

# **City of Saint Paul**

City Hall and Court House 15 West Kellogg Boulevard Council Chambers - 3rd Floor 651-266-8560

# **Minutes - Final**

# **City Council**

Council President Russ Stark
Councilmember Dan Bostrom
Councilmember Amy Brendmoen
Councilmember Rebecca Noecker
Councilmember Jane L. Prince
Councilmember Dai Thao
Councilmember Chris Tolbert

Wednesday, October 11, 2017

3:30 PM

Council Chambers - 3rd Floor

### **ROLL CALL**

The meeting was called to order by Council President Stark at 3:31 p.m.

Present 7 - Councilmember Dan Bostrom, Councilmember Amy Brendmoen,
Councilmember Dai Thao, Councilmember Chris Tolbert, Councilmember
Russ Stark, Councilmember Rebecca Noecker and Councilmember Jane L.
Prince

#### **COMMUNICATIONS & RECEIVE/FILE**

1 AO 17-65 Amending the 2017 spending budget for the Office of Financial Services.

Received and filed

2 AO 17-74 Amending the 2017 spending budget for Public Works.

Received and filed

#### **CONSENT AGENDA**

Items listed under the Consent Agenda will be enacted by one motion with no separate discussion. If discussion on an item is desired, the item will be removed from the Consent Agenda for separate consideration.

Approval of the Consent Agenda (Items 3 - 15)

Item 4 was removed from the Consent Agenda for separate consideration.

Councilmember Brendmoen moved approval of the Consent Agenda as amended.

Consent Agenda adopted as amended

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember

Noecker and Councilmember Prince

3	RES 17-1619	Requesting the formation of a staff work group to evaluate and make recommendations for an alternative funding structure and policy for the City's Saint Paul Streets Program (SPS).  Adopted
5	RES 17-1595	Approving the use of grant funds through the neighborhood STAR Year-Round Program for COMPAS murals.  Adopted
6	RES 17-1612	Approving the use of grant funds through the Neighborhood Star Year-Round program for Karibu Grocery & Deli. Adopted
7	RES 17-1599	Approving the Mayor's appointment of Mitchell Armstrong to serve on the Food and Nutrition Commission.  Adopted
8	RES 17-1621	Authorizing the Departments of Parks and Recreation and Public Works to apply for a Federal Transportation Investment Generating Economic Recovery (TIGER IX) Discretionary Grant.  Adopted
9	RES 17-1603	Authorizing the Department of Planning and Economic Development to submit applications to the Department of Employment and Economic Development for Contamination Cleanup and Investigation Grants, and to the Metropolitan Council for Tax Base Revitalization Account Program, for the 520 Payne Avenue, 623-629 Whithall, 700 Emerald, 1745 University, Morning Star Redevelopment, Oakdale Development, Osborn370, West Sides Flats Phase 3 (A and B), and Willow Reserve sites.  Adopted
10	RES 17-1608	Accepting a scholarship for conference registration and up to \$1,000 in travel expenses, from the Urban Land Institute, for city staff Jamie Radel to attend the Fall National Meeting from October 22 through October 26, 2016.  Adopted
11	RES 17-1592	Authorizing the Police Department to enter into a Lease for Use Agreement, which includes an indemnification clause, with the State of Minnesota .  Adopted

12	RES 17-1593	Authorizing the Police Department to enter into a Joint Powers Agreement with the State of Minnesota to participate in the Financial Crimes Task Force.
		Adopted
13	RES 17-1480	Setting the date of Public Hearing for November 1, 2017 for the 2018 Sanitary Sewer Rates and 2018 Storm Sewer System Charges.  Adopted
14	RES 17-1499	Setting fine amount for violations of Chapter 379 of the Legislative Code.  Adopted
	DE0 47 4077	
15	RES 17-1077	Setting fine amount for violations of Chapter 236 of the Legislative Code.
		Adopted

#### FOR DISCUSSION

**4** RES 17-1620 Approving the appointment of Theresa Nix as the interim Legislative Aide in Ward 4.

Council President Stark made brief comments and moved approval of the resolution.

#### **Adopted**

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

**Nay:** 0

**16** RES 17-1623 Declaring October as Domestic Violence Awareness Month.

Council members Brendmoen and Prince invited representatives of the St. Paul and Ramsey County Domestic Violence Intervention Project to the podium. Councilmember Brendmoen read the resolution.

Shelley Cline from the St. Paul Intervention Project and Councilmember Prince made brief comments.

Councilmember Brendmoen moved approval of the resolution.

#### **Adopted**

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

### **17** SR 17-116

District Council update on the 2017 Innovation Fund Equity Planning Project.

Betsy Leach, District 1; Monica Bravo, District 3 (WSCO); Lissa Jones-Lofgren, District 5 (Payne Phalen); spoke about Innovation Fund Equity Planning being done in their districts. Council members Noecker and Prince, and Council President Stark made brief comments.

#### Received and filed

### **18** RES PH 17-289

Approving the application of Bad Weather Brewing Company for a sound level variance in order to present amplified music, announcements, and movies, from October 27 through October 31, 2017, during the Bad Weather Halloween Party at 414 - 7th Street West.

