mixed-use, mixed income, transit-oriented, multi-phase development adjacent to SWLRT Beltline Blvd. Station.</p> <p>Building 1 includes:</p> <ul style="list-style-type: none"> • Seven-story mixed-use building with six levels of market rate housing (152 units) and 20,000 square feet of neighborhood commercial space • A 592-stall parking ramp, which would include 268 park & ride stalls, 326 residential stalls and approximately 1,850 square feet of commercial space. <p style="text-align: center;">Estimated development cost: \$55.8 million Estimated development cost of public ramp: \$11.9 million</p> <p>Building 2 includes:</p> <ul style="list-style-type: none"> • Four-story all affordable apartment building with 82 units, 77 units will be affordable to households at 60% AMI and five units will be affordable to households at 30% AMI. 22 units will have three bedrooms. <p style="text-align: center;">Estimated development cost: \$25.2 million</p> <p>Building 3 includes:</p> <ul style="list-style-type: none"> • Five-story market rate apartment building with 146 units. <p style="text-align: center;">Estimated development cost: \$49.2 million</p> <p>Altogether, the multi-phase redevelopment will have 380 apartment units of which 82 (21%) would be affordable.</p> <p style="text-align: center;">Estimated total development cost: \$142 million</p>	<p>Awarded \$13.7 million in LIHTC bonds January 2022 for affordable component.</p> <p style="text-align: center;">Planning applications approved April 18, 2022.</p> <p style="text-align: center;">Financial assistance agreements approved June 20, 2022, and July 24, 2023.</p> <p>Anticipated construction:</p> <ul style="list-style-type: none"> • Grading Q1, 2025 • Building 2 Q1, 2025 • Building 3 Q1, 2025 • Building 1 Q3, 2025 • Ramp Q2, 2025 <p style="text-align: center;">Construction completion all phases Q4, 2026.</p>

Approved developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Parkway Residences</u> W 31st St. between Inglewood Ave. & Glenhurst Ave.</p> <p>Sela Group & Affiliates</p>	 <p>Multi-phase redevelopment includes four, multi-family buildings with 211 units. The affordable housing includes 24 rehabilitated units at 50% AMI, and six new units at 60% AMI.</p> <p>Phase III: Eleven-story, 73-unit apartment building. Estimated development cost: \$36.2 million</p> <p>Estimated total development cost (all phases): \$91.4 million</p>	<p>EDA approved an extension to the development contract February 2024.</p> <p>Phase III commencement TBD.</p>

Under construction		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Union Park Flats</u> 3700 Alabama Ave. & 6027 37th St. W.</p> <p>PPL (Project for Pride in Living)</p>	 <p>Redevelopment of the north portion of the Union Congregational Church property with a three story, 60-unit affordable apartment building on the north half of the property. All unit rents would be affordable to households ranging from 30%-60% AMI. Union Congregational Church plans to remain on the south portion of the property.</p> <p>Estimated total development cost: \$28.6 million</p>	<p>Planning applications approved July 6, 2020.</p> <p>Received funding from MHFA in June 2022 and fall 2022</p> <p>SLP AHTF approved May 2023.</p> <p>Construction commencement November 2023, to be completed by July 31, 2025.</p>

Recently completed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Louisiana Crossing</u> 3745 Louisiana Ave.</p> <p>Loffler Companies</p>	 <p>Loffler Companies purchased and renovated the 132,485 square foot former Sam's Club building. The Midwest's largest office-technology and IT-services company consolidated its headquarters and warehouse operations at this new location resulting in over 500 jobs. Loffler leased out approximately 30,000 square feet of the building and may eventually sell the south end of the 13-acre property for multifamily housing.</p>	<p>Warehouse operations moved in Q4, 2021.</p> <p>Office renovation completed in Q4, 2022.</p>

