

## **STEERING COMMITTEE MEETING #5**

Economic Development and Industry

10.24.2016



**5:30 p.m. Results from Last Meeting (Draft Sustainability Chapter)**

**5:40 p.m. Overview of Data/Facts**

**6:00 p.m. Draft Economic Development/Industrial Goals and Policies**

**6:45 p.m. Adjourn**

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## CHAPTER X: SUSTAINABILITY

### WHAT DOES SUSTAINABILITY MEAN TO ST. ANTHONY?

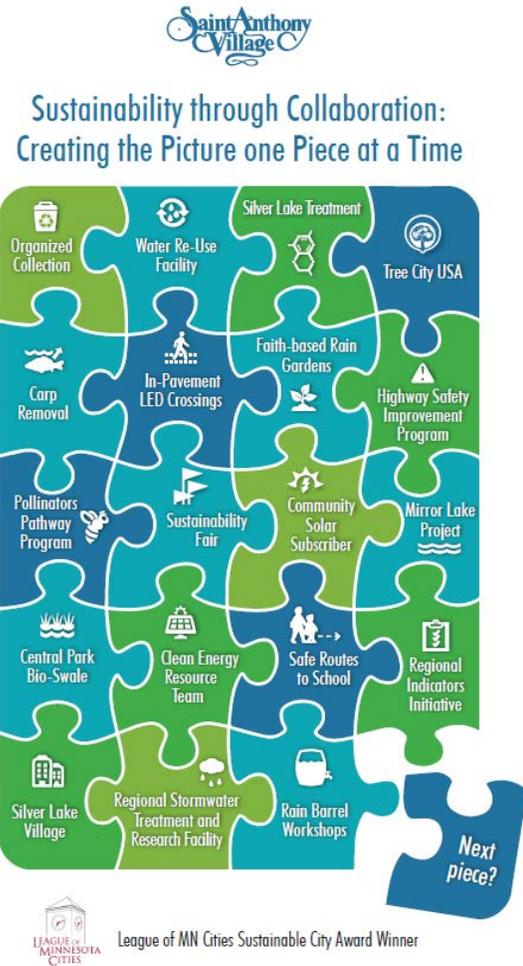
For the city of St. Anthony, sustainability takes the stage front and center with its presence in the city's mission: to be a progressive, and livable community, "walkable" Village which is sustainable, safe and secure. Since its addition to the mission, sustainability has been approached considering impacts to the environment, economy and equity of the community. In 2009, the city partnered with its watershed organizations and county to bring the first water re-use project to the state of Minnesota, with the Central Park Water Re-Use Facility. This system collects stormwater and water treatment backwash to irrigate the Central Park fields and Community Center campus, and has lead the way for water re-use to be implemented in other large-scale facilities. In the following years, the city collaborated further with partners to bring online the Silver Lake Stormwater Treatment System at Salo Park, Silver Lake Carp tracking and winter netting, the Central Park Biofiltration Basin, the Stormwater Treatment and Research Facility, and the Mirror Lake Flooding and Water Quality Improvement project. Over the years, the city also provided cost-share opportunities for residents to acquire oak rain barrels for residential water re-use and aided in design and installation of rain gardens on residential and faith-based properties.

St. Anthony has been an active participant in the Pollution Control Agency's GreenStep Cities program since its inception in 2010, achieving Steps 1 and 2 in 2011, Step 3 in 2012, and Step 4 in 2016. Additionally, the city was recognized by the program administrators in 2014, between the release of the 3<sup>rd</sup> and 4<sup>th</sup> steps. The city has also hosted two different GreenCorps members, 2012-13 and 2015-16, who focused on sustainability, stormwater and community outreach and education.

On principle, the city approaches sustainability through collaboration. At the staff level, it is every departments' responsibility to identify areas of opportunity, and from the city to partner with organizations and community members, everyone must contribute in order to get the best end product.

## EXISTING SUSTAINABILITY EFFORTS

At the 2016 League of Minnesota Cities Annual Conference, St. Anthony was recognized with the Sustainable City Award. This acknowledged the years of work and multiple approaches the city has been pursuing to create a more sustainable village. Some of these focuses include: being a leader in organized collection of residential refuse and recycling; the many stormwater projects completed in partnership with water resource professionals; progress in adding routes for safe biking and walking for all residents; considering higher density and mixed-use development when possible; creating and strengthening a pollinator pathway for native insects; and subscribing to a community solar garden and considering future options in energy efficiency and renewable energy. The city continues to seek out the next opportunity to further its mission of being more sustainable and aiding residents to do the same.



The city has also partnered with the University of Minnesota Sustainability Studies capstone course to engage community members in a Sustainability Fair at Silverwood Park. At these annual fairs, attendees were introduced to resources and best practices they could bring home with them, research projects conducted by students of the course and further engagement opportunities to keep them involved in city-wide initiatives.

In preparation for this Comprehensive Plan Update, the city received a sponsorship grant from the Pollution Control Agency to host a United States Green Building Council ADVANCE workshop to incorporate sustainability into this plan. At this event, Steering Committee, Parks Commissions and community advocates for native plants, walking and biking, and renewable energy conducted round table discussions with industry experts in understanding current conditions and shaping future goals

and policies. This type of strategic planning creates a clearer picture of the city's priorities and how to move forward.

