CITY OF SHOREVIEW
AGENDA
CITY COUNCIL WORKSHOP
Monday September 21, 2026
5:00 PM

Under MN Statutes 13D.02 and city policy, council members may participate remotely.

1. **GENERAL BUSINESS**
   - 1.a Joint city council and parks and recreation commission meeting.
   - 1.b Discussion on local sales tax authority
   - 1.c Temporary RV Occupancy

2. **OTHER ISSUES & LIAISON UPDATES**

3. **ADJOURNMENT**

Memorandum

TO: City Council Workshop

FROM: Steve Benoit , Parks and Recreation Director

DATE: September 21, 2026

SUBJECT: Joint city council and parks and recreation commission meeting.

ITEM NUMBER: 1.a

SECTION: GENERAL BUSINESS

REQUESTED MOTION

INTRODUCTION

DISCUSSION

The city council has requested to meet with the parks and recreation commission to discuss what objectives the commission should prioritize over the next two years. At the last meeting, the parks and recreation commission along with staff reviewed the previous plan and updated it for the next two years.

The objectives are listed in two categories. The projects category lists priories developed from the master park system plan and capital improvement plan development process. The initiatives category is a list of policy development and programs that impact both the parks system as well as the community center operations.

At the last commission meeting it was discussed that some of the objectives while important, were very general in nature. An additional category of ongoing focus areas was created moving forward to recognize these objectives.

RECOMMENDATION

ATTACHMENTS

Parks and Recreation Commission Objectives 2026-28.pdf

Draft Parks and Recreation Commission Two Year Project List 2026-28

Park Projects Continued from last 2-Year Plan

- McCullough Park renovation
- Dugouts
- Commons play features
- Signage and wayfinding
- Park light study
- Future park/building funding

New Park Projects

- Future of outdoor ice skating – covered rink discussion
- Shoreview Commons tennis and pickleball court

Community Center Projects Continued from last 2-Year Plan

- Community Center Space Audit

New Community Center Projects

- Tropics indoor waterpark boat slide replacement
- Meeting room renovation

Initiatives Continued from last 2-Year Plan

- Community Center fees – cost recovery expectation
- Fee assistance program
- Athletic field usage audit
- Recreation program audit
- Budget overview

New Initiatives

- Memorial program
- Sponsorship program
- Slice of Shoreview advisory board

Ongoing General Focus Areas

- Sustainability and conservation
- Collaboration with neighboring cities and counties
- Community engagement

Memorandum

TO: City Council Workshop

FROM: Brad Martens , City Manager

DATE: September 21, 2026

SUBJECT: Discussion on local sales tax authority

ITEM NUMBER: 1.b

SECTION: GENERAL BUSINESS

REQUESTED MOTION

INTRODUCTION

The City Council recently discussed the opportunity request legislative approval of a local sales tax authority at the June 15, 2026 workshop. The purpose of this continued discussion is to further review the topic and consider directing staff to take additional action.

DISCUSSION

Cities have the ability to adopt a local sales tax to use for regionally significant capital projects by following a strict procedure as outlined in Minnesota state law. The process is as follows:

- City Council adopts a resolution proposing the tax
- Submit adopted resolution to the House and Senate Taxes committee and appropriate subcommittees by January 31st
- Receive legislative approval by passage of a special law to enact the sales tax
- City Council adopts a resolution accepting the new law
- Hold a city referendum during a general election within two years of receiving legislative authority
- City Council adopts an ordinance imposing the tax

In order to understand the impact of imposing a local sales tax, a report was commissioned by the University of Minnesota Extension for Community Vitality. The report was to show the impact of imposing a half-cent (.05 percent) sales tax. The study shows the following outcomes based upon 2023 sales and use tax data:

- It is estimated that non-residents would pay for 48.3% of the tax; Shoreview residents would pay 51.7%
- The average Shoreview resident would pay $15.30 in taxes in 2023 if the tax had been established
    - Using the average household size of 2.31, this would amount to $35.34 annually per household
- The taxes generated using 2023 data are estimated at $810,000 annually
    - According to extension office staff, this number would likely be 10-15% larger as it does not include online sales
    - MN Department of Revenue requires an administrative fee that is less than one-percent

In Ramsey County, the cities of St. Paul and Roseville have adopted local sales tax. Below are the sales tax rates for Ramsey County cities and a link to a Minnesota Department of Revenue sales tax rate map

- St. Paul: 9.875%; including a 1.5% city tax
- Roseville: 8.875%; including a .5% city tax
- All other Ramsey County cities: 8.375%; no city tax
- https://taxmaps.state.mn.us/salestax/

Since the last discussion, additional information has been obtained which staff would like to review with the city council and seek further direction.