Councilmember Noecker said there had been some concern around the table and among constituents about the number of days and late ending time on week nights. She said she had spoken to the owners at Bad Weather Brewing and they were very amenable to change those times to be more accommodating to the neighborhood. She said there was an amendment with a closing 9:00 p.m. ending time on week nights and adding that the garage door would be closed after 7:00 p.m. She moved approval of the resolution as amended.

#### Adopted as amended

Yea:

 Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

Nay: 0

#### **19** RLH RR 17-37

Ordering the rehabilitation or razing and removal of the structures at 880 CLARK STREET within fifteen (15) days after the September 20, 2017 City Council public hearing. (Amend to grant 180 days for remove or repair)

Legislative Hearing Officer Marcia Moermond said the item had been laid over to allow U.S. Bank to demonstrate they had the available funds. She said they had provided that documentation and she recommended granting 180 days for the rehabilitation.

Councilmember Brendmoen moved to adopt Ms. Moermond's recommendation.

### Adopted as amended (180 days to remove or repair)

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

### **20** RLH CO 17-29

Appeal of Michael G Behan to a Vehicle Abatement Order at 601 TOPPING STREET. (Public hearing held October 4)

Legislative Hearing Officer Marcia Moermond asked for a two-week layover to allow time for the Zoning attorney to meet with Councilmember Thao.

Councilmember Thao moved to lay the matter over to October 25.

#### Laid over to October 25

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember

Noecker and Councilmember Prince

**Nay:** 0

### **ORDINANCES**

An ordinance is a city law enacted by the City Council. It is read at four separate council meetings and becomes effective after passage by the Council and 30 days after publication in the Saint Paul Legal Ledger. Public hearings on ordinances are held at the third reading.

### **Final Adoption**

### **21** Ord 17-44

Granting the application of the Housing and Redevelopment Authority to rezone their properties at 934-940 Selby Avenue from T1 Traditional Neighborhood to T2 Traditional Neighborhood, and amending Chapter 60 of the Legislative Code pertaining to the zoning map.

Councilmember Thao moved approval.

#### **Adopted**

Yea:

 Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

**Nay:** 0

#### **22** Ord 17-46

Granting the application of the Housing and Redevelopment Authority to rezone their properties at 838 - 844 Selby Avenue from B2 Community Business and RM2 Multifamily Residential to T2 Traditional Neighborhood, and amending Chapter 60 of the Legislative Code pertaining to the zoning map.

Councilmember Thao moved approval.

#### Adopted

Yea: 7 -

 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince **Nay:** 0

City of Saint Paul Page 6

#### **23** Ord 17-29

Amending Chapter 236 of the Legislative Code regarding plastic packaging. (Public hearing held October 4, 2017; laid over from October 11, 2017 and October 3, 2018)

Council President Stark: This is also before us for final adoption. I'm going to go ahead and move approval of this item. I wanted to start out by thanking Mr. Niziolek and their staff at the DSI for their great work over the last year or so on a working group/taskforce process involving stakeholders from all parts of the community, industry, restaurant association, community members. I think it was a really good process. I think the process yielded a positive recommendation and result and I appreciate all that work. I am suspecting that this may not be approved today based on previous conversations and I just want to say, in the scheme of things, this is a fairly moderate proposal. Similar ordinances have been very successful in Minneapolis, St Louis Park and cities around the country. I think we've got fairly aggressive goals around recycling and, ultimately, composting as well in the City that this potential policy change was going to be an important but modest part of. I think it's really important that we continue to make progress on these issues on which we've adopted some pretty strong goals. I think it's unfortunate that this might not happen today but I want us to keep working on these important issues. I do think that everyone can agree that there's been some really good information that's come out of this process about opportunities for businesses to recycle and compost more at their place of business and actually save money in the process with the help of Ramsey County's Biz Recycle Program. Hopefully we can continue to get the word out about that important program. It's an opportunity for businesses to actually do the right thing and save money. Those that have already done it have positive experience.

Councilmember Brendmoen: I second your comment, all of your comments about the process. As I mentioned last week at the public hearing that we waited our turn to get a proper process through the Dept of Safety and Inspections, went out and met with community members, had a pilot project in Mac/Groveland, met with the businesses, connected them with a great resource in Ramsey County with Biz Recycles. Through this time, the cost of compostable materials has come down and I think we're ready to vote on this and it's time. I read today, on social media, somebody said they were at a skyway restaurant and noticed that they had already changed from styrofoam to paper plates because they knew this was coming and they said they've gotten great reception from their customers already. So I think the demand is there; the needs are there. I worry a little bit. A lot of food trucks have already converted. Businesses are in both Minneapolis and St Paul and they've just made a wholesale change. I worry a little bit that by not moving forward that the changes will happen inequitably around the City and that the businesses with more affluent customers who are asking for these will change and the businesses in a large part of my community will remain serving their food in styrofoam containers and they will float around on the streetways and as a friend of mine said one time, when I said I had to throw something away, he said "there is no away." There it is. So I urge my colleagues to reward this good process, this sound policy, and vote to support this today.

