AGENDA
SEPTEMBER 14, 2026

6:00 p.m. Study Session – Community Room

Discussion Items

1.	Community Technology Advisory Commission annual meeting with council
2.	Boards and Commissions Ambassador updates
3.	Council Retreat: Follow-up facilitated conversation on Public Statement Guidelines

Written Reports

4.	2027 cultural observances
5.	2026 Economic Development Activity Report
6.	Sewer availability charge (SAC) credit policy

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: Community Technology Advisory Commission annual meeting with council

Recommended action: None at this time.

Policy consideration: Does the council have any work direction for this commission?

Summary: The September 2026 boards and commissions check-in with city council features the Community Technology Advisory Commission (CTAC), represented by chair Konner Slaats and vice chair Rudyard Dyer. The staff liaison for this commission is Jacque Smith, Communications and Technology Director.

The CTAC is one of the five advisory boards and commissions whose purpose is to advise the city council and other city bodies on how technology can improve services and enhance quality of life. It evaluates technology applications, identifies strategic opportunities and supports responsible and effective use of digital tools. By offering guidance and carrying out assigned advisory tasks, the commission helps ensure that technology decisions reflect community needs and advance the city's long-term goals.

This discussion will include a summary of the commission's most recent approved work plan, highlighting completed items, ongoing projects and areas still in progress. The focus of this check-in will be on opportunities for council feedback, guidance on work plan priorities, and any additional direction the council would like the commission to consider moving forward.

The next check-in on Oct. 5, 2026 will feature the Human Rights Commission.

Financial or budget considerations: None at this time.

Strategic priority consideration: St. Louis Park is committed to being a city that delivers reliable services, uses city resources responsibly, operates transparently and builds strong relationships with residents.

Supporting documents: CTAC current roster, current approved workplan

Prepared by: Pat Coleman, community engagement coordinator
Reviewed by: Cheyenne Brodeen, administrative services director
Approved by: Kim Keller, city manager

Current Roster

Name	Role	Term Expires
Konnor Slaats	Chair	May 31, 2028
Rudyard Dyer	Vice chair	May 31, 2028
Reid Anderson	Regular member	May 31, 2028
Edward Bulliner	Regular member	May 31, 2029
Lindsay Keogh	Regular member	May 31, 2029
Kayla Strautz	Regular member	May 31, 2028
Benjamin Straus	Regular member	May 31, 2029
Elsa Anderson	Youth member	Aug. 31, 2027
Asha Murugesan	Youth member	Aug. 31, 2027

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Board and Commission Annual work plan

Approved by council: March 2, 2026

2025-2026 work plan | Community Technology Advisory Commission

1	**Initiative name:** Support citywide Vision 4.0 process
	Initiative type: ☒ Staff support (review project, policy or program and provide feedback) ☐ Independent research project ☐ Gather community feedback ☐ Lead community event
	Initiative origin: ☐ Applicant-initiated ☒ Staff-initiated ☐ Commission-initiated ☐ Council-initiated **Legally required** (e.g. response to Legislative changes or Judicial decisions)? ☐ Yes ☒ No
	Commissioner lead(s) name(s): None, all will be involved. **If joint commission initiative, list other board or commission:** **Is this an established work group?** ☐ Yes ☒ No
	Initiative description: Support the citywide Vision 4.0 process by participating directly and/or encouraging others to participate, and by sharing information with other community members about the process.
	Strategic Priority: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A
	Deliverable: ☐ Research report ☐ Summary of community input ☒ Other ☐ N/A
	Target completion date: 3Q 2025
	This section to be completed by staff:
	Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed
	Budget required: None
	Staff support required: Communication from staff liaison about opportunities with Vision 4.0
	Liaison comments: Plan to keep the commission informed about opportunities to assist with the citywide Vision 4.0 process. • Commission members received information from the community engagement coordinator throughout the Vision 4.0 process, including invites to participate in surveys and to host community meetings.

	• Commission member Benjamin Straus hosted a community meeting at his apartment complex. • **Commission members reviewed the Dec. 8, 2025, Vision 4.0 council report presented to the city council, to inform CTAC additional workplan goals for 2026.**

2	**Initiative name:** Participate in city website redesign review process		
	Initiative type: ☒ Staff support (review project, policy or program and provide feedback) ☐ Independent research project ☐ Gather community feedback ☐ Lead community event	**Initiative origin:** ☐ Applicant-initiated ☒ Staff-initiated ☐ Commission-initiated ☐ Council-initiated **Legally required** (e.g. response to Legislative changes or Judicial decisions)? ☐ Yes ☒ No	**Commissioner lead(s) name(s):** None, all members or a small group will be involved. **If joint commission initiative, list other board or commission:** **Is this an established work group?** ☐ Yes ☒ No
	Initiative description: While the exact process for the redesign has yet to be determined, we plan to draw on the expertise of the CTAC by involving members, or a small group of members, in potential user group testing or other review of a draft redesign of the city website.		
	Strategic Priority: ☒ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A		
	Deliverable: ☐ Research report ☐ Summary of community input ☒ Other ☐ N/A		
	Target completion date: 3Q 2025		
	This section to be completed by staff:		
	Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed		
	Budget required: None		
	Staff support required: Staff liaison		
	Liaison comments: The primary goals of the redesign are to ensure compliance with upcoming ADA requirements, ensure mobile accessibility and improve search function. CTAC will be asked to focus on these items in its review. • CTAC members Konnor Slaats and Kayla Stautz each participated in one of two user experience workshops Sept. 9 and 11, both two hours each. Both were provided with recordings of the workshop they didn't attend, and provided comments on user feedback, as well as suggested wireframe and design elements.		

<table>
<tr><td rowspan="12">3</td><td colspan="3">Initiative name: Stay informed about pending legislation affecting cable and technology</td></tr>
<tr><td>Initiative type:
☒ Staff support (review project, policy or program and provide feedback)
☐ Independent research project
☐ Gather community feedback
☐ Lead community event</td><td>Initiative origin:
☐ Applicant-initiated
☒ Staff-initiated
☐ Commission-initiated
☐ Council-initiated

Legally required (e.g. response to Legislative changes or Judicial decisions)?
☐ Yes
☒ No</td><td>Commissioner lead(s) name(s):
None, all will be involved

If joint commission initiative, list other board or commission:

Is this an established work group?
☐ Yes
☒ No</td></tr>
<tr><td colspan="3">Initiative description: CTAC is asked to stay informed about pending legislation that may affect the city’s cable franchise, or other technologies vital to the community such as broadband.</td></tr>
<tr><td colspan="3">Strategic Priority: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A</td></tr>
<tr><td colspan="3">Deliverable: ☐ Research report ☒ Summary of community input ☐ Other ☒ N/A</td></tr>
<tr><td colspan="3">Target completion date: Ongoing</td></tr>
<tr><td colspan="3">This section to be completed by staff:</td></tr>
<tr><td colspan="3">Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed</td></tr>
<tr><td colspan="3">Budget required: None</td></tr>
<tr><td colspan="3">Staff support required: Information and updates from staff liaison</td></tr>
<tr><td colspan="3">Liaison comments: Staff liaison will stay informed of pending legislation through contact with state and national advocacy organizations, as well as through the city’s legislative staff and lobbyists. Information affecting cable and technology will be shared with CTAC members.</td></tr>
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<table>
<tr><td rowspan="8">4</td><td colspan="3">Initiative name: Whitepaper – Future of Generative AI for Cities</td></tr>
<tr><td>Initiative type:
☐ Staff support (review project, policy or program and provide feedback)
☒ Independent research project
☐ Gather community feedback
☐ Lead community event</td><td>Initiative origin:
☐ Applicant-initiated
☐ Staff-initiated
☒ Commission-initiated
☐ Council-initiated

Legally required (e.g. response to Legislative changes or Judicial decisions)?
☐ Yes
☒ No</td><td>Commissioner lead(s) name(s):
Konnor Slaats, Kayla Stautz, Benjamin Straus

If joint commission initiative, list other board or commission:

Is this an established work group?
☐ Yes
☒ No</td></tr>
<tr><td colspan="3">Initiative description: This is a proposed whitepaper seeking to explore the question: how might cities need to adapt to be generative artificial intelligence (AI)-compatible in the future? The whitepaper will explore policy adaptations cities, including St. Louis Park, may need to make in a generative AI-enabled future. Peer cities and use cases for generative AI tech will be explored in areas such as public works, public-facing chatbots, planning and zoning, external resources and coalitions, and public engagement.</td></tr>
<tr><td colspan="3">Strategic Priority: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☐ 5 ☐ N/A</td></tr>
<tr><td colspan="3">Deliverable: ☒ Research report ☐ Summary of community input ☐ Other ☒ N/A</td></tr>
<tr><td colspan="3">Target completion date: Q3 2026</td></tr>
<tr><td colspan="3">This section to be completed by staff:</td></tr>
<tr><td colspan="3">Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed</td></tr>
</table>

	Budget required:
	Staff support required:
	Liaison comments: CTAC has reviewed the generative AI guidelines generated in November 2024 for city staff, and is aware of the data assessment project conducted in 2025 to move the city toward the goal of having reliable, organized data to "feed" any future generative AI project. Data cleanup will continue in 2026.