Recently completed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
	Estimated construction cost: \$TBD	
<p><u>Parkway Residences</u> W 31st St. between Inglewood Ave. & Glenhurst Ave.</p> <p>Sela Group & Affiliates</p>	 <p>Multi-phase redevelopment includes four multi-family buildings with 211 units. The affordable housing includes 24 rehabilitated units at 50% AMI, and six new units at 60% AMI.</p> <p>Phase I:</p> <ul style="list-style-type: none"> • Parkway Place: Four-story, 95-unit apartment building. • Parkway Flats: Six-unit apartment building. • Rehab of 24 NOAH apartment units. <p style="padding-left: 40px;">Estimated development cost: \$40.6 million</p> <p>Phase II: Parkway Commons: Four-story, 37-unit apartment building.</p> <p style="padding-left: 40px;">Estimated development cost: \$14.6 million</p>	<p>Parkway Place & rehab completed April 2022.</p> <p>Parkway Flats completed October 2022.</p> <p>Parkway Commons completed March 2023.</p>
<p><u>Nordic Ware expansions Buildings 8 & 9</u> 5005 CSAH 25</p> <p>Dalquist Properties LLC</p>	 <p>21,853-square-foot warehouse and loading dock addition to Building 8. 45,000 square foot warehouse and loading dock addition to Building 9 along with a small café and outdoor patio on the property’s south side facing the regional trail.</p>	<p>Completed Q2, 2022.</p>

Recently completed developments

<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Volo at Texa-Tonka</u> NE corner Texas Ave. & Minnetonka Blvd.</p> <p>Paster Development</p>	<p>Estimated construction cost: \$11.6 million</p>  <p>Mixed income redevelopment includes 101 apartment units in a three- to four-story building, and 11 walk-up style townhome units located in two two-story buildings on the northern end of the site. Twenty percent (23) of the units would be affordable to households earning up to 50% AMI.</p> <p>Estimated total development cost: \$26.6 million</p>	<p>Completed 11 townhome units December 2022.</p> <p>Completed 101 multifamily units May 2023.</p>
<p><u>Caraway</u> (formerly Luxe Residential) 5235 Wayzata Blvd. (Phase VI of Central Park West)</p> <p>Greystar Real Estate Partners</p>	 <p>Redevelopment of former Olive Garden property in The West End area.</p> <p>Luxe Residential is a six-story, 207-unit, apartment building (including eight units affordable to households earning up to 60% AMI) along with two levels of underground parking. The development also includes a new pocket park along 16th Street and pedestrian improvements connecting the apartment building to the rest of The West End area.</p> <p>Estimated construction cost: \$51.8 million</p>	<p>Completed October 2023.</p>

Recently completed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Bremer Bank</u> 7924 Hwy. 7</p> <p>Frauenshuh</p>	 <p>The retail building containing Knollwood Liquor and Papa Murphy’s Pizza was removed and replaced with a two-story, 5,850 square foot office building and is occupied by Bremer Bank.</p>	<p>Completed October 2023.</p>
<p><u>Corsa</u> (formerly Beltline Residences) 3440 Beltline Blvd.</p> <p>Opus Group</p>	 <p>Five-story, 250-unit mixed-use, mixed income development with two retail spaces totaling 7,445 square feet and six live/work units. 10% of the units (25) will be affordable to households at 50% AMI.</p> <p style="text-align: center;">Estimated total development cost: \$78.1 million</p>	<p>Completed October 2023.</p>

Recently completed developments

<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p><u>Rise on 7</u> 8115 Hwy. 7 CommonBond</p>	 <p>Redevelopment of former Prince of Peace church property across from Shops at Knollwood. Includes a four-story, 120-unit, all affordable apartment building with income restrictions ranging between 30%-60% AMI along with a 6,600 square foot “affordable” early childhood center.</p> <p>Estimated total development cost: \$40.7 million</p>	<p>Completed November 2023.</p>
<p><u>Risor</u> 3510 Beltline Blvd. Roers Company</p>	 <p>Six-story, 170-unit apartment building with 4,100 square feet of ground floor commercial space and 14 ground floor live-work units. The development is an age restricted (55+) community with 10% (18) of the units affordable to households earning up to 50% AMI.</p> <p>Estimated construction cost: \$56.5 million</p>	<p>Completed November 2023.</p>