Council President Stark: Just a couple more comments before others chime in. One, it's important to note that on this issue, another person recently pointed out on this topic on social media that McDonalds as a corporation moved away from polystyrene products probably 20 years ago now because they thought it made sense in terms of their image and environmental responsibility. It feels like this is a modest step in the scheme of things that most of our businesses are, frankly, either ready for or have already done. One more thing which is I have heard from constituents that they have

actually been receiving robo calls on this issue from folks putting money into opposing this ordinance. I presume that it's the makers of polystyrene, frankly, but don't know that for sure. But what I can tell you is, as I have continued to hear from dozens and dozens of constituents on this issue, I still haven't heard from one who doesn't want this to move forward. Literally, every one of them who has weighed in, who are my constituents, have said please do this. Our community is ready for this. In spite of this, I don't know, how many hundreds of thousands of calls being made to our constituents.

Councilmember Noecker: I am going to speak against the motion. I want to be completely clear that I a 100% support goals of this ordinance and I applaud the leadership of Council President Stark and, thankfully, we did go through a tremendous process on this. But I think they are a lot of ways to accomplish our goals and I don't believe that this ordinance is the right approach for two reasons. First, I think this ordinance is unfairly targeting restaurants and food retailers. I have asked and asked and continued to not get the data back and the fact is, we just don't know how much of waste stream comes from "to go" packaging. We heard last week that one estimate, nationally, is very low, single digits. And yet we are still insisting on targeting this ordinance at our small businesses, our food retailers, and our restaurants. And we are exempting the big guys, we're exempting the big box stores that sell our refrigerator packaging, and our shampoo packaging. We're even exempting manufacturing. We're exempting hospitals and nursing homes. I asked why we're doing that and I was told they exempted them in Minneapolis and St Louis Park and why, well, because they had a really strong lobbying effort in those two cities. I don't think we should be basing our ordinance on those who may not have the ability to make a strong lobbying effort on their own behalf. I just don't understand these exemptions that we are making. I don't think we have the data to back up why we are targeting these particular retailers. I understand, and it's been said before, that this is just one bite of the apple, but it seems to me lately that all of our bites have been directed at the same small business owners. I don't think this one is justified. The second reason that I don't think this ordinance is justified is that I don't think we need an ordinance to achieve our goals and it's actually been mentioned here at the table tonight. It was mentioned last week at the public hearing. I think we can trust our small business owners to know their economic self-interest and the economic incentives are there. We have Biz Recycles, grants for starting recycling programs. One of the best things about this entire effort is the education that has happened to date that's made many of our small business owners aware that recycling is cost effective for them. There are cost effective alternatives out there. So business owners can make that choice and I think consumer demand is leading small retailers in that direction anyway. What I really support about this, is the plan to do a year's worth of education to our small business owners out there about the options for them to save 70% tax on trash that is imposed by the county. There's lots of reasons to reach out with a carrot and not a stick on this one and help business owners do the right thing rather than slapping down a mandate that, again, I think is unfairly targeted at a certain sector of the population that we have no evidence actually generates the bulk of our waste.

Councilmember Prince: I would like to second Councilmember Noecker's statements about whether or not there really is a need for this. I am not planning to vote in support of the ordinance, but my vote should not be viewed as being against recycling or in favor of climate change or against the goals of the ordinance, because, like Councilmember Noecker, I appreciate the initiative that you brought forward, Council President Stark, and also the great work of the Dept. of Safety and Inspections. But I think the study of the past year, and I don't want to repeat exactly what Councilmember Noecker has said, but it has demonstrated that it really is good for businesses to

reduce waste through recycling and composting, thereby reducing substantially the taxes they are paying on garbage disposal while also reducing waste in landfills. So while I am voting against imposing a new regulation, I am voting in favor of education effort that we have decided is going to go forward in the Dept. of Safety and Inspections that has already committed to reach out to our licensed businesses to help them figure out how to connect with the Ramsey County Business Recycling Program where businesses can qualify for a grant of up to \$10,000 to learn how to reduce trash through composting and recycling. Also, to help them source new compostable and recyclable products which are increasingly competitively priced. We've talked with Eureka about having trade shows where businesses could source these products. My vote today is to encourage these efforts. I would fully support passing this as a resolution and policy of the City to move in this direction. But I'm not prepared today to impose another regulation at this time, when I think there is terrific incentive for businesses to do this on their own.

Councilmember Thao: I want to recognize Council President Stark's leadership on this ordinance and the work that has been done by City staff and the partners. I, too, am not ready to vote on this. I feel this year in particular we have over-regulated small businesses and, to Councilmember Noecker's point, this doesn't target everybody. It is very targeted toward small retailers, small mom and pop shops. Next week, we are presenting a resolution to give direction to City staff to educate equitably across the City. Small businesses, once they learn about the economic benefit, will have the desire to shift on their own. I'm open to maybe laying this over for 12 months and we can look at the data again and see if we can vote at that time. But I'm not ready to support this as it is today and I agree with all the points made by Councilmembers Noecker and Prince.