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<tr><td rowspan="8">5</td><td colspan="3">Initiative name: mystlouispark (city customer response management system) assessment</td></tr>
<tr><td>Initiative type:
☐ Staff support (review project, policy or program and provide feedback)
☒ Independent research project
☐ Gather community feedback
☐ Lead community event</td><td>Initiative origin:
☐ Applicant-initiated
☐ Staff-initiated
☒ Commission-initiated
☐ Council-initiated

Legally required (e.g. response to Legislative changes or Judicial decisions)?
☐ Yes
☒ No</td><td>Commissioner lead(s) name(s):
Rudyard Dyer, Shane Leverenz, Tom Marble (school district staff liaison)

If joint commission initiative, list other board or commission:

Is this an established work group?
☐ Yes
☒ No</td></tr>
<tr><td colspan="3">Initiative description: The commission team members will conduct an assessment and review of the current MySLP app. We will document the current feature set, capabilities, accessibility (language options), and integrations. Research will be conducted on industry best practices and peer municipality apps to determine if there are any opportunities to expand, further integrate, or modify the existing MySLP app in any way to provide more or better benefits to residents. We will also examine whether the MySLP app is even necessary. The end deliverable will be a report outlining the current condition and capabilities of MySLP with recommendations for any changes, enhancements, or modifications to the platform.</td></tr>
<tr><td colspan="3">Strategic Priority: ☐ 1 ☐ 2 ☐ 3 ☐ 4 ☒ 5 ☐ N/A</td></tr>
<tr><td colspan="3">Deliverable: ☒ Research report ☐ Summary of community input ☐ Other ☒ N/A</td></tr>
<tr><td colspan="3">Target completion date:</td></tr>
<tr><td colspan="3">This section to be completed by staff:</td></tr>
<tr><td colspan="3">Council request (if applicable): ☐ Review and comment or reply ☐ Review and decide ☒ Informational only – no response needed</td></tr>
</table>

	Budget required:
	Staff support required:
	Liaison comments: City staff are currently evaluating this product for compatibility with other software being used in the city for tracking work requests internally, in an attempt to eliminate duplicate efforts.

Initiative Origin Definitions

- Applicant-initiated – Project initiated by 3rd party (statutory boards)
- Staff-initiated – Project initiated by staff liaison or other city staff
- Commission-initiated – Project initiated by the board or commission
- Council-initiated – Project tasked to a board or commission by the city council

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

Modifications

- 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.

Future ideas

Initiatives that are being considered by the board or commission but not proposed in the annual work plan. Council approval is needed if the board or commission decides they would like to amend a work plan.

Initiative	Comments

Executive summary

Title: Boards and Commissions Ambassador updates

Recommended action: Receive updates from council ambassadors regarding their assigned boards and commissions and provide direction as needed.

Policy consideration: Council guidance ensures that boards and commission work and focus remain aligned with the city's strategic priorities.

Summary: In summer 2026, the council voted to implement a boards and commissions ambassador program, assigning a council member to serve as an ambassador for each advisory board and commission. The purpose of the program is to increase visibility between the council and commissions, strengthen communication so information flows more smoothly, and demonstrate council support for the work commissions do.

A reporting mechanism was established to ensure ambassadors can share information from their assigned commission with the full council. A standing study session agenda item will provide ambassadors time to share updates, including:

- Workplan progress
- Recent commission accomplishments
- Areas where council support is needed, such as new workplan items

The frequency of these opportunities to share updates is bi-monthly; the next opportunity for ambassadors to share updates is Nov. 16, 2026.

Financial or budget considerations: None at this time.

Strategic priority consideration: St. Louis Park is committed to being a city that delivers reliable services, uses city resources responsibly, operates transparently and builds strong relationships with residents.

Supporting documents: Discussion
Current Boards and Commissions Ambassadors

Prepared by: Pat Coleman, community engagement coordinator
Reviewed by: Cheyenne Brodeen, administrative services director
Approved by: Kim Keller, city manager

Discussion

Present Considerations: Updates for discussion during this time include but are not limited to:

Additions to the Environment and Sustainability Commission (ESC) Workplan

The June 2026 boards and commissions check-in with city council featured the ESC. The commission requested work direction from council that included two workplan items that meet the following criteria:

1. A project or policy on which the council would like broader ESC input;
2. A research topic the commission could independently investigate and report back on to inform future council decisions.

Five ideas surfaced during the June 2026 check-in meeting:

1. Researching the cost of sending trash to landfills instead of the Hennepin County Recovery Center (HERC)
2. Identifying unused park turf areas for potential community garden conversation
3. Assisting in promotion of the Metro Green Line Extension
4. Exploring the creation of neighborhood association kits
5. Continuing work on the Climate Action Plan

From this list, the ESC's top two preferences are to focus on promoting the Metro Green Line Extension and continuing its work on the Climate Action Plan update into 2027.

At this study session, Council Member Budd (ESC ambassador) and staff are bringing these proposed additions to the full council for review, discussion and formal direction to update the ESC workplan.

Current Boards and Commission Ambassadors

Board/Commission	Ambassador
Human Rights Commission	Tim Brausen, Ward 4
Community Technology Advisory Commission	Jim Engelking, Ward 2
Parks and Recreation Advisory Commission	Daniel Bashore, Ward 1
Environment and Sustainability Commission	Sue Budd, Ward 3
Police Advisory Commission	Paul Baudhuin, At Large B

Title: Council Retreat: Follow-up facilitated conversation on Public Statement Guidelines

Recommended action: There is no recommended action.

Policy consideration: None at this time.

Summary: At their retreat in February 2026, the city council spent time going over their norms and interactions with each other. It was a rich and productive conversation. During the meeting, council members suggested time to review current guidelines used when council makes public statements. The current guidelines were established in February of 2023. At that time, council spent time going through the pros and cons of when statements are made. They realized that jumping too quickly could have unintended consequences and thus established the current guidelines.

The intent of the retreat follow-up is to allow time for council members to review the current practices and determine how to proceed going forward. Facilitator Dave Unmacht will lead the discussion.

Financial or budget considerations: None.

Strategic priority consideration: None.

Supporting documents: Public Statements: current guidelines

Prepared by: Cindy Walsh, deputy city manager
Approved by: Kim Keller, city manager

Public Statements: Current Guidelines

Notes: In early 2023, city council and key staff worked on a set of prompts to help guide decision making for potential public pronouncements about issues and/or current events. A key takeaway from the group was a desire to keep public messaging like this **rare, meaningful and focused on the needs of our community**.

The prompts are:

1. Is there a significant connection to St. Louis Park residents?

2. Will our voice on the topic be meaningful in the conversation?

3. Would we make the same statement if the situation were occurring in St. Louis Park?

4. Are we currently taking action around the issue or have a formal role in helping solve the issue?
    - This helps make sure the statement is not performative.

5. Is our community organizing around the issue? (Especially those most directly impacted.)

6. Who benefits if we do/don’t make the statement? Who will be burdened?

7. What are unintended consequences of making/not making the statement?
    - Often the downstream impacts of “responding to” or “being held accountable to” a statement are borne by people who did not make the decision or are also directly impacted by the situation.

Executive summary

Title: 2027 cultural observances

Recommended action: There is no recommended action. This item is for informational purposes only.

Policy consideration: There is no policy consideration being requested for this item.

Summary: Since the REI division was created in 2018, there has been intentional efforts and progress to support the city in all programs, services, and activities to support an inclusive, equitable and vibrant city. The REI division has continued to support citywide efforts through utilizing REI lens, frameworks, and models to embed racial equity throughout our organization. This report includes the list of the 2027 cultural observances and proclamations that will be issued in 2027.

Financial or budget considerations: None.

Strategic priority consideration: St. Louis Park is committed to being an inclusive, equitable and vibrant city where everyone feels safe and experiences a strong sense of belonging.