Recently completed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p style="color: blue; text-decoration: underline;">Arbor Court</p> <p>3801 Wooddale Ave. S.</p> <p>Real Estate Equities LLC</p>	 <p>Redevelopment of former Aldersgate Church property adjacent to Burlington Coat/Micro Center and Highway 100. All affordable housing development includes 114-units, with 205 parking stalls, of which 117 stalls would be underground.</p> <ul style="list-style-type: none"> Five units affordable to households up to 30% AMI Five units affordable to households up to 50% AMI 104 units affordable to households up to 60% AMI <p style="text-align: center;">Estimated total development cost \$30.1 million</p>	<p>Completed March 2024.</p>
<p style="color: blue; text-decoration: underline;">Zelia on Seven</p> <p>(formerly Via Sol) SE quadrant Hwy. 7 & Wooddale Ave. 5855 Hwy. 7</p> <p>Originally developed by PLACE now owned by Bigos Management</p>	 <p>Mixed-use, mixed-income, transit-oriented development including a five-story, 217-unit apartment building (65 market rate units, 22 units affordable to households earning up to 50% AMI, and 130 units affordable to households earning up to 80% AMI), e-generation, wind turbine, solar panels and one-acre urban forest.</p> <p style="text-align: center;">Estimated total development cost: \$88.4 million</p>	<p>Commenced January 2020.</p> <p>Apartment building received its temporary certificate of occupancy (TCO) in July 2022.</p> <p>Bigos Management received a PUD amendment March 25, 2024.</p> <p>Received final Certificate of Occupancy May 23, 2024.</p>

Recently completed developments		
<i>Project, location & developer</i>	<i>Project Description</i>	<i>Tentative Schedule</i>
<p style="text-align: center;"><u>Mera</u> (formerly 9920 Wayzata) 9808 & 9920 Wayzata Blvd.</p> <p>Bigos Management</p>	 <p>Redevelopment of former <i>Santorini's</i> restaurant property at northwest quadrant of I-394 & US 169.</p> <p>Six-story, 233-unit, mixed income apartment building with 20% (47) of the units affordable to households earning up to 50% AMI.</p> <p style="text-align: center;">Estimated total development cost: \$68.6 million</p>	<p>Received Certificate of Occupancy August 2024.</p>

Diversity, Equity, and Inclusion Hiring Goals Through October 1, 2024

DEI goals for Union Park Flats and The Mera

QUARTERLY COMPLINANCE SUMMARY	Union Park Flats		The Mera (9920 Wayzata) Bigos LLC**	
	ACTUAL	GOALS	ACTUAL	GOALS
Total number of business enterprises contracted in development	47		50	
Percentage of women-owned business enterprises in development	21.28%	6%	10%	6%
Percentage of BIPOC/AAPI owned business enterprises in development	4.26%	13%	2%	13%
Percentage of total development dollars paid to women-owned business enterprises in development	21.34%	6%	7.13%	6%
Percentage of total development dollars paid to BIPOC/AAPI owned business enterprises in development	2.48%	13%	0.13%	13%
Total number of construction workers contracted in development	789		1567	
Percentage of women workforce in development	3%	20%	2%	6%
Percentage of BIPOC/AAPI workforce* in development	21%	32%	13%	32%
Percentage of total construction hours for women workforce in development	3.57%	20%	0.96%	6%
Percentage of total construction hours for BIPOC/AAPI workforce* in development	29.39%	32%	13.31%	32%

*The BIPOC/AAPI workforce demographic data is self-reported, and likely does not fully capture Hispanic/Latinx individuals.

**These are the final DEI reporting numbers for The Mera. Construction is complete and the building had its grand opening on October 16, 2024.

Under the EDA contract for private development with Bigos-992 Wayzata, LLC for The Mera, was a requirement that the developer submit quarterly updates on their Diversity Equity and Inclusion hiring and employment goals throughout construction. The Mera is now complete and the final hiring summary for this project is provided above.

The Mera: Bigos Management hired Big-D Construction as the primary contractor for The Mera. Big-D Construction used multiple databases to curate a list of DEI subcontractors with experience in multi-Family construction in the twin cities. Using that list, Big-D held a pre-bid meeting at city hall to collect additional contact information and elaborate on the project's

scope before sending bid invitations. Twenty-one MBE/WBE companies attended the meeting, and nine of the attendees submitted bids on the project. The Big-D team also sent the Mera plans to DEI companies who did not participate in the City Hall meeting but responded “yes” to planning on submitting a proposal. In total, 211 subcontractors were invited to bid on the project, 14 being WBE, 25 being MBE, and three being a BIPOC enterprise.