Council President Stark: I just want to comment briefly and then I will call Mr. Bostrom. First on this issue of targeting. This ordinance is not targeting; This ordinance is looking at the ways that we, as a City, can reduce our contributions to landfills and incinerators and do more recycling and composting. We don't have the authority as a City to change the way national and international product manufacturers package their products. There are certain things we can do at the City level and certain things that are not available to us. To this argument that we have targeted the restaurant industry with regulations, I would question what those have been that have not been applied to all employers in St Paul. The things that I can recall in recent years targeting restaurants and similar institutions were the loosening of regulations to allow for more liquor licenses across the City, to reduce parking requirements at those kinds of businesses, and those restaurants are thriving in St Paul right now. I don't know what the numbers are but my sense is that we have more restaurants today in St Paul than we have ever had. With the fundamental characterization that we have somehow targeted these businesses in some way, or that this is a targeting, this is an ordinance trying to get at the issue of when something is packaged, when food is packaged on the spot "to go," it's reasonable for me as a consumer, to expect that the package that I am receiving is something that, when I take it home, I can either recycle it or compost it. I don't have to send it to the landfill or the incinerator.

Councilmember Bostrom: I guess anytime you are in a position where somebody says I thank you for bringing this forward, it almost sounds like this is not going to go too well.

Council President Stark: I note your glee.

Councilmember Bostrom: Anyway, it's a discussion worth having but I think we've

heard from the business community. We do have a lot of additional restaurants out there and a lot of them are struggling. It's a very difficult business; it's very competitive and costs are razor thin in some of these and I think that we've heard from them that costs are a very important part of it and they want to be responsible. As time goes on, I think they'll figure out a way to do this but I think at this moment in time, I simply cannot support this particular ordinance.

Councilmember Brendmoen: Just two things I failed to mention previously. One of them is, do recall that in this ordinance there is a full year for implementation, so there's no reason that education efforts can't be concurrent with this and I think giving the businesses that amount of time is very respectful and allows them a chance to convert. The other thing is, we're talking about "to-go" containers and to me there's no reason why, talking about cost, that a business can't charge a small amount of money for "to-go" packaging. If you are at the restaurant and eating on regular plates, there's no charge, but if you choose to have it bundled up and sent home, that is an additional cost, it's an additional aluminum wrapper or what have you. It seems like paying 10 cents to have something packaged up for you would be very reasonable, so I feel there's a path for restaurants, even without the changes that Biz Recycling offers, that they could recoup those costs. It is additional, above and beyond, when you are getting "to go."

Councilmember Tolbert: Thank you and it's obvious, just from people speaking, that this ordinance is not going to pass today. One of the things is, I think we all want to lower the trash that's being put in our stream, especially non-compostable trash, and we want to move all of our businesses and all of our homes into recycling products. One thing I think and since, I think, a better way to come out of today is, rather than voting this down, I would suggest that we take the carrot approach and the stick approach to start and we go forth with all the education and business fairs and everything like that. I mean, if it requires a separate resolution, I would be happy to bring that forward next week. I can bring it under suspension if I need to bring that. And then lay this over until October 3, 2018. The Council President made a motion right away so I don't know if procedurally I can do that and that's a question to you. [Directs question to attorney.] I can't.

City Attorney Rachel Tierney: You need to deal with the motion on the table before making another motion.

Councilmember Tolbert: If I vote against this, I could recall it right after and make a motion to lay it over? If it fails.

City Attorney Rachel Tierney: Yes.

Councilmember Tolbert: So that's what my intention to do is. I think that's a better result from today than having this. We can revisit in one year and see what the process has been, what the compliance has been. Try the carrot approach and if it's failing, then we can re-examine our options and look if the stick approach ordinance would be a better way to do that, but I think doing that outreach first is a better way to start on this ordinance than to do nothing.

Council President Stark: Any further discussion on the motion? Assuming this motion fails, I will certainly support some future resolution to continue some form of education, but I don't know that our staff are going to have the capacity or the ability to that work necessarily in the absence of the compelling need so it's got to be a conversation with the administration, frankly, about whether that can even happen. Not

to mention all those other priorities that we are asking our DSI staff to work on both now and in the future. So I just wanted to raise that.

Councilmember Prince: I would suggest that when we have that conversation about whether the staff has the capacity to go forward with an education effort, that we look at passing this as a City policy by resolution rather than as an ordinance. That would be my suggestion for how we take a clear position in support of having our businesses move to compostable and recyclable "to go" packaging. As a policy, rather than as an ordinance. We've done that in the past, on other similar issues, where there were not adequate votes to pass an ordinance.

Councilmember Tolbert: Off of your point, if there isn't staff capacity to do the education without an ordinance, even though the ordinance has no financial strings attached to it, please let my office know soon. I will bring whatever resolution is needed to ensure that that happens. I think it can still happen without this ordinance, but I think we would like to see that going forward.

Councilmember Thao: We have a resolution in the docket for next week. You are more than welcome to go and look at it and apply changes.

Councilmember Noecker: My understanding was that, should this ordinance pass tonight, the year's worth of time was to give DSI time to do that education, so my understanding was that staff was planning to do that anyway. But I would agree with Councilmember Tolbert, that, if we don't pass this ordinance tonight and do want the education to happen during the next year, that we do have to ensure that we do have the resources for it.