Supporting documents: Discussion

Prepared by: Jocelyn I Hernandez Guitron, racial equity and inclusion specialist
Reviewed by: Cheyenne Brodeen, administrative services director
Approved by: Kim Keller, city manager

Discussion

Background: The REI division was created in 2018 after the city of St. Louis Park participated in the 2016 Government Alliance for Race and Equity, a national network of government working to achieve racial equity and advance opportunities for all. Since 2023, The REI division has been presenting proclamations that are culturally and historically relevant to residents of St. Louis Park. The REI division has been developing and refining foundational policies, programs, and activities that are necessary to continue racial equity and inclusion work in the city of St. Louis Park.

Present considerations:
The City of St. Louis Park encourages community members to be aware of and respectful of diverse religious and cultural observances. In 2023, the council supported staff's request to adopt proclamations in recognition of cultural and religious observances. Staff outlined a practice of recognizing culturally significant days by issuing proclamations and bringing the community together for events (e.g. the National Day of Racial Healing and Juneteenth celebration). Internally, city staff attend activities hosted by employee resource groups and educational material is shared on the internal intranet.

The following holidays will be recognized by council when establishing meeting schedules in 2027:

- New Year's Day – January 1
- Reverend Martin Luther King Day – Third Monday in January
- President's Day – Third Monday in February
- Memorial Day – Last Monday in May
- Juneteenth – June 19
- Independence Day – July 4
- Labor Day – First Monday in September
- Veteran's Day – November 11
- Thanksgiving Day – Fourth Thursday in November
- Friday after Thanksgiving – Friday after Thanksgiving
- Christmas Day – December 25

The following proclamations are recommended for public recognition in 2027:

- National Day of Racial Healing – January 19
- Black History Month – February
- National Women's History Month – March
- Asian American Pacific Islander and Native Hawaiian Heritage Month – May
- American Indian/Native American Heritage Month – May
- Jewish American Heritage Month – May
- Lesbian, Gay, Bisexual, Transgender and Queer Pride Month – June
- Juneteenth – June
- National Language Access Week – June
- National Latino Heritage Month – September 15 through October 15
- Welcoming Week – September

- National Disability Employment Awareness Month – October
- Veterans Day – November
- Transgender Day of Remembrance – November
- International Migrants Day – December 18

Executive summary

Title: 2026 Economic Development Activity Report

Recommended action: The purpose of this report is to update council on city economic development programs and activities. This report is informational only; no formal action is needed.

Policy consideration: None.

Summary: This report is the first annual economic development activity report. The report provides an overview of the city's economic development policies and initiatives, summarizes trends, and includes a summary of loans, grants and commercial activities occurring in St. Louis Park.

In 2027, the economic development division intends to issue a request for proposals (RFP) and hire an outside consultant to create an Economic Development Strategic plan for the City of St. Louis Park. The economic development strategic plan will create a coordinated, long-term strategy to improve the city's economic health and guide staff efforts on economic development initiatives.

Additional details on city economic development policies and programs can be found on the city's economic development webpages.

Financial or budget considerations: Not applicable.

Strategic priority consideration: St. Louis Park is committed to being a city that delivers reliable services, uses city resources responsibly, operates transparently and builds strong relationships with residents.

Supporting documents: 2026 Economic Development Activity Report

Prepared by: Jennifer Monson, planning and economic development manager
Jase Pater, economic development specialist
Dean Porter-Nelson, redevelopment administrator
Reviewed by: Sean Walther, community development deputy director
Approved by: Kim Keller, city manager

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Economic Development Activity Report
2026

Executive Summary

In 2025 and 2026, the City of St. Louis Park and its Economic Development Authority (EDA) continued to make strategic investments in housing, redevelopment, infrastructure and local businesses. By combining local financial assistance with state, federal, county and regional resources, the city supported significant development activity, expanded housing opportunities, strengthened local businesses and positioned strategic sites for future investment.

Strategic development and housing investment. The city and EDA provided or considered substantial financial assistance for major development projects through Tax Increment Financing (TIF) and the Affordable Housing Trust Fund (AHTF). In 2025, approved assistance included $5.54 million in TIF and $1 million in AHTF financing for Terasă, as well as $13.05 million in TIF and $1.79 million in AHTF financing for the Beltline Station Development. In 2026, the city continued advancing projects that support workforce, affordable and owner-occupied housing. These projects include Creekline Flats, Minnetonka Boulevard Twin Homes, Wooddale Station and Quentin II.

Together, these investments help expand housing choice, create and preserve affordable housing, support transit-oriented development and facilitate redevelopment of strategic sites.

Leveraging external resources. The city is administering 22 federal, state, county and regional grants totaling approximately $19.4 million. These funds extend the city's ability to invest in infrastructure, housing, environmental remediation and redevelopment. Approximately $13 million in grants remains active.

A major milestone in 2026 was the completion and full expenditure of the city's $6.45 million federal Congestion Mitigation and Air Quality grant for the Beltline Park and Ride Ramp.

Small business financing and technical assistance. Since 2018, the EDA has provided approximately $1.16 million in business financing through its Revolving Loan Fund, 2% Loan Program, and the Advance Loan Program, leveraging more than $10 million in private investment.

In 2026, the city expanded outreach for these programs and transitioned administration of the 2% Loan Program and business technical advising to NextStage. Through Elevate Hennepin and NextStage, local businesses continue to receive no-cost advising. During the first half of 2026, 39 businesses participated in Elevate Hennepin services. More than 54 hours of dedicated NextStage technical assistance was provided during the first two quarters.

Business engagement and retention. The city significantly expanded direct engagement with local businesses in 2026, conducting approximately 150 business visits as of Sept. 1, 2026. These visits help staff identify business needs, connect businesses with city and regional resources, and inform potential new programs and policies.

The city's *Business in the Park* newsletter has grown to more than 1,050 subscribers. Partnerships with the Wayzata West Metro Chamber of Commerce and Westopolis have expanded networking, marketing and business-support opportunities.

Supporting businesses through construction and change. The city is taking additional steps to help businesses remain visible and operational during major infrastructure projects, particularly in the Cedar Lake Road and Louisiana Avenue commercial area. New initiatives include business spotlight videos, social media marketing campaigns, and development of a construction-support guide to help businesses maintain visibility, customer access and operations during construction.

Strategic land and redevelopment. The EDA continues to watch for opportunities to strategically acquire land to facilitate future redevelopment and housing opportunities. Some examples have included parcels in the Beltline and Wooddale station areas and Minnetonka Boulevard. The city will also sell the 4300 36½ Street property following the decision that a commercial land trust was no longer feasible.

These efforts allow the city to position key sites for future development while advancing community priorities.

Policy development and long-term capacity. Staff are strengthening the policies, systems and practices that will shape future economic development. Current work includes evaluating a prevailing wage policy, development of a potential Sewer Availability Charge credit policy, improved customer relationship management and business tracking, and refining TIF management practices.

Together, these efforts are intended to improve transparency, strengthen program effectiveness, and align public resources with the city's strategic priorities.

Looking ahead. The city's 2025-2026 economic development work reflects a coordinated approach for housing, redevelopment and business support. Continued use of local financing, external funding, strategic land purchase, technical assistance and direct business engagement will allow St. Louis Park to respond to current community needs while building capacity for future investment and growth.

Financial Assistance

Tax Increment Financing
The City of St. Louis Park EDA adopted a Tax Increment Financing (TIF) policy in 1997 and amended it in 2021 to clarify the EDA's objectives for the use of TIF to help the city achieve its strategic priorities and further livable community goals that would otherwise not occur "but for" the assistance provided through TIF. The EDA and city council will receive a detailed TIF Management analysis presented by Ehlers, the EDA's financial advisor, on Oct. 12, 2026.

Affordable Housing Trust Fund
The City of St. Louis Park established an Affordable Housing Trust Fund (AHTF) in 2018 to provide a source of funds to facilitate the housing needs of low- and moderate-income individuals and families of the city. The AHTF promotes community revitalization and reinvestment by creating and preserving viable, safe and well-maintained affordable housing developments and expanding options for affordable homeownership for very low-, low- and moderate-income households. The AHTF provides funding for several city housing programs and provides gap funding for deeply affordable housing units in new development.

The following is a summary of recent EDA and city council actions related to development requests for financial assistance, including funding provided via tax increment financing and through the affordable housing trust fund.