Ultimately, Big-D Construction hired 69 business enterprises to construct the Mera, and 50 received a subcontractor. Of those 50 subcontractors, five were women-owned business enterprises (10% participation), and one was a BIPOC- business enterprise (2% participation).

The main challenge with meeting the goals for DEI enterprise participation is the lack of awareness from the subcontractor pool and how DEI enterprises choose to publicize their companies. Many of the subcontractors Big D works with have the potential to become a WBE/MBE or BIPOC enterprise but are not aware of the steps needed to become certified to report as a DEI enterprise. Another challenge Big D had was with the certified companies who planned to provide a proposal, was the lack of communication and attention to detail when providing a bid. This made the contractor team uncomfortable with awarding scopes to enterprises that didn’t show knowledge of the plan and specs.

Executive summary

Title: 2025 Social Services request for proposal update

Recommended action: No action required. This report is for informational purposes only.

Policy consideration: None. For information only.

Summary: The city has previously funded social service agencies through a direct allocation to specific non-profit entities that provide services to St. Louis Park residents. Beginning in 2025, the process will be conducted through a competitive request for proposal (RFP) process. The city has budgeted \$250,000 in 2025 for contractual services with non-profit agencies serving residents in St. Louis Park that offer basic needs services that the city could provide and that address at least one of the following program goals:

- Emergency housing assistance for low-income persons/households at or below 60% AMI for renters and 115% for homeowners.
- Services to support senior independence to allow low-income adults 60 and older to remain in their home.
- Services for individuals and households experiencing food insecurity to improve access to healthy food.
- Support programs that assist landlords providing affordable rental housing* to offset rent losses due to evictions for non-payment of financial obligations by tenants at or below 60% AMI. (*rent must be affordable to households at or below 60% AMI and must be verified)
- Other basic needs services, subject to conformance with city policies.

Staff anticipates the RFP will be shared broadly beginning the week of Nov. 4, 2024, after approval of the guidelines by council. Proposals will be due Dec. 2, 2024. The city will tentatively notify applicants of recommended awards by Dec. 31, 2024. Formal award of the contracts for services will occur in early 2025, provided the 2025 budget adopted by council includes this funding. In subsequent years we anticipate the RFP process starting earlier in the year.

Financial or budget considerations: \$250,000 has been budgeted for the 2025 social services request for proposal: \$200,000 from the affordable housing trust fund and \$50,000 from the general fund.

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

Supporting documents: 2025 Social Services RFP draft guidelines

Prepared by: Marney Olson, housing supervisor

Reviewed by: Karen Barton, community development director
Amelia Cruver, finance director

Approved by: Kim Keller, city manager



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City of St. Louis Park
2025 REQUEST FOR PROPOSALS
FOR SOCIAL SERVICES

The City of St. Louis Park is seeking proposals for social services from non-profit agencies serving residents in St. Louis Park. The city has budgeted \$250,000 for this RFP. Funding parameters and priority goals for the purpose of advancing the city's strategic priorities are as follows:

Funding Parameters

- Any State recognized non-profit organization is eligible to apply
- Projects must serve St. Louis Park residents
- Services must be compatible with city goals and strategic priorities
- Total funding for this RFP is \$250,000. Minimum request is \$10,000

Program Goals

Funding through this program is intended for non-profit agencies serving residents in St. Louis Park that offer basic needs services that the city could provide and that address at least one of the following program goals:

- Emergency housing assistance for low-income persons at or below 60% AMI for renters and 115% for homeowners.
- Services to support senior independence to allow low-income adults 60 and older to remain in their home
- Services for individuals and households experiencing food insecurity to improve access to healthy food
- Support programs that assist landlords providing affordable rental housing* to offset rent losses due to evictions for non-payment of financial obligations by tenants at or below 60% AMI (*rent must be affordable to households at or below 60% AMI and must be verified)
- Other basic needs services, subject to conformance with city policies.

Eligible expenses

- Direct services to St. Louis Park residents that meet one or more of the above priority goals
- A maximum of 15% of the funding request can be for staffing costs directly for the administration of the proposed program. No other administrative expenses are eligible.