Councilmember Brendmoen: I like the idea, the sort of problem-solving concept of laying it over for a year. I do agree that it does diminish some of the urgency but also, if we do an outreach and go through a year, I am imagining that things will change. And that laying over this ordinance, as opposed to re-introducing an ordinance, would not make a lot of sense. We might need to start over anyway. We've done the work to this point based on the information that we have today.

Council President Stark: I also think, if we can keep talking about this after tonight, in part we were relying on that Ramsey County might give us a grant to do some of this outreach work over the next year. They may or may not feel compelled to give us a grant to do the outreach work under different circumstances. That's just something to be aware of. All right. If there's no further discussion on the motion, let's have a roll call vote.

Motion failed. Yeas – 2 Nays – 5 (Prince, Thao, Tolbert, Bostrom, and Noecker)

Councilmember Tolbert: I make a motion to recall the previous item.

Council President Stark: Can you recall an item that failed?

City Attorney Rachel Tierney: Yes. Anyone voting in the majority may recall that item.

Council President Stark: Mr. Tolbert moves to recall this previous item. Let's have a roll call vote on that.

Yeas – 6 Nays – 1 (Stark)

Councilmember Tolbert: I make a motion to lay this over to October 3, 2018.

Council President Stark: All right. There's a motion to lay this over for one year.

Yeas - 6 Nays - 1 (Stark)

## Motion for adoption failed

Yea: 2 - Councilmember Brendmoen and Councilmember Stark

Nay: 5 - Councilmember Bostrom, Councilmember Thao, Councilmember Tolbert, Councilmember Noecker and Councilmember Prince

Please see minutes for item 23 Ord 17-29

#### Laid over to October 3, 2018

Yea: 6 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Noecker and Councilmember Prince

Nay: 1 - Councilmember Stark

### **24** Ord 17-38

Amending Chapters 63, 65, and 66 of the Legislative Code pertaining to establishing a parking requirement for a short term rental dwelling unit, establishing short term rental dwelling unit as a permitted use in the RL-RM3, T1-T4, OS-B5, and IT-I2 zoning districts, and amending a condition for bed and breakfast residence use.

Council President Stark: All right. I think there are some amendments out there. Who wants to start?

Councilmember Thao: I have a total of three but I want to take them one at a time. This is in the second version in Legistar. The first one is Section 65.645, for the rental dwelling unit, to include owner-occupied duplex or triplex. We can start with that one first. So what this would mean is if it is an owner occupied triplex unit, the owner can rent out those two units.

Council President Stark: Two of the three?

Councilmember Thao: Yes.

Councilmember Noecker: I support that motion and I have an additional suggestion which you can decide whether it's friendly or not.

Councilmember Thao: Sure.

Councilmember Noecker: My philosophy in approaching this ordinance is, we're trying out this regulation. We will see how it works; we can come back and adjust it later. Given that this is the first time regulating these types of uses, I think we're, I'm, interested in being as minimal as possible in the regulation, especially given that we don't have very many short term rentals in St Paul and the ones we do have, by and large, are not causing issues in our City. They are ways for folks to make additional income as they age in place, for people to stay in, especially, older historic homes as they age in place, and still make use of them and keep that housing stock in our neighborhood. So, in general, I'm really in favor of short term rentals and want to make our regulation minimal, while still preserving the established character of neighborhoods and not creating nuisances. So, I think what I am interested in, for this particular question, of how many units in a duplex or a triplex can be short term rental. I notice that, previous to your amendment, Councilmember Thao, the ordinance said that if a duplex was owner occupied, and the owner was in residence, that both units of that duplex, so 100% of the units, could be short term rental. So, the side that the owner was on, they could use a bedroom for short term rental and then the other side, also. And given that four is the magic maximum, that's what we're saying can ever be in one building. With 100 units, four is still the max. It's up to 50% or four, whichever is greater. I'm just wondering why we wouldn't say, and again, I appreciate the move to two, but why not say, if the owner is occupying the property, and is in residence, in a triplex, why not allow three units in the triplex to be STRs. And in a four-plex, up to four units. Other requirements, parking, would still be there. I don't see why, for a duplex, we're saying 100% of your units can be short term rental and not say the same for triplex and four-plex. Again, because we've said four seems to be that number where we are comfortable allowing that many to be in a building.

Council President Stark: In the absence of any specific language, I would suggest it is the desire of the Council that we would need to take the time to get specific language to be amended in. In any case, these amendments would have to lay over for

at least a week because these are changes to an ordinance that are being put forward.

Councilmember Thao: I'm open to considering that. I consider it a friendly amendment.

Council President Stark: It may be a friendly amendment but we don't have the language in front of us, so I think to enact this suggestion would be taking the time to get the language right and bringing that in next week, which would mean an additional week's layover. Is that your intention then, to recommend that we take that time?

Councilmember Thao: I would.

Council President Stark: OK. Then maybe we should move to the next item that you want to bring forward.