Financial assistant for developments 2025-2026

	Development	TIF Assistance	AHTF Loan
2025	Terasa	$5,540,000	$1,000,000
	Beltline Station Development & Parking Ramp	$13,052,909	$1,793,238
2026	Creekline Flats*	$1,160,000	$1,500,000
	Minnetonka Blvd Twin Homes*	N/A	$400,000
	Wooddale Station Development*	TBD	TBD
	Quentin II*	TBD	TBD

*These developments have not received EDA or city council approvals

Terasă: In 2025, the EDA agreed to provide Hempel's Terasa Development $5.54 million in pay-as-you-go tax increment financing generated by the development upon its completion. In addition, the City of St Louis Park approved a $1 million deferred loan from the Affordable AHTF. Terasă is a $91.7 million development with 223 housing units, including 20% of the units affordable at 50% area median income (AMI), and approximately 21,000 square feet of ground floor commercial. The project is in the West End at 5401 Gamble Drive and is under construction. Terasă is expected to be completed by December 2027.

Rendering of Terasă

Beltline Station Development: The EDA and city council approved a revised financial assistance package for the Beltline Station Development in May 2025. Sherman Associates is constructing a four-building development at the corner of Beltline Boulevard and Highway 7. All buildings are under construction, and Building 3, which has been named Solene, is anticipated to open in November 2026.

Rendering of Beltline Station Development

- **Building 1** – seven-story mixed-use building with six levels of market rate housing (152 units) and approximately 19,500 square feet of neighborhood commercial space.

- **Building 2** – four-story all affordable apartment building with 82 units; 39 units will be available to households earning up to 60% of AMI, 23 units will be available to households earning up to 50% AMI, and 20 units will be available to households earning up to 30% AMI. The majority of units will be larger and suitable for families, including 22 three-bedroom units and 44 two-bedrooms units.
- **Building 3 (Solene)** – five-story market rate apartment building with 146 units.
- **Parking ramp** – approximate 592-stall, six-story parking ramp, which is proposed to include 268 Light Rail Transit park-and-ride stalls and approximately 1,800 square feet of retail/commercial space.

Creekline Flats: Broadway Street Development's application for Creekline Flats is under review by the EDA. Creekline Flats is a proposed seven-story, 208-unit workforce housing development located at 8800 Highway 7. The developer has received a bond allocation from Minnesota Management and Budget (MMB) and is requesting additional financial assistance from St. Louis Park. The EDA received a report outlining the request on Aug. 17, 2026. The EDA and city council will be asked to consider the establishment of a TIF district and approval of a redevelopment contract in early November 2026, to provide up to $1.16 million in pay-as-you-go TIF and a $1.5 million deferred loan from the AHTF.

Rendering of Creekline Flats

Minnetonka Boulevard Twin Homes: In 2026, Greater Metropolitan Housing Corporation (GMHC) applied for financial assistance for four owner-occupied twin homes (eight units) on city-owned lots at 5639, 5643, 5647 and 5707 Minnetonka Boulevard. The EDA discussed GMHC's application during a March 2, 2026 study session and expressed support for providing up to $400,000 for the construction of the twin homes. Additional grants from Hennepin County and the Metropolitan Council were secured in 2026 to assist with site cleanup. The EDA/city council will receive a detailed update on the project in October 2026.

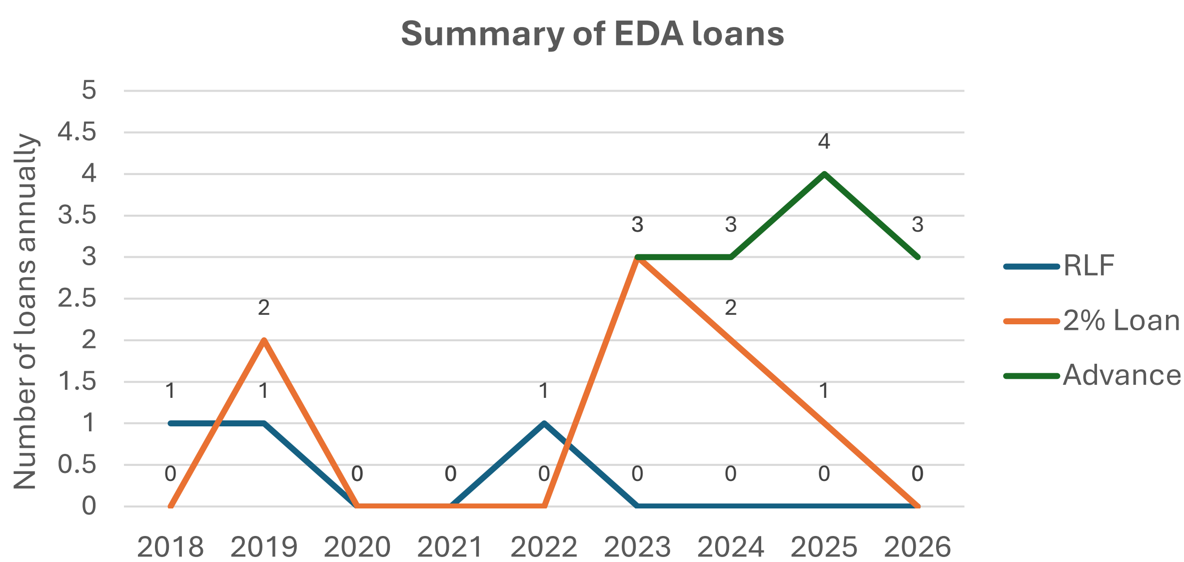
Rendering of Minnetonka Blvd. Twin Homes

Wooddale Station Development: The EDA entered into a preliminary development agreement (PDA) with Sentinel Management Company on Feb. 17, 2026, to develop the Wooddale Station Development site located at 5950 36th St. W. The PDA establishes the parties' intent to work toward a mutually acceptable mixed-use development plan and a future purchase and redevelopment contract, authorizes site access for due diligence, and outlines requirements related to land use approvals and financing. The PDA requires the redeveloper pursue a mixed-use, mixed-income transit-oriented development at the site. Staff and Sentinel Management Company continue to progress concept site plans. The redeveloper intends to apply for a preliminary and final planned unit development and request financial assistance in fall 2026.

Quentin II: The EDA received an application for financial assistance from Crowe Companies for its proposed Quentin II development at 4815 Old Cedar Lake Road. The proposal calls for the demolition of the existing 24-unit multifamily building, constructed in 1961, and its replacement with a new development. Under the city's Inclusionary Housing Policy, the project would be required to replace the existing naturally occurring affordable housing at a one-to-one ratio. Staff are in the early stages of reviewing the request and will provide the EDA with an overview of the proposed development and a detailed report outlining the developer's request for financial assistance in October 2026.

Loan Programs

The EDA offers three loan programs to support businesses making capital improvements to properties in the city: the Revolving Loan Fund, the 2% Loan and the Advance Loan. Each program has specific eligibility and use requirements and provides distinct benefits. The table below summarizes loans provided through these programs since 2018.



Summary of EDA Loans since 2018

YEAR	Revolving Loan Fund		2% Loan		Advance Loan		Total EDA Cost
2018	1	$63,000	0				$63,000
2019	1	$150,000	2	$148,950			$298,950
2020	0		0				$0
2021	0		0				$0
2022	1	$200,000	0				$200,000
2023	0		3	$289,998	3	$30,000	$319,998
2024	0		2	$139,998	3	$30,000	$169,998
2025	0		1	$55,000	4	$30,000	$85,000
2026	0				3	$26,689	$26,689
Total	3	$413,000	8	$633,946	13	$116,689	$1,163,635

In 2026, staff have increased marketing efforts to raise awareness of the EDA's loan programs and are working with the city's communications department to use social media to highlight program success stories. To date, the EDA has provided $1.163 million in financing to small businesses, leveraging more than $10 million in private investment.

Revolving Loan Fund: The EDA works with CMDC Business Financing to administer the EDA's revolving loan fund (RLF). The RLF is available to help fill the gap between traditional private financing, owner equity and total project cost. Loans range in size from $50,000 to $200,000. The EDA currently has three active revolving loan fund loans. No new loans have been issued since 2022, and all are up to date on payments. Staff meet with CMDC quarterly to identify opportunities for potential borrowers.

2% Loan: The 2% Loan Program was established in 2019 to provide gap funding and to make it more affordable to invest in St. Louis Park. Loans range in size from $10,000 to $75,000. This program also offers smaller loans ranging from $5,000 to $25,000 to help establishments install grease traps to meet city requirements. To date, the EDA has provided eight loans to St. Louis Park properties through the program. In June 2026, administration of the program transitioned from the Metropolitan Consortium of Community Developers (MCCD) to NextStage. NextStage also provides technical assistance to St. Louis Park businesses through an enhanced contract with Elevate Hennepin.