Award Criteria

Proposals must meet one or more of the following criteria:

- Demonstrated need of the proposed service for the targeted population
- Compatibility with the RFP priority goals
- Provide direct service to St. Louis Park residents
- Demonstrated efforts to serve low-income persons of all races/cultures/ethnicities
- Demonstrated value to the community
- Certified Non-Profit agency

Proposals must be received by 4:30 p.m. December 2, 2024

Late proposals will not be accepted



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PROPOSAL SUBMISSION INSTRUCTIONS

The information requested in the attached Request for Proposals must be addressed in your proposal.

Submit **1 electronic copy (word or pdf)** of your proposal by **4:30 p.m. December 2, 2024 (LATE PROPOSALS WILL NOT BE ACCEPTED)** to:

Marney Olson
Housing Supervisor
molson@stlouisparkmn.gov

Applicants may be asked to respond in writing to additional questions. The City of St. Louis Park will tentatively notify applicants of recommended award by December 31, 2024. Formal award of contracts for services will occur in early 2025.

Agencies awarded contracts will be required to sign a service agreement for calendar year 2025 and submit semi-annual reports on service outcomes.

Contact Marney Olson at 952.924.2196 or molson@stlouisparkmn.gov with any questions.

Proposals must be received by 4:30 p.m. December 2, 2024
Late proposals will not be accepted



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City of St. Louis Park

2025 REQUEST FOR PROPOSALS FOR SOCIAL SERVICE ASSISTANCE

Proposals for social services must include the following:

PROPOSAL HEADING

1. Agency name, address, contact person, phone and email
2. Amount of request
3. Brief description of service(s) to be provided
4. Identify priority area(s) the proposed services are addressing:
 - a) Emergency housing assistance for low-income renter households below 60% AMI and/or 115% AMI for homeowners.
 - b) Services to support senior independence to allow low-income adults 60 and older to remain in their home
 - c) Services for individuals and households experiencing food insecurity to improve access to healthy food
 - d) Support programs that assist landlords providing affordable housing to offset rent losses due to evictions for non-payment of financial obligations by tenants at or below 60% AMI.
5. Explain how the services you are proposing to provide will benefit St. Louis Park residents
6. Indicate any additional funding from other sources for the proposed program.
7. Explain any formal or informal partnership you have with the City of St. Louis Park

ADMINISTRATION

1. Provide a mission statement for your agency.
2. Provide verification of your organization's non-profit legal status.
3. Indicate your **total agency budget** for 2025.
4. Indicate your **proposed project budget** for 2025. Itemize proposed expenses and describe as applicable. Indicate both proposed city funds and other funds to support the project. City funds are for direct service costs with a 15% cap for staffing costs directly for the administration of the proposed program.

PROGRAM

1. Describe service to be funded, including:
 - a) Brief statement detailing the service, the need for the service, and how it will be provided
 - b) Target population(s); estimated number of **unduplicated** individuals you plan to serve residing in St. Louis Park
 - c) Eligibility criteria and process
 - d) How clients are involved in the planning process for service
 - e) Desired client outcomes and methods of evaluating and measuring client progress and outcomes (use attached "Proposed Outcome/Evaluation Methods" form)
3. Describe outreach efforts to target populations, including immigrant and low-income individuals.

Please contact Marney Olson at molson@stlouisparkmn.gov or 952.924.2196 with questions.



**City of St. Louis Park Social Service Programs - 2025
Proposed Outcomes/Evaluation Methods**

Name of Applicant Organization: _____
Address: _____
Contact Person: _____
Phone: _____ **Email:** _____
Brief description of service(s): _____

Outcomes: State 3 to 5 measurable outcomes of proposed service(s) – <u>relate outcomes to client progress</u> Outcomes indicate what result, benefit, or change would come from the service provided. Outcomes can be: 1) <i>initial</i> , such as increased knowledge, understanding, or skills; 2) <i>intermediate</i> , such as change in a specific behavior or attitude; or 3) <i>long term</i> , such as a change in the condition or status of people.	Indicators: Describe methods of evaluating proposed outcomes – <u>how you will measure client progress</u>
<p style="text-align: center; font-size: 48px; opacity: 0.3; transform: rotate(-30deg);">DRAFT</p>	<p style="text-align: center; font-size: 48px; opacity: 0.3; transform: rotate(-30deg);">DRAFT</p>