In 2016, the City completed a St. Anthony Sustainability Tour (available on the city's website) outlining through a StoryMap all the initiatives completed by the city to date.

### WHAT HAVE WE HEARD FROM THE COMMUNITY?

Sustainability is a critically important issue for St. Anthony residents. An established and well-organized group of residents have started Citizens for Sustainability and have formulated plans and recommendations for city consideration. Additionally, people at the visioning session and at the Parks Commission planning session (which was open to the public) expressed interest and desire in a variety of sustainability principles and policies. These included:

Improve bikeway connections and infrastructure
Improve decaying or nonexistent pedestrian infrastructure
Increase tree plantings
Allow for alternative/renewable energy (solar, wind)
Compost and organics collection
Reduce usage of pesticides and herbicides
Urban agriculture (apiculture, chickens)
Decrease water use
Improve stormwater management and water reclamation
Cleaner water (Silver Lake)
Promote rain gardens, native plantings
More community gardens
Parks become "natural playgrounds"
Continue with GreenStep Cities leadership (step 5)

## WHERE IS ST. ANTHONY HEADED?

The following list of goals and policies combine the city's vision statements, past efforts, technical support and resources from USBGC, Great Plains Institute, the sustainability class at the University of Minnesota, and community desires. The community has a strong desire to set goals related to CO2 emission reduction, acknowledging the state's efforts in this matter. Therefore, the city has taken the statewide goal of an 80 percent reduction in CO2 emissions (from a 2005 baseline) and adapted them based on a baseline established through St. Anthony's benchmarking (Regional Indicators Initiative and B3 Benchmarking project). Additionally, the policies set are intended to achieve these adjusted goals.

### Goals

1. Continue to be leaders in implementing a sustainable vision for our future
2. Achieve a city-wide CO2 emissions reduction goal of 40 percent by 2040
3. Achieve a CO2 emissions reduction goal of 60 percent for city facilities for 2040.
4. Improve the health of the overall ecosystem and pollinator health
5. Support the growth of urban agriculture
6. Promote and reward the development of sustainable landscapes
7. Improve the safety and connectivity of the City's bicycle and pedestrian infrastructure
8. Support the production of alternative energy

9. Improve water quality and minimize flooding.

#### Policies and Actions

1. Grow a robust urban tree canopy by develop a street tree strategy that capitalizes on street reconstruction as an opportunity to budget for and achieve urban canopy/tree planting goals.
2. Create incentives and programming to increase tree plantings on private lots and in public right of way.
3. Reduce chemical use citywide by engaging with public works and the school district in a conversation about best practices.
4. Adopt and report on measurable, publicly announced surface water improvement targets for water bodies.
5. Continue to implement effective and innovative stormwater management practices and rain gardens.
6. Select key locations for the addition of on-road, protected, and off-road bicycle trails, as shown on the transportation map.
7. Dedicate key pedestrian infrastructure gaps as identified on the map as priority projects in the Capital Improvement Program.
8. Achieve GreenStep Cities Step 5.
9. Encourage installation of renewable energy generation capacity by re-evaluating and expanding existing city ordinances related to solar.

10. Collaborate with the Parks Commission to create park/city land management standards/practices that maximize native landscaping and low-maintenance management.
11. Facilitate creation of community gardens: defining them and addressing them as an allowed use in particular zoning districts in City Code.
12. Conserve drinking/groundwater resources by strengthening a watering ordinance, water-wise landscaping ordinance/guidance, and/or guidance on rainwater harvesting.
13. Write an ordinance that more clearly allows and regulates urban agriculture, specifically bees and chickens.
14. Consider development of an Energy Action Plan that outlines community education, outreach, and financing/incentives for private households and businesses to invest in energy efficient appliances, vehicles, and other efforts.
15. Develop an Energy Action Plan that audits current city facilities and identifies areas of energy reduction for city fleet, and city-owned buildings.
16. Policy related to CO2 emission reduction.



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### Reduction Goals

10.24.2016

#### Email from Brian Ross, industry expert, Great Plains Institute

The local government best practices for carbon reduction targets are based on achieving a global carbon reduction that will keep the global temperature rise to less than 2 degrees centigrade. There has been a huge amount of modeling and scenario analysis (which I could provide to you for your reading pleasure, but I'm hoping you'll believe me) that says global human-caused carbon must be reduced by 80% from a 1990 baseline by 2050. Local and state goals typically use this scientific basis for setting reduction targets. For the State of Minnesota, we have a 2005 baseline rather than 1990, because establishing a 1990 baseline is pretty problematic at this point. And it turns out not to make much of a difference regarding strategies.

An important point about this standard is that the reduction goal is a top-down (what is the needed endpoint to protect the planet) rather than a bottom-up goal (how much carbon can be reduced by adding up the savings from a series of strategies). This will inevitably raise the question by some about whether the 80% reduction target is even possible. The quick answer is yes. The more complex answer is, yes, but it's going to require some big changes in how we do things, really soon.