As discussed previously, the sales tax may only be used for "regionally significant" projects which are specifically listed in the approvals. A recommended focus for the use of sales tax funds would be to pay for parks amenities which are commonly used by those outside of the Shoreview community in addition to our residents. A draft local sales tax project list is attached to this report for consideration. Specific cost estimates are needed for a majority of these items.

Additionally, since the last discussion, meetings have been held with our legislative delegation to understand potential support for this initiative as legislative authorization is required. At a high level, legislators offered their support for the proposal, however the level of support would ultimately depend on the request including final details on projects and cost.

Should the city council desire to move forward with a request to the legislature the next steps would be the following:

1. Develop a refined proposed project list, including cost estimate and timeline
2. Develop finance plan
3. Develop supporting information proving regional significance
4. Finalize proposed language for adoption in collaboration with legislative staff
5. Adopt a resolution proposing the tax
6. Seek legislative approval in the 2027 or 2028 legislative session

Due to the intensity of work that would need to happen prior to the 2027 legislative session, additional staff support would be required. This could be accomplished through hiring a consultant who would work at the direction of the city manager. It is anticipated that this work would cost between $5,000 and 7,500.

Staff is looking for direction on two specific items prior to proceeding forward:

1. Confirmation this is a priority of the City Council
2. Feedback on the proposed project list
3. Direction on the urgency of moving forward with this request in the 2027 legislative session as opposed to the 2028 legislative session

RECOMMENDATION

ATTACHMENTS

Process to Obtain Local Sales Tax Authority - League of Minnesota Cities.pdf
Local Option Sales Tax Analysis for Shoreview MN.pdf
Draft local sales tax project list.pdf

Process to Obtain Local Sales Tax Authority

INFORMATION MEMO

Published: July 9, 2025

Please note: The moratorium on local sales taxes expired on May 31, 2025, and cities may submit requests to the legislature during the 2026 legislative session.

Cities need to follow strict rules and procedures to get legislative authority for the creation of a local sales tax. Cities seeking local sales tax authority must file requests with legislators on the House and Senate Taxes committees by Jan. 31.

The city must submit a resolution proposing the local sales tax, details on the projects that will be funded by the tax, and documentation on regional significance. Cities may request legislative authority to impose a local sales tax to fund up to five capital projects of "regional significance" (Minn. Stat. § 297A.99).

Projects of Regional Significance

Local option sales taxes can only be used for "regionally significant" capital projects. State law limits these projects to "a single building or structure, including associated infrastructure needed to safely access or use the building or structure; improvements within a single park or named recreation area; or a contiguous trail." In recent years, several of the requests were modified to exclude road and other infrastructure projects, on the basis that those projects are not "regionally significant" and can be financed, at least in part, with other revenue sources.

Steps of the statutory process

To impose a general local sales tax, a city must take the following steps:

1. **Adopt a resolution.** The city council must first adopt a resolution proposing the tax. The resolution must include the proposed tax rate, documentation of the "regional significance" of each project to be funded, the amount to be raised with the tax, and the estimated length of time the tax will be needed (Stat. § 297A.99, subd. 2).
2. **Submit resolution and supporting materials to state tax committees.** The city is required to submit the adopted resolution, details on the projects, and documentation on regional significance to the chairs and ranking minority members of the House and Senate Taxes committees and appropriate subcommittees by Jan. 31 of the year that it is seeking the special law.
3. **Get legislative authorization.** The city must secure the passage of a special law authorizing the enactment of the local sales tax. The city would typically work with its local legislators to introduce special legislation (Stat. § 297A.99, subd. 3).

4. **Adopt a resolution.** After approval, the city must adopt a resolution accepting the new law. The city must also file the resolution and a local approval certificate with the Office of the Secretary of State before the next legislative biennium begins.
    - Download a Model Local Approval Certificate (pdf)
    - Submit the resolution and local approval certificate on the website of the Office of the Secretary of State
5. **Hold a referendum.** The city must conduct a referendum during a general election within two years of receiving legislative authority for the local sales tax. The referendum must include separate questions for each project, and only the ballot questions approved by voters may be funded by the sales tax (Stat. § 297A.99, subd. 3).
6. **Pass an ordinance.** The city council must pass an ordinance imposing the tax. It must also notify the commissioner of Revenue at least 90 days before the first day of the calendar quarter that the tax will be imposed.