As part of the 2% Loan Program transition, the EDA and NextStage worked collaboratively to reduce the city's risk exposure under the program. Going forward, NextStage is required to be an equal partner in any new loan. The eight active 2% Loans held by St. Louis Park businesses will be transferred to NextStage's portfolio by Oct. 1, 2026. Although no new 2% Loans have been administered in 2026 to date, several businesses have expressed interest in the program and one loan application is pending.

Of the eight active 2% Loans, one is in default. The EDA voted to pursue legal action against ATD Holdings, LLC on June 1, 2026. Staff will provide the EDA with further updates in the coming weeks.

Advance Loan: The Advance Loan was created in 2023 to help small businesses open, expand or purchase their first commercial property in St. Louis Park. Loans up to $10,000 are provided with a 1:1 match and are forgivable after one year. This forgivable loan program helps reduce the financial burden of making improvements to business spaces, allowing businesses to invest in their properties while supporting their long-term success. By providing financial assistance for eligible improvements, the program helps businesses make needed investments that may otherwise be too difficult to undertake. To date, the city has provided 13 Advance Loans and six loans have been forgiven. All 13 businesses remain operational and located in St. Louis Park.

The EDA has approved three Advance Loan applications in 2026, including two for meat markets and one for a medical clinic, for a total of $26,689. Staff are in discussions with several additional businesses who may apply for the Advance Loan before the end of the year.

SAC Credit Policy: As part of the 2025 Housing and Neighborhood Development system discussions, city council expressed support for adopting a sewer availability charge (SAC) credit policy. In 2026 staff drafted a SAC policy and began collecting community-wide credits when a change of use occurred in commercial spaces. To date, nine community-wide credits have been collected. These credits may be allocated to eligible businesses should city council vote to adopt the SAC credit policy on Sept. 22, 2026.

Grants

The EDA and city receive grants from federal, state and local sources to support development activity and advance economic growth throughout the community. In 2025-2026, economic development staff are administering 22 grants totaling approximately $19.4 million in external funding for development projects and community investment initiatives. Approximately $13 million of funded activities remain in progress, supporting hard costs and predevelopment activities on active projects. Following is a summary of grant awards currently being administered.

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Summary of Active Grants by Development

Project / grant program	Funding source	Award amount	Status
Beltline Station			
CMAQ	Met Council/Federal	$6,453,054	Fully expended
Cooperative Construction Grant	Met Council/Federal	$3,484,167	In progress
LCA	Met Council	$1,000,000	In progress
TBRA	Met Council	$342,500	In progress
ERF	Hennepin County	$153,525	In progress
DEED	State	$303,071	In progress
SWCW	Hennepin County	$300,000	In progress
Beltline Station subtotal		**$12,036,317**	
Wooddale Station			
TBRA	Met Council	$477,000	In progress
ERF	Hennepin County	$239,000	In progress
LCA	Met Council	$747,600	In progress
ERF	Hennepin County	$282,000	In progress
TBRA	Met Council	$428,000	In progress
ERF	Hennepin County	$171,500	Awarded to Sentinel
Wooddale Station subtotal		**$2,345,100**	
Minnetonka Blvd Twin Homes			
CDS	HUD/Federal	$3,000,000	In progress
ERF	Hennepin County	$440,000	In progress
TBRA	Met Council	$432,700	In progress
LHIA	Met Council	$257,904	In progress
Twin Homes subtotal		**$4,130,604**	
Affordable Commercial 4300 W 36 ½ St.			
Predevelopment #1	Met Council	$44,000	In progress/closeout
Predevelopment #2	Met Council	$90,000	In progress/closeout
Community Investment Initiative	Hennepin County	$380,000	In progress, will be returned
Affordable Commercial Building subtotal		**$514,000**	
Loffler Crossing			
TBRA	Met Council	$46,500	In progress
LCA Predevelopment	Met Council	$293,000	In progress
Loffler Crossing subtotal		**$339,500**	
Hennepin County BDI Grants			
Love Local Storefront	Hennepin County	$40,000	In progress
Total		**$19,405,521**	

Major grant milestones

- **Congestion Mitigation and Air Quality (CMAQ):** In 2026, a significant milestone was reached related to the city-awarded $6.45 million federal CMAQ grant. All funds were expended on the Beltline park-and-ride ramp by March 31, 2026, and all funds have been received from the federal government. DBE reporting and monitoring of other compliance requirements was completed collaboratively by city staff, Sherman, and the prime contractor, Donlar, to ensure compliance with Metropolitan Council and federal requirements.

- **Congressional Directed Spending (CDS):** The city was awarded $3 million from Congresswoman Omar in 2023 to create an affordable multi-family ownership development. The city intends to use this funding to help construct the affordable owner-occupied Minnetonka Boulevard Twinhome development. In 2025, the city and developer completed the required environmental analysis, signed a grant agreement with the Department of Housing and Urban Development (HUD) and submitted an action plan outlining how the $3 million in federal funds will be spent. An update on the twin home development will be provided to the EDA/city council in October 2026.

Land Banking

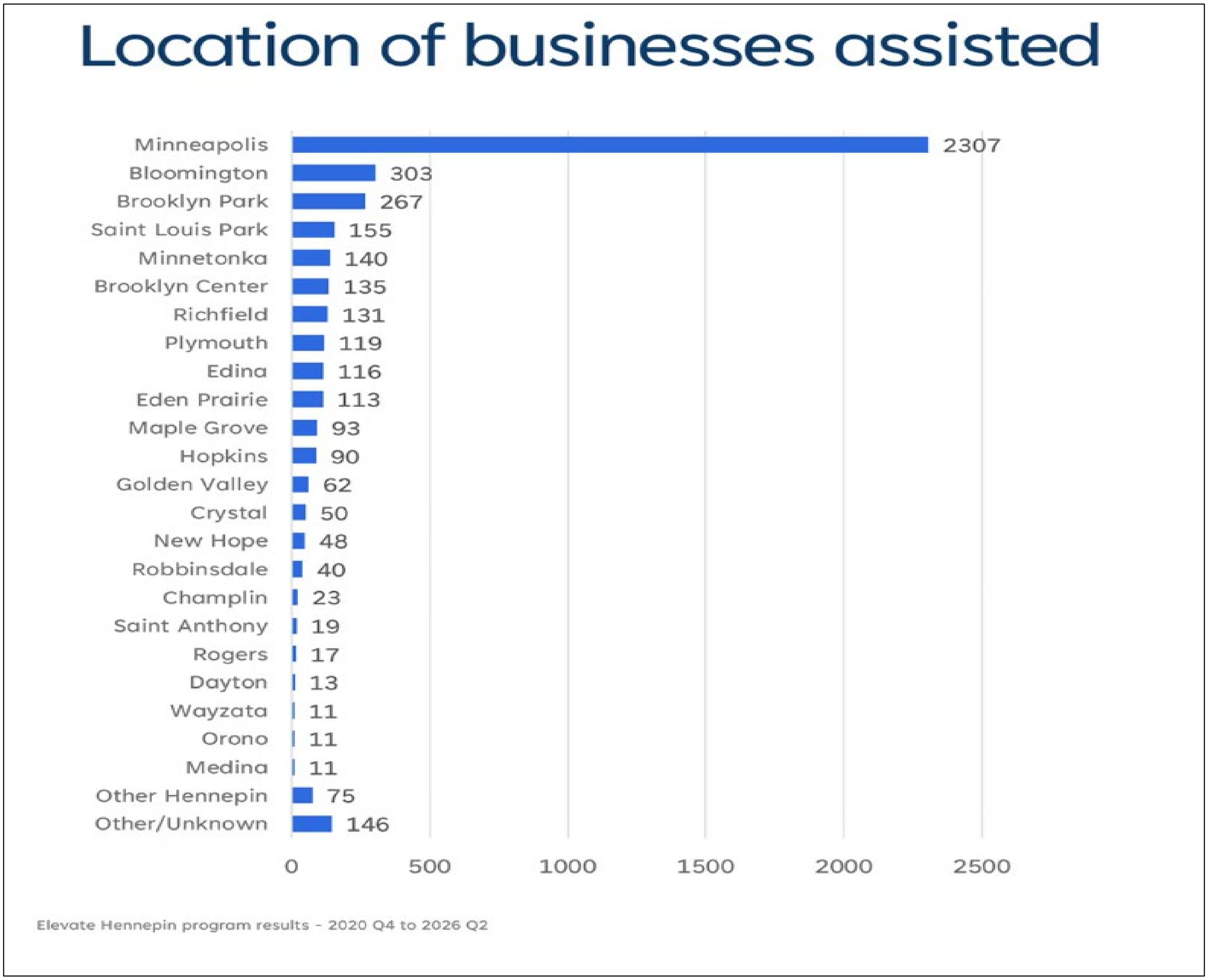
Land banking is the practice of aggregating parcels of land for future sale or development. The Economic Development Authority (EDA) purchased parcels near the Beltline and Wooddale stations to facilitate redevelopment, which will include housing. The EDA also purchased four single-family homes on Minnetonka Boulevard between 2018 and 2022 for affordable homeownership redevelopment purposes. Details related to redevelopment of the Beltline, Wooddale and Minnetonka Blvd properties are provided above in this report.