Councilmember Thao: The second one is in item B. This is to clarify what is a prohibited commercial special event. The language there says short term rentals are not intended for more intensive use, such as small conference center, private retreat center, or reception house for weddings, reunions, or parties.

Council President Stark: So clarifying what gathering...

Councilmember Thao: Yes. What social event would be prohibited. And to clarify that for our operators.

Council President Stark: Mr. Tolbert.

Councilmember Tolbert: Is this in ordinance 17-38 or are you on one of the others. There's four short term rental.

Councilmember Thao: Yes. It's Section 65.45. Item B.

Councilmember Tolbert: And so yours is version 2? In Legistar?

Councilmember Thao: Version 2.

Council President Stark: So, to clarifying language on what constitutes a social gathering. Essentially. Ms. Brendmoen.

Councilmember Brendmoen: I support the idea but I am wondering why we went...now it just sounds like a statement. "Short term rentals are not intended for these uses" and before it said "the use of short term rentals for these purposes is prohibited." So, we short of backed off that. We said this is not the intent. So, is it prohibited, or just frowned upon?

Council President Stark: Mr. Niziolek or Ms. Dadlez, any chance you could assist us with this question?

Mr. Niziolek: I apologize, I wasn't prepared to speak. The language we had forwarded on to Councilmember Thao I didn't realize was going to be put into as an amendment. I was showing it as our working definition. So if you wanted to, I could tweak that language to replace what's in there, but it's only intended to show that it's our working definition that we're going to use, so there's some clarity to it. Because sometimes we'll have policy definitions, sometimes definitions are in ordinance. I could work to

tweak that language but I don't have tweaked language at this time.

Council President Stark: Well, since it seems like there's interest in additional time on the other issue, we've got the time to fix this language as well. If that is acceptable to everyone.

Councilmember Brendmoen: Seems hard to enforce the way it is currently written. Council President Stark: I would agree. Sounds like it was just intended as a definition, not to actually change the ordinance. All right. Thank you. Mr. Thao, is there another?

Councilmember Thao: And then the final one is under Table 60.207 Minimum Requirement Off-Street Parking By Use is to remove the parking restriction because we already have a residential parking zone restriction. This would help simplify our ordinance.

Council President Stark: Got you. So this is just to strike the parking requirement that is specific to the short term rental unit. Ms. Dadlez or Mr. Niziolek, can I call you back up? Could you just walk us through, briefly, the difference between the underlying zoning for these uses and the additional requirement for the short term rental?

Mr. Niziolek: I will burden Ms. Dadlez.

Ms. Dadlez: I think what you are asking is what's the difference between the off-street parking requirement for the dwelling itself versus the off-street parking requirement for the short term rental unit. The off-street parking requirement for the dwelling itself is 1.5 spaces. The proposed off-street parking requirement for the short term rental unit is one space for the dwelling unit and a half-space for every two guests. Does that help to clarify?

Council President Stark: Half a space for every two guests.

Ms. Dadlez: Right. So if you have a dwelling unit and two guests, the off-street parking requirement is one and a half. We round down, which would be one space. Which is the same for a dwelling unit which requires one and a half spaces. You round down one. You go to three or four guests with the dwelling unit, that's when it bumps you up to two spaces.

Council President Stark: Is this an addition to the underlying requirement? That the dwelling unit already had?

Ms. Dadlez: No. It would just be the off-street parking requirement for a dwelling unit that has short term rental.

Council President Stark: Gotcha. So if a unit, though, had been grandfathered in, and didn't have these off-street parking places because it's an older building or house, getting the license would require that it did have the off-street parking?

Ms. Dadlez: Right.

Councilmember Noecker: Does that assume that the unit is owner-occupied at the time of rental? Then we don't have an additional space for the guest, essentially.

Ms. Dadlez: Are you talking about the scenario that Council President Stark talked

about?

Councilmember Noecker: I thought I heard you say that it was just 1.5 spaces for the dwelling unit and then 0.5 spaces for every quest.

Ms. Dadlez: Every two guests.

Councilmember Noecker: Every two guests. So, if the owner was home and there were two guests, would it be one space that was required, total?

Ms. Dadlez: Correct.

Councilmember Noecker: So, the same amount as if the owner was home, without quests.

Ms. Dadlez: Correct.

Councilmember Noecker: So there isn't an additional space being provided, if the owner is occupying the premises, for the guests, then.

Council President Stark: But there would be if there were four guests.

Councilmember Noecker: So, it's assuming that average stay is 2.1 people and in an owner-occupied situation, they are Ubering in or they are finding other forms of transit. It the owner is parking.

Council President Stark: So, this requirement, if I am not mistaken, mirrors the requirement for bed and breakfast?

Ms. Dadlez: That's correct. The off-street requirement for bed and breakfast is one space for the dwelling unit and one space for every two registered guests.

Councilmember Brendmoen: Per guest room.

Ms. Dadlez: Per guestroom. Thank you.

Council President Stark: But unlike in this situation, the bed and breakfast is just a bed and breakfast, so there is no underlying requirement for the dwelling necessarily, that's the difference. Essentially.