Spending restrictions on referendum

State law restricts cities' spending of funds to promote the passage of a local sales tax referendum (Minn. Stat. § 297A.99, subd. 1(d)). Cities may only spend money to:

- Give residents the information that is contained in the local sales tax resolution, including information on specific projects and costs of those projects.
- Conduct public forums on the sales tax and projects to be funded, provided that proponents and opponents are given equal time to express their opinions.
- Provide facts on the proposed projects and the impact of the proposed tax on consumers.
- Conduct the required referendum.

Notification requirements

A city with a local sales tax must notify the public about the local sales tax in specific ways (Minn. Stat. § 297A.99, subd. 12a):

- **Provide notice on the city website.** The city must post a notice on its official city website that residents and businesses in the city may owe a local use tax on purchases of goods and services made outside of the political subdivision limits. The notice must provide information, including a link to any relevant Department of Revenue website, on how the taxpayer may get information and forms necessary for calculating and paying the tax. The city must display a link to this notice on the homepage of its website.
- **Provide notice on billing statements.** If the city provides and bills for sewer, water, garbage collection, or other public utility services, the billing statement must also include at least once per year a notice that residents and businesses may owe a local use tax on purchases made outside of the political subdivision limits. The notice must also explain how the taxpayer may get information and forms necessary for calculating and paying the tax.

Resources

The League worked with legislative staff and the Minnesota Department of Revenue to develop a model resolution that fulfills the requirements of the law. Your city may want to use the model if it is considering a local sales tax request.

Download the model resolution (doc)

If you have questions about the statutory process outlined above, contact one of the League's Intergovernmental Relations staff.

For more information and assistance with the local sales tax process, you may also contact the Minnesota Department of Revenue's Local Government Services Unit at localgovernmentservices.mdor@state.mn.us or (651) 556-6117.

Learn more about the required local sales tax process from the Minnesota Department of Revenue website

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Your LMC Resource

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EXTENSION CENTER FOR COMMUNITY VITALITY

Local Option Sales Tax Analysis for Shoreview, MN

ESTIMATED CONTRIBUTIONS OF RESIDENTS AND NON-RESIDENTS TO A LOCAL OPTION SALES TAX

Authored by Eric King

REPORT SPONSOR: SHOREVIEW, MINNESOTA

Local Option Sales Tax Analysis for Shoreview

ESTIMATED CONTRIBUTIONS OF RESIDENTS AND NON-RESIDENTS TO A LOCAL OPTION SALES TAX

December 2025

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Sponsor:
City of Shoreview

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SUMMARY OF FINDINGS

University of Minnesota Extension conducted a study to estimate the proportion of sales proceeds attributed to both Shoreview residents and non-residents.

Using 2023 sales and use tax data available from the Minnesota Department of Revenue (MN Revenue), Extension estimated that non-residents account for 48.3 percent of taxable sales subject to a local option sales tax (LOST).

In 2023, total taxable sales in Shoreview were $219.87 million. MN Revenue analysts estimate that 73.69% of taxable sales would be subject to a LOST. With 48.3 percent of sales derived from non-resident spending, Extension estimated that Shoreview residents spent $83.8 million of the total $162.0 million in taxable sales subject to a LOST.

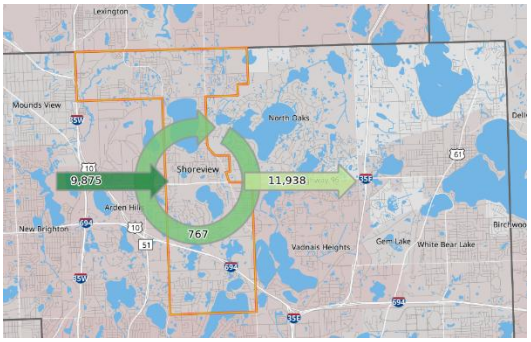
If the tax were in place in 2023, a 0.5 percent local option sales tax would have garnered $810,000 thousand in tax proceeds according to MN Department of Revenue analysts. Shoreview residents would have contributed $418,770 in taxes, and non-residents would have contributed $391,230 in 2023. Based on these estimates, each Shoreview resident would have paid, on average, an additional $15.30 in sales tax in 2023.