Commercial Land Trust / 4300 W 36 ½ Street
The EDA acquired 4300 36 ½ Street in 2022 for $1.79 million to create a commercial land trust with Partnership in Property Community Land Trust (PIPCLT). At a study session held on Oct. 6, 2025, the city council decided that the commercial land trust was no longer feasible and expressed its desire to sell the property. The city approved a letter of intent on March 23, 2026, and a purchase agreement from buyers Chinh Van and Thanh Nguyen on May 4, 2026. The city anticipates selling the property to the buyers in October 2026.

Technical Advising

Elevate Hennepin
As part of the Elevate Hennepin network, businesses have access to business consultants at no cost. A total of 39 St. Louis Park businesses participated in Elevate Hennepin advising services between January and June 2026. This brings the total of participating city businesses to 155 since 2020. These businesses have received a total of 2,717 hours of technical assistance.

The chart provided below from Hennepin County summarizes the total number of businesses by city that have participated in Elevate Hennepin programs since 2020. St. Louis Park ranks fourth in the county for utilization of these programs behind Minneapolis (2,307), Bloomington (303) and Brooklyn Park (267).



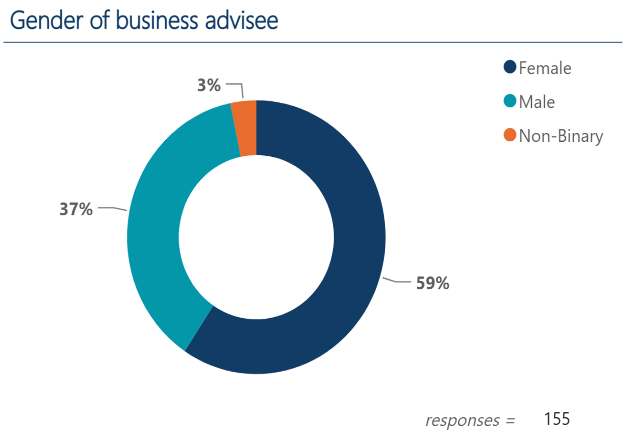
Elevate Hennepin Cohort offerings: Elevate Hennepin offers five programs to provide businesses with the opportunity to learn from peers and experts in various industries. These programs provide entreprenueurs with a collaborative learning enviornment lasting from two days to eight months. The programs support entrepreneurs in all stages of their business life cycle from ideal state to regional enterprise.

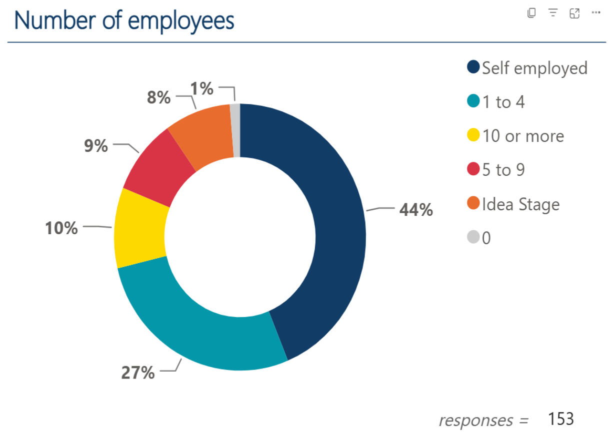
Since 2012, a total of 21 St. Louis Park entrepreneuers have graduated from cohort learning offerings, ranking fourth in the county for utilization of these programs behind Minneapolis (194), Bloomington (31) and Brooklyn Park (25).

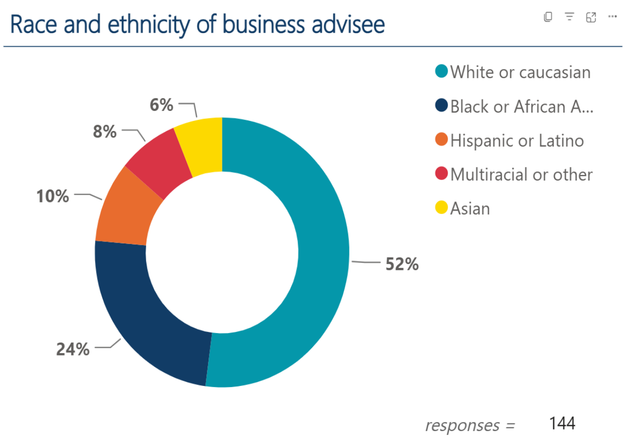
St. Louis Park hosted the HR Next program at city hall in 2026 and is scheduled to host again in 2027 pending county board's funding approval for the program.

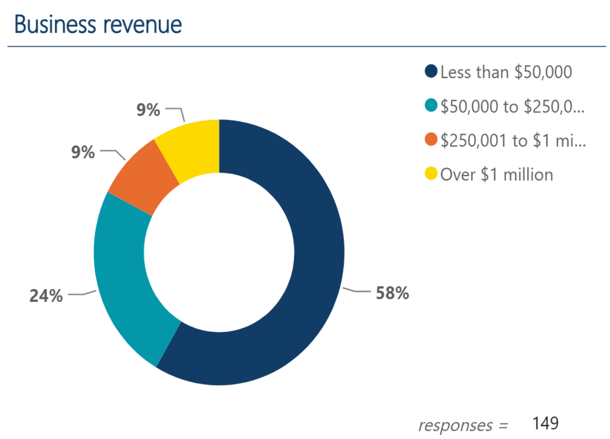
Program Name	Description	Graduates
CEO Start	(2024) Preparing aspiring and existing entrepreneurs with insights, relationships and tools to turn their ideas into viable businesses	1
CEO Now	(2023) Helping growth-minded business owners build and strengthen systems to keep their businesses growing	1
Certified Access	(2021) Supporting businesses in certification to compete for government and corporate contracts	4
HR Next	(2024) Empowering business leaders to solve workforce challenges and improve overall business health	2
CEO Next	(2012) Providing practical tools and techniques for CEOs of second stage businesses (previously Economic Gardening)	14
	Total number of unique graduates	**21**

Elevate Hennepin participant demographics: The following tables provide demographic details of St. Louis Park entrepreneurs and businesses utilizing the Elevate Hennepin advising services and cohort programming. This data was collected between 2023 and June 2026. Demographic data was not collected prior to 2023.









NextStage Technical Advising: Through its contract with Elevate Hennepin, the city has a dedicated technical advisor to provide additional support to local businesses. Starting in January 2026, the city shifted its business technical advising from the Metropolitan Consortium of Community Development (MCCD) to NextStage, a Minnesota nonprofit. NextStage also administers several county loan programs and the city's 2% Loan Program.

NextStage Technical Advising			
	Q1 2026	**Q2 2026**	**Total**
Technical assistance hours	26.5	27.15	54.65

General Business Support

Business visits
The Economic Development division began conducting business retention and expansion visits in January 2026. These visits provide economic development staff with an opportunity to meet with local businesses, build relationships, learn more about how their businesses are doing, and identify opportunities where the city can provide assistance. As of Sept. 1, 2026, approximately 150 business visits have been conducted, including four visits with some of St. Louis Park's largest employers and industry leaders.

	1:1 Business Visits	BR&E Visits
2026	150	4

Through these visits, staff have also identified new program and policy ideas based on feedback and needs shared by local businesses. These conversations provide valuable insight into the challenges businesses are experiencing and help inform future economic development initiatives.

Business in the Park e-newsletter
The EDA has developed a monthly business newsletter entitled Business in the Park, which features program updates, city reminders and upcoming events. The newsletter currently has more than 1,050 subscribers and an open rate of over 40%.

Customer Relation Management software
In the spring of 2026, the Economic Development Department purchased BluDot Customer Relationship Management (CRM) software. This tool assists staff in monitoring businesses, tracking business visits and interactions, and providing all city departments with a centralized platform to collaborate and share information about local businesses.

Wayzata West Metro Chamber of Commerce
At the beginning of 2026, the City of St. Louis Park was a member of the Minneapolis Chamber, which held joint quarterly meetings with Golden Valley. After feedback from businesses seeking more networking, education and marketing opportunities, St. Louis Park joined the Wayzata West Metro Chamber of Commerce.