If you survey all the cities in North America that have set carbon reduction goals, something like 90% of them have set one of the two following goals:

- 1) Reduce our city's carbon emissions 80% by 2050, from a baseline year of XX (anything from 1990 to 2010)
- 2) Reduce our city's net carbon emissions to zero by year XX (anything from 2040 – 2050)

The second goal is conceptually easy, because it does not require setting a baseline; just get to net-zero carbon. It is a more aggressive goal, but as noted earlier, the near-term strategies to achieve either goal are probably the same portfolio of strategies.

The cities of Minneapolis and Burnsville use the first type of reduction goal. The City of St. Louis Park has proposed to use the second goal (zero-net carbon by 2040). St Paul is in the process of updating their 1990s version of a climate action plan, and will almost surely use one of these goal standards. A few other Minnesota cities have set goals, but not many.

One important thing to keep in mind about these goals, regarding how some city officials might balk at a very aggressive reduction goal for their city, is that the State of Minnesota has set a mandatory 80x2050 goal (from 2005 baseline). The State's goal includes all the carbon emissions from all communities within the State. So, setting this goal for your city is merely saying that you will do the local component of the State's goal. The State is working to make the electric grid low- or no- carbon. The city doesn't have to clean the grid, but it gets to count the State's work that toward its own goal. Many cities that have set a 2005 baseline and then looked at current local emissions actually discover that emissions have gone down. Most of that is due to the electric grid getting cleaner, improving building/energy codes, national CAFÉ standards improving the efficiency of the automobile fleet, and the trend toward fewer VMT (although that has picked back up in the last couple of years). So, the city is not in this by themselves, but is merely agreeing to participate along with the State and the nation.

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## STEERING COMMITTEE MEETING #5

### Economic Development and Industry

10.13.2016

#### Existing Land Usage (Industrial is 4% or 63 acres)

Land Use Type	Total Acres	Percent (%)
Single Family Detached	621	41.2
Institutional	276	18.3
Golf Course	158	10.5
Multifamily	104	6.9
Retail and Other Commercial	90.8	6.0
Open Water	69.0	4.6
Industrial and Utility	62.8	4.2
Single Family Attached	50.9	3.4
Manufactured Housing Parks	17.6	1.2
Undeveloped	17.2	1.1
Park, Recreational, or Preserve	15.1	1.0
Mixed Use Commercial	10.8	0.7
Office	8.0	0.5
Mixed Use Industrial	4.0	0.3
Mixed Use Residential	1.9	0.1
<b>Total</b>	<b>1,508</b>	

Source: Metropolitan Council 2010 Generalized Land Use

### Anthony Lane Business Park

Most of the industrial land in St. Anthony is located in the Anthony Lane Business Park. Many buildings in the park were built before prior to 1980. Utilization of the land is moderate to low, with the primary lot coverage being parking lots. Most of the buildings are low-rise, low-ceiling spaces, representing an ill fit for today's industrial users. Of the 33 parcels in the park, 6 are parking lots, 12 are office suites or more commercial in nature and 15 are manufacturing/jobs oriented. Less than half of the buildings have a market value more than \$600,000. An estimation of square foot values indicate a lower than average value per square foot (\$25 to \$35/sq. ft). The total market value of the industrial park is \$25,600,000.

The current office/warehouse market in the northeast Minneapolis submarket continues to be strong with vacancy rates hovering around 6.7%. This low vacancy rate is a combination of the

strong demand for buildings and the relative lack of new construction in the sub-market. The currently available product is traditionally older space that has lower clearance ceilings in office/manufacturing and warehouse areas. These lower ceilings (18 feet or less) result in the buildings having a smaller market of end users resulting in lower lease rates and there by having a more limited market value for both sale and property tax purposes. This need for new space that is designed for the demands of businesses is exemplified by the both Buildings 1 and 2 of the northern Stacks development being fully leased. Northern Stacks 2 was preleased prior to construction completion.

The current average sale price of industrial space is \$56 per square foot, with a national average of \$49-\$83 per square foot. If a property is valued for tax purposes at \$25 per square foot, the difference between the value and tax value will be a good indicator of the need for a redevelopment of the site with new more user friendly facilities. The Minneapolis market has a fairly low capitalization rate and low average price when compared to national averages, indicating possible upside potential for new investment. These factors should cause the prices to increase while retaining the lower capitalization rates.

## **Draft Goals for Discussion**

### **1. Enhance the St. Anthony tax base and employment through the industrial tax base**

#### **1a. Do you want to explicitly address the Industrial Park in the Comp Plan?**

If so, what level of policy guidance do you want?

- Status Quo
- Passive encouragement of re-development (similar to current language about Shopping Center)
- Active encouragement of re-development (through ordinances and establishment of legal, non-conforming uses)
- Support re-development (identify available tools for BR & E or singular efforts)
- Facilitate re-development through stronger tools

1.b Are there other areas of the city where you would like to explore jobs-based land uses? (office, light industrial)

### **2. Determine why businesses locate in St. Anthony and encourage them to stay and grow.**

3. Evaluate the importance of County Road 88 and County Road C/29<sup>th</sup> Avenue as a main thoroughfare for freight.