This report is based on a trade area analysis comparing actual taxable sales to potential sales. This is calculated by multiplying the Shoreview population in 2023 (MN Demographic Center) by the Minnesota average per capita sales for each category, and then adjusting for the county's personal income factor. This initial analysis provided an estimate of retail and service purchases made by Shoreview residents. For each merchandise group, the estimates for two types of purchasers—city residents and others—were calculated and adjusted considering the area economy. These adjustments were based on informed estimates and were aimed, in part, at reducing potential overestimates of the sales tax share attributable to non-residents. Assumptions and calculations are included for major retail and service categories so local decision makers can adjust totals if they have more nuanced insight.

Several factors and features of Shoreview' economy helped frame the analysis for the different merchandise categories:

- Residents of nearby communities can easily access Shoreview businesses. For this analysis, cross-hauling has the general effect of increasing non-resident spending as Shoreview is a central shopping hub in the region.
- Shoreview has less workers entering the city for employment than residents who leave for work (Figure 1). In this dynamic, commuters often shop for goods and services near where they work and those commuting into the city purchase in the city.

Figure 1: Shoreview worker in-flow and out-flow



Inflow and outflow of wage earners.

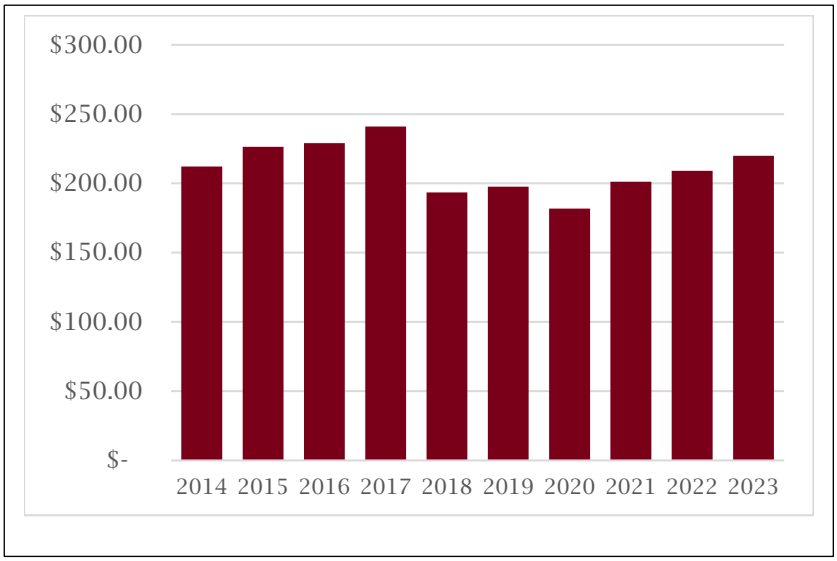
Source: 2022 U.S. Census Bureau On-The-Map

Figure 2 shows the estimated percentage of sales—across all merchandise categories—attributed to both residents and non-residents in 2023. These estimates are based on the adjusted analysis to more accurately reflect the city's economic and consumption circumstances. Based on these findings, Extension estimates city residents represent 51.7 percent of all taxable retail and service sales subject to the tax ($83.8 million), and the remaining 48.3 percent ($78.2 million) are attributed to non-residents.

Figure 2: Estimated 2023 Taxable Sales Subject to LOST

	Taxable Sales	Percent of Sales
City residents	$83,754,000	51.7%
Non-residents	$78,246,000	48.3%

Figure 3: Total taxable sales in Shoreview from 2014-2023



Source: Minnesota Department of Revenue

The total taxable sales in the city rose through 2017, with a large decrease in total taxable sales in 2018 (Figure 3). Total sales have steadily increased in the years since the 2020 global pandemic. This provides some sense of the stability and trajectory of a LOST going forward.

Extension forecasted taxable sales subject to the local tax for 2023, 2024, and 2025 using a simple exponential smoothing forecast model that employs a moving weighted average and a 95% confidence interval to provide an upper and lower bound to the estimate (Figures 5 and 6). This model estimates total tax proceeds in 2024 to be between an upper limit of $852,526 and a lower limit of $593,577.