Wayzata West Metro Chamber of Commerce serves the communities of Wayzata, Plymouth, Minnetonka, and now St. Louis Park. Staff have worked with the chamber to schedule a 2026 kickoff event on Oct. 15, 2026, from 3:30 – 5:00 p.m. at Park Tavern Lounge and Lanes.

In 2027, the Wayzata West Metro Chamber of Commerce will be hosting quarterly business networking events at differing St. Louis Park businesses. These events will be held on the following dates; locations are still to be determined:

- Feb. 18, 2027, 3:30 – 5:00 p.m.
- April 8, 2027, 8:00 - 9:30 a.m.
- Aug. 12, 2027, 3:30 – 5:00 p.m.
- Oct. 14, 2027, 8:00 - 9:30 a.m.

In addition, St. Louis Park businesses that join the chamber can take advantage of ribbon cuttings, area-wide networking events, Empower Her network events and other chamber offerings.

Westopolis

Economic development staff and Westopolis have established quarterly staff meetings to better support the work of each organization. The city publishes Westopolis' visitor data in the monthly Business in the Park newsletters and we share resources and information to support the business community. In addition, the city has helped advertise and participate in Westopolis' Destination Uplift program. Destination Uplift is free, year-long digital marketing education program created and funded by Westopolis in partnership with leading marketing agency TwoSix Digital.

Business support before and during construction

Infrastructure improvements can create short-term challenges for businesses located within or adjacent to construction areas. Impacts may include reduced customer access, temporary parking or traffic disruptions, increased noise and dust, changes to pedestrian and vehicle circulation, and potential declines in visibility or sales. To help mitigate some of these impacts, especially during the 2026 construction of the Cedar Lake Road and Louisiana intersection, Economic Development staff have enhanced outreach and marketing efforts in this important commercial node both before and during construction. A summary of new marketing efforts is provided below:

- **Business spotlight videos:** Economic Development and communications have partnered to create business spotlight videos for any interested business. To be eligible for a spotlight video, a business must first meet with an Elevate Hennepin Business Navigator to learn about business advising services that could benefit the business, including website design, marketing and financial advising.

- **Content creators:** Economic Development staff have also partnered with the city's communication team to hire social media influencers to help market businesses in the Cedar Lake Road and Louisiana Avenue area. Four influencers have been hired to create eight marketing campaigns including four videos during construction and four videos that will be filmed once construction is complete. These social media campaigns will specifically highlight the various businesses within the district. Influencers will post the videos on their social media pages, which the city is then able to share, creating a larger reach than through buying ads alone.

- **Surviving construction guide:** Staff is developing a “Surviving Construction Guide” to support small businesses throughout the construction process. The guide provides practical information, resources and checklists to help businesses maintain customer access and visibility, communicate construction impacts, navigate changes to parking and deliveries, and connect with available business-support resources. By providing clear, centralized information and strategies, the guide will help city businesses prepare for and manage construction-related disruptions.

Quarterly development updates: Development updates, including the most recent Q3 2026 update, are provided quarterly, to show progress on ongoing developments that provide a range of housing options and contribute to an inclusive community. These reports include quarterly updates on DEI goals for each ongoing project, including metrics such as the percentage of women and BIPOC workforce employed in the development.

Development Dashboard: The City of St. Louis Park is committed to being a city that delivers reliable services, uses resources responsibly, operates transparently, and builds strong relationships with residents. The development dashboard shows the total number of major redevelopments or expansions that have occurred in the city in recent years. The dashboard is continuously updated, providing the most complete and accurate source of development information in the city. This information is also provided to city council via quarterly development update reports, which provides updated tracking information as developments move through the development process.

Prevailing Wage Policy Evaluation

The City of St. Louis Park is considering a prevailing wage policy. Work on the policy this year has included:

- **Racial Equity Impact Analysis:** On April 9, 2026, a cross-departmental group of St. Louis Park city staff along with external partners and representatives from the construction and development finance industries convened to conduct a racial equity and inclusion impact analysis (REIIA) of a prevailing wage policy. The goal of this session was to assess the equity impacts of local policy decisions related to prevailing wage and to identify measures to mitigate potential negative consequences. The racial equity impact analysis produced strong considerations to mitigate inequitable outcomes and it also raised additional questions for the city to consider moving forward. Questions included exploring what actions could better address city council’s desired equity outcomes in community development; do prevailing wage policies advance worker diversity; what are the ripple effects of policy related cost increases, e.g. water/sewer rates, property taxes and potential slower capital improvement? These issues will be considered when designing a policy.

- **Special study session & expert panel:** A multi-disciplinary panel representing development, construction, labor and municipal finance delivered feedback on the draft policy framework on May 18, 2026. The draft policy was prepared by economic development staff after examining policies in cities across the Twin Cities metro area. The study session provided city council with an overview of potential workforce benefits and long-term fiscal and administrative impacts on city-supported development and capital projects.

- **Fall study session preparation**: Economic development staff are working to plan a study session to discuss next steps on the policy this fall. This upcoming session will focus on policy mechanics, information on the operation costs and staffing required to implement a policy and will include a discussion of several compliance frameworks for review and consideration.

Economic Development Strategic Plan

As St. Louis Park continues to experience significant redevelopment, changing market conditions, and evolving community needs, there is an opportunity to establish a clear, coordinated framework to guide the city's economic development efforts. An Economic Development Strategic Plan would identify shared priorities, define measurable goals and outcomes, and establish strategies for how the city can most effectively use its financial resources, land assets, partnerships, programs and staff capacity to support a resilient and inclusive local economy.

The plan would also provide a framework for evaluating existing programs, identifying gaps and emerging opportunities, prioritizing investments, and aligning economic development activities with broader city goals related to housing, equity, sustainability, business vitality and fiscal health.

Ultimately, a strategic plan would help ensure that the city's economic development efforts are proactive, coordinated, transparen, and positioned to respond effectively to future opportunities and challenges.

Executive summary

Title: Sewer availability charge (SAC) credit policy

Recommended action: No action recommended at this time.

Policy consideration: The city council will be asked to consider adopting a SAC credit policy on Sept. 22, 2026.

Summary: As part of the 2025 housing and neighborhood-oriented development system discussions, the city council expressed support for adopting a sewer availability charge (SAC) credit policy. Consistent with that direction, the proposed policy would allow the city to retain and redistribute excess SAC units to new or expanding businesses in the community, providing an opportunity for partial fee reductions to support business development.

The Metropolitan Council (Met Council) charges SACs when businesses first connect to or increase demand on the regional wastewater system; the city collects and remits these fees and retains 1% for administrative costs. SAC units are determined by the Met Council based on estimated sewer usage. Community development staff would be responsible for maintaining records of available credits, tracking their use and reporting to the Met Council.

Financial or budget considerations: This policy would add minimal staff time to implement the policy. Staff will need to submit additional information in existing monthly reports when SAC credits are claimed from Met Council or issued to a qualified business. No city funds would be needed to operate this policy.

Strategic priority consideration: St. Louis Park is committed to being a city that delivers reliable services, uses city resources responsibly, operates transparently and builds strong relationships with residents.

Supporting documents: Discussion
Draft SAC credit policy

Prepared by: Jase Pater, economic development specialist
Jennifer Monson, planning and economic development manager
Reviewed by: Sean Walther, deputy community development director
Karen Barton, community development director
Tiffany Stephens, finance director
Approved by: Kim Keller, city manager

Discussion

Background: The Met Council charges local governments a one-time SAC when a new business connects to the regional wastewater system (sewer) for the first time and may also charge a SAC fee when a business expands or the property changes in use, due to the potential increase in demand on the wastewater system. The local government typically then passes the charge on to the business or property owner.

Non-residential properties require a determination (calculation) for the amount of maximum potential wastewater capacity needed for the site based on wastewater flow created by the activities at the location. This is determined both if a business is connecting to the regional wastewater system for the first time or if a business is expanding in size or moving into an already existing space. This determination will then identify the fee charged to the local government.

A SAC determination letter is required to be submitted prior to building permit issuance. The city collects the required SAC fee on behalf of the Met Council with the building permit fees. The SAC fees are then paid to the Met Council on a monthly basis. The city retains 1% of all SAC fees to help offset city administrative costs associated with this process. The Met Council sets the SAC fee annually. The current fee rate is $2,485 per SAC unit.

In the event a business locates to an existing building and requires less SAC units than the previous use, the excess credits are currently retained by the Met Council, however, a municipality can create a credit policy to reallocate those excess credits to other future uses in the city.