Ms. Dadlez: There isn't like an underlying parking requirement that's different for the dwelling unit than it would be for short term rental or for a bed and breakfast. If you are a bed and breakfast, your parking requirement is one for the dwelling unit, plus a number for guestrooms. If you are a short term rental, the way it's proposed, one space for the dwelling unit and a half space for every two guests. And under the current requirement for just a dwelling unit, it's one and a half spaces.

Council President Stark: Gotcha. This is not simple. I will speak in favor of this amendment. I do think that the underlying requirement for the dwelling unit is probably enough. That the short term rental is probably not significant enough change in use that we should require more parking. That would be very difficult in some situations today, for some properties. Other discussion? Ms. Prince.

Councilmember Prince: Would this also apply to short term rentals that have to get

conditional use permits? Because of higher occupancy.

Ms. Dadlez: I would say that, if you decided to strike the off-street parking requirement, there just wouldn't be an off-street parking requirement for short term rentals. However, if you want to exceed the number of units that are allowed in a building, or the occupancy in excess of the definition of family, that requires the conditional use permit, requires public hearing by the Planning Commission. The Planning Commission can recommend conditions be added to that permit and requiring a certain number of off-street parking places could be one of those conditions added to a permit. But if you strike the off-street parking requirement from the ordinance, there would be no off-street parking requirement for the use.

Council President Stark: Mr. Tolbert has a question.

Councilmember Tolbert: You can get a variance to the parking requirement, right? Just as you can get a variance to any parking requirement?

Ms. Dadlez: I believe you would be able to get a parking variance, yes, but you need to meet the standards. For receiving a variance.

Councilmember Noecker: I would speak against this motion. I think the parking requirements we have here, especially now this conversation has clarified it for me, seem pretty conservative. If you own a short term rental, you live there, and you have guests staying there, there's only one parking space, if you have two people staying there. So that seems to assume that guests are not having their own car. We are hearing that is often the case, but there's not being excessive parking being requested by this. The concerns I have heard about this regulation have mostly to do with the lack of parking. I think what we have here is pretty conservative and I would support it as it is.

Councilmember Bostrom: How does this apply to areas where we have permit parking? Because those residents are paying for that right now. The reason we have permit parking is because it's very congested. I think there's certain expectation in those neighborhoods that those folks are going to be able to park there. Now, if we are going to be renting out space in various buildings and adding additional cars to that, but we won't let people park on Lincoln, if they are doing business on Grand Ave, so it's pretty unusual to me to see the way that we are granting all these exemptions for these particular operations.

Council President Stark: My sense is that permit parking holders in all districts get some number of guest or visitor permits that they would be able to use for these short term uses. If you are renting out what was previously an apartment, for short term use, is the expectation that that short term use is going to have more cars than the apartment dwellers would have had? I don't think so. I think if anything, an out-of-town guest is more likely to use cabs and ride share systems and not have a car than your average apartment dweller. I don't think there's increased demand for cars as compared to the underlying zoning requirement. That's why I spoke in favor. Mr. Bostrom.

Councilmember Bostrom: Well, the homeowner is bringing guests in. This now is turning into a business. And they're bringing customers in. I see that as different than having Grandma over and giving her a permit to put in the window of her car for a couple of hours while she's visiting. People are doing business on Grand Ave but they can't get a permit to park on Lincoln. We hear it, there's just homes and they're renting

it out. With the regulations we are putting in here, this is a business. I think there are expectations that the homeowners, in those neighborhoods, that don't have a business being operated out of their home, have got a right to expect. that they are going to be able to park there and they will have a peaceful neighborhood. I'm not in favor of any of this, actually, so you get a sense of where I'm coming from because we've been through this. If you take a look at what's happened in the St Thomas neighborhood, and places like that, at times it's been a nightmare. We are talking about running a business out of homes in residential neighborhoods.

Council President Stark: So that's a blanket no. Mr. Tolbert.

Councilmember Tolbert: I am going to speak generally about all four of them. I'm going to speak against Councilmember Thao's amendment. As I said last week and throughout this process, this is our first draft for a brand new ordinance, for a new way that people do business, and a new way that people travel and stay in homes. As we saw last week, it's a way for homeowners to meet new people and supplement their mortgage and pay for fixes on their houses. I think, in general, the way that it is it's a good first look at it. One of the things I'm going to be adding to the resolution. I think I will do it for number 27, is that, in one year, when we have this data, we get a report back from DSI talking about what they've learned and what the effects are and any potential changes we need after a year of doing this. Because right now, as we said last week, this is not legal in the City of St Paul. We have very cryptic data, if you can even call it that. And I think that would be a way to look at it. I think implementing these parking requirements now, and then, if they aren't working or if they are overly burdensome, more prohibiting people from being able to do this in places that we want to do it, it's easier to lift it them, than to add it back on and make people non-compliant. So I'd rather start where it is now. It seems very reasonable and it is also a fair playing field for the people who have been doing B&B and having to comply with those regulations through our traditional B&B. So, I'm going to speak against the parking amendment from Councilmember Thao, not that I feel strongly either way, but we can change it at a later point, I think.

Councilmember Thao: I would see this as the opposite. This is the first time implementing this and we should make it as open as possible and less restrictive as possible. If the data shows that we are having parking issues, then we can look at it again. I think that is why we should keep it as little confusing as possible.

Council President Stark: All right. I think this amendment is a straightforward one. I think we are probably ready to vote on this one. That's my sense. Any further discussion? Seeing none, roll call vote on this amendment.

Yeas – 2 Nays – 5 (Prince, Tolbert, Bostrom, Brendmoen, Noecker). Motion fails.

Council President Stark: All right. Were there others?

Councilmember Prince: I think I'm going to wait until next week.

Council President Stark: Mr. Tolbert?

Councilmember Tolbert: On Councilmember Thao's, since we didn't want to vote on that, if people want to do it on the first two, we should probably lay over number 24. There's four different votes here. I think both of the amendments that didn't fail were in 24. So we probably want to lay that over for the language to come back next week, otherwise it will pass as is.

Council President Stark: It's probably cleanest to just lay them all over for a week. As opposed to picking and choosing, but sitting here today, I'm not sure any of the others would be impacted.

Councilmember Tolbert: OK. And I have one clarified amendment from staff on 27. That would have to require layover.

Council President Stark: Do you want to bring it forward?

Councilmember Tolbert: I'll bring it. Do we want to wait until we get to 27? On the docket.

Council President Stark: Sure. OK. Ms. Prince, you were going to wait on your remaining items.

Councilmember Prince: Yes.

Council President Stark: So, I'll take that as a motion to lay over 24 for one week by Mr. Thao.

#### Laid over to October 18

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

Nay: 0

#### **25** Ord 17-47

Amending Chapter 310 of the Legislative Code to add Short-term Rental Platform and Short-term Rental Host license fees.

Councilmember Prince said she was planning to bring in an amendment the next week.

Councilmember Tolbert clarified that the item would have to lay over an additional week if an amendment was brought in next week. He suggested that the amendment could be discussed now.

Council President Stark said it would already have to be laid over for another week for other amendments coming in the next week.

Councilmember Prince moved a one-week layover.

#### Laid over to October 18

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

### **26** Ord 17-48

Amending Chapter 310 of the Saint Paul Legislative Code by adding Short-term Rental Platform and Short-term Rental Host licenses to Section 310.01.

Councilmember Noecker moved approval.

#### Laid over to October 18

Yea: 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember

Noecker and Councilmember Prince

Nay: 0

### **27** Ord 17-49

Creating Chapter 379 of the Saint Paul Legislative Code pertaining to Short Term Rentals.

Councilmember Tolbert introduced an amendment with clarifying language. He said he had an amendment to the resolution as well. Vote on ordinance amendment: Yeas - 7 Nays - 0

Councilmember Tolbert clarified that he would be bringing in a separate resolution.

#### Amended and laid over to October 18

**Yea:** 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember

Noecker and Councilmember Prince

**Nay:** 0

### **Second Reading**

#### **28** Ord 17-50

Granting the application of Zamzam Inc to rezone property at 1543-1571 Maryland Avenue East from B1 Local Business to B2 Community Business, and amending Chapter 60 of the Saint Paul Legislative Code pertaining to the Saint Paul zoning map.

Laid over to October 18 for third reading/public hearing

#### **29** Ord 17-54

Approving an interim ordinance pursuant to Minn. Stat. § 462.355, Subd.4 pending the completion of the West Marshall Study Area, specifically between Wilder and Wheeler.

Council President Stark said it was his intent to bring forward some clarifying language the following week before the hearing that would allow permits for the maintenance of existing structures within the area.

Laid over to October 18 for third reading/public hearing

### SUSPENSION ITEMS

Councilmember Thao moved suspension of the rules.

#### Rules suspended

Yea: 7 -

Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

Nay: 0

### RES 17-1676

Honoring Major Eugene Wa Geu Vang.

Councilmember Thao made brief comments and moved approval of the resolution.

### **Adopted**

Yea: 7 -

 Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

Nay: 0

#### Reconsideration

Councilmember Noecker moved reconsideration of previously approved resolution RLH RR 17-19. Yeas - Nays - 0

## **RLH RR 17-19**

Ordering the rehabilitation or razing and removal of the structures at 412 GOODRICH AVENUE within fifteen (15) days after the July 19, 2017 City Council public hearing. (Public hearing continued from March 21) (To be referred to Legislative Hearing on October 23)

Legislative Hearing Officer Marcia Moermond said the resolution was inadvertently adopted, when the intention was to refer the matter to Legislative Hearings on January 9, 2018.

Councilmember Noecker made that motion.

### Reconsidered; referred to Legislative Hearings on January 9, 2018

Voa.

 Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember Noecker and Councilmember Prince

**Nay:** 0

#### **ADJOURNMENT**

Council President Stark moved adjournment.

# Meeting adjourned

**Yea:** 7 - Councilmember Bostrom, Councilmember Brendmoen, Councilmember Thao, Councilmember Tolbert, Councilmember Stark, Councilmember

Noecker and Councilmember Prince

**Nay**: 0

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