A SAC credit policy would allow St. Louis Park to retain the excess SAC credits and establish a process by which the community-wide credits may be used to aid in the recruitment and retention of qualifying small businesses by offering a reduction in total SAC fees. The city would maintain record of community-wide credits within the community development and building and energy departments. This would include maintaining a record of captured credits and a record of businesses which have benefited from this policy. The city would then report this information back to the Met Council as part of the city's existing monthly reports.

Present considerations: At times, new small businesses are unaware of SAC unit fees until they apply for building permits. These fees can add unanticipated costs to projects just opening their doors.

As part of the 2025 Housing and Neighborhood Development system discussions, city council expressed support for adopting a sewer availability charge credit policy. This policy would allow the city to establish a pool of community-wide credits to assist qualified small businesses with their SAC unit fees.

The policy would allow eligible commercial businesses to receive financial assistance for up to 50 percent of the net SAC due, with a maximum of five SAC units paid by the city. SAC awards are subject to funding availability and will be awarded on a first-come, first-served basis. SAC units that have already been paid are not eligible for reimbursement or assistance.

To be eligible for financial assistance, a business must meet all of the following criteria:

- Be located within the City of St. Louis Park.
- Be a new business locating within the city or an existing business expanding its operations.
- Be an independently owned business engaged in a commercial enterprise, whether owned by a for-profit or nonprofit entity.
- Have 20 or fewer full-time equivalent (FTE) employees.
- Have annual gross revenue of no more than $1 million in the prior year.
- Be in good standing with the city.
- Have all property taxes paid and current.

Next steps: City council will be asked to consider adopting a SAC credit policy on Sept. 22, 2026. A draft of the policy is attached to this report.

City of St. Louis Park

Sewer Availability Charge (SAC) Credit Policy

Draft September 10, 2026

City of St. Louis Park
Sewer Availability Charge (SAC) Credit Policy

Introduction

The Metropolitan Council assesses a one-time Sewer Availability Charge (SAC) when a property use creates a new or increased demand on the regional wastewater system. The charge is based on the estimated wastewater flow generated by the use and is calculated in SAC units using Metropolitan Council standards. One SAC unit represents the wastewater capacity assigned to a typical single-family dwelling, and other land uses are assigned SAC units based on their estimated wastewater demand.

Additional SAC's may be required when an existing building expands or changes to a use that generates greater wastewater demand. The Metropolitan Council assesses SAC's to local governments, which then collect the applicable fees from property owners or developers as part of the development review and permitting process.

Under Metropolitan Council rules, cities may retain community-wide SAC credits when redevelopment or changes in land use reduce the number of SAC units assigned to a property. These community-wide credits may be applied to eligible future development within the city, helping to offset SAC's and encourage uses consistent with local goals.

Purpose and objectives

- The purpose of this policy is to establish clear guidelines for the collection, administration, and use of community-wide SAC credits to support the recruitment, retention and growth of businesses within the city.

- The objective of this policy is to encourage business attraction by reducing Sewer Availability Charge (SAC) costs where eligible, thereby lowering financial barriers for new businesses.

Collection of community-wide credits

As defined in the Metropolitan Council sewer availability charge procedure manual, local governments may retain excess net SAC credits when a property is redeveloped or when a change in use occurs. Only SAC credits that have been previously paid are eligible to be converted into community-wide credits. Grandparent credits, as defined by the Metropolitan Council's SAC procedure manual, shall remain tied to the site and are not eligible for community-wide use.

Excess SAC credits may be designated and retained as community-wide credits only when a new end user has been identified. These credits must be claimed on the SAC-A form at the time of permit issuance for the new use. If the credits are not claimed at that time, they will revert to site-specific status and remain with the property for a period of five (5) years.

Community-wide credits shall consist only of excess credits remaining after the SAC requirement for the new use has been determined. If the existing SAC credits on a property are less than or equal to the amount required for the new use, no community-wide credits shall be collected by the city.

The city shall maintain records of all community-wide SAC credits, including the total credits available and documentation of businesses that have utilized the program. These records shall be maintained by the Community Development Department.

Program guidelines

An eligible business may qualify to receive SAC financial assistance up to 50% of the net SAC due, with a maximum of five (5) SAC units paid by the city.

Eligible businesses:

To be considered for the program, the business must:

- Be located within the City of St. Louis Park.
- Be a new business locating within the city or an existing business expanding its operations.
- Be an independently owned business engaged in a commercial enterprise, whether owned by a for-profit or nonprofit entity.
- Have 20 or fewer full-time equivalent (FTE) employees.
- Have annual gross revenue of no more than $1 million in the prior year.
- Be in good standing with the city.
- Have all property taxes paid and current.

Ineligible businesses:

- Businesses without a physical address in St. Louis Park
- Firearms/ammunition sellers; gun clubs; or shooting ranges
- Sexually oriented businesses
- Tobacco, vape, or unauthorized cannabis businesses; smoking lounges/clubs
- Payday lenders, title lenders, pawn shops, check cashers
- Home-based businesses not moving into commercial space
- National/regional chains
- Warehouses or long-term inactive storage
- Businesses engaged in illegal activity under state or local law

Terms and conditions:

- Community-wide SAC credits are subject to availability. The city reserves the right to allocate community-wide SAC credits for city projects before making excess credits available through the program. Applications will not be accepted during periods when no credits are available.
- Program funds are limited and shall be awarded to qualifying applicants on a first-come, first-serve basis at the city's discretion.
- The city retains full discretion to determine and limit the amount of SAC assistance awarded to any individual applicant to maximize the overall effectiveness and reach of the program. Nothing in this policy shall be construed as creating an obligation for the city to provide assistance to any business or property owner.
- This program is limited to non-residential uses; requests related to residential projects are ineligible and will not be reviewed.
- Requests seeking reimbursement for SAC's that have already been paid are not eligible for consideration.
- Information submitted as part of an application will be considered public data, except for any data classified as nonpublic under Minnesota Statutes section 13.591.
- The City of St. Louis Park and its Economic Development Authority (EDA) will evaluate each application based on program eligibility criteria and reserve the right to approve or deny any application consistent with those requirements. Approved applicants must agree to indemnify and hold harmless the city, the EDA and their respective officials and representatives.

Application

Applicant information:

Business legal name: ____

(Name should be the officially registered name of the business entity.)

Business operating name (if different): ____

Type of business: ____

Permit number: ____

Business street address: ____

City: _____________________________ State: ______________ ZIP code:_________________

Mailing address (if different): ____

City: _____________________________ State: _____________ ZIP code:___________________

Phone number: __________________________ Email: ___________________________________

Business website (social media): ____

Individual completing the application:

Name (first and last): ____

Job title: ____

Street address: ____

City: _____________________________ State: _________________ ZIP code:_______________

Phone number: ______________________ Email:_______________________________________

Optional: Is the business 51% or more owned or managed by any of the following? Check all that apply.

- ☐ Women-owned business
- ☐ Black, Indigenous, Person of Color (BIPOC)-owned business
- ☐ Asian American or Pacific Islanders (AAPI)-owned business
- ☐ Veteran-owned business
- ☐ Disabled-owned business
- ☐ LGBTQ+-owned business
- ☐ Do not wish to disclose

Business description:

Attach a brief description of the business (product, hours, customers, clients, number of locations, etc.), industry type and brief history of business. Attach separate sheets if necessary.

____

____

Current and proposed business location:

Does the business currently lease or own the space in which it is currently located?

☐ Own ☐ Lease

Employment (include all W-2 employees):

Current number of full-time employees: ____

Current number of part-time employees: ____

Financial information:

Annual net earnings (or net income) last year: $ ____

Signature:
Name of authorized business representative: ____
Job title of authorized business representative: ____
Signature of authorized business representative: ____
Date: ___________________________________

Required Documentation:

The following documents must accompany an application for it to be deemed complete:

- Proof of organizational documents including but not limited to articles of incorporation and bylaws, articles of organization and operating agreement or partnership agreement and certificate of partnership
- A copy of proposed lease or statement of lease terms, purchase agreement, property tax statement, or other documentation to show site control within the city
- Most recent federal tax return submitted for the business (with signature)
- Copy of SAC Determination Letter
- Other supporting documentation deemed necessary by the City of St. Louis Park to assist in understanding the applicant's situation

Application submittal:

Submit application and attachments to the program administrator by mail or email to:

St. Louis Park
Community Development Department
5005 Minnetonka Blvd.
St. Louis Park, MN 55416

Email: jpater@stlouisparkmn.gov

Questions: Jase Pater, Economic Development Specialist, 952.924.2518