Considering the historic disruption of the pandemic and its uneven effect on business categories, this forecast is an unlikely scenario based only on past trends. National evidence shows that home-focused businesses like food, building materials, furniture, and general merchandise did well through the pandemic, whereas dining, accommodations, and amusement saw record sales decreases. The increase in sales over the previous three years further complicates any forecast, though based on historical data, movement towards the Upper Confidence Bound seems more likely than forecast.

Figure 5: Forecast for Tax Proceeds based on Past Trends 2014 to 2023

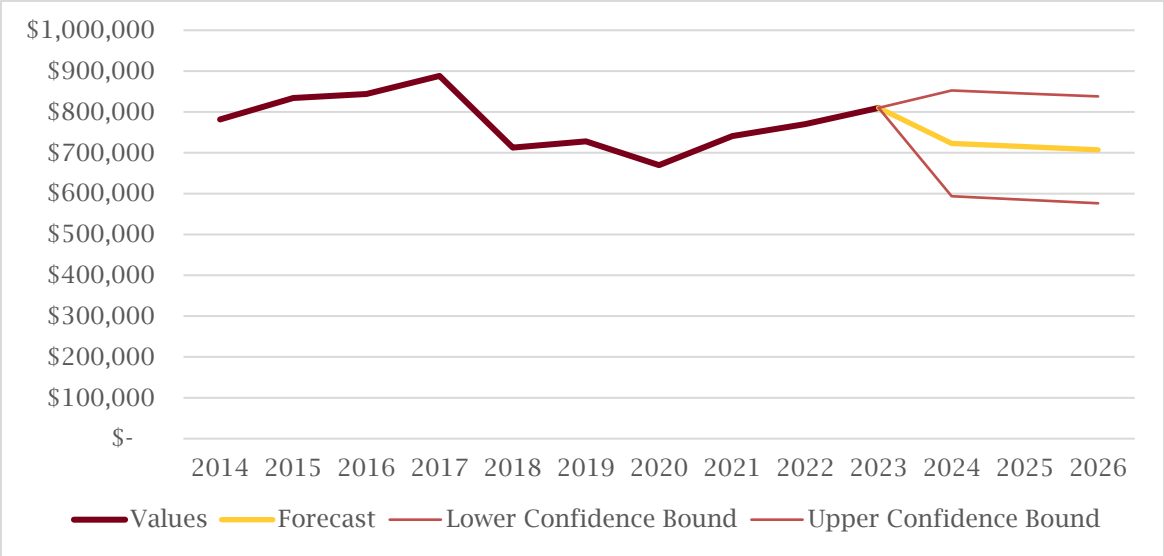


Figure 6: Forecast with Upper and Lower Bound 2023-25

	Forecast	Lower Bound	Upper Bound
2024	$723,041	$593,557	$852,526
2025	$715,090	$584,947	$845,233
2026	$707,138	$576,327	$837,950

Use taxes also affect the tax proceeds from a local option sales tax. Use taxes derive from businesses purchasing products from out-of-state sources and in other Minnesota locations. Use taxes are often less consistent and more difficult to estimate accurately than sales taxes. In 2023, the city received $377,397 in use (not sales) tax proceeds. It would have garnered $27,955 for a LOST at the 0.5 percent rate.

Policymakers must also consider the impacts that a LOST may have on consumer purchasing behavior, particularly whether it will result in a loss of consumer purchases to other jurisdictions. Extension examined records of 11 cities that enacted a local option sales tax between 1999 and 2006 (information available on the Minnesota Department of Revenue website). Records do not indicate a major purchasing change due to the additional sales tax, and most of the jurisdictions have shown continued sales growth (see Appendix A). These communities, however, may not be comparable to Shoreview. All communities included in this analysis are located outside the Twin Cities metro area and may retain more shoppers than communities in the metro area where one can easily switch spending from one jurisdiction to another.

BACKGROUND AND METHODOLOGY

Community economics educators at University of Minnesota Extension provide applied research and education to help community and business partners make better informed decisions. In recent years, Minnesota has adopted laws enabling local governments to enact a local option sales tax. Extension has assisted these administrations in estimating their potential tax proceeds and the portion of taxes paid by local residents.

This report estimates the proportion of tax proceeds generated by Shoreview residents compared to non-residents. The most recently available state sales tax data (2023) from the Minnesota Department of Revenue (MN Revenue) was used.

Trade Area Analysis and Calculations

Extension conducted a trade area analysis of retail and service sales in select merchandise categories, estimating the amount of taxable sales subject to sales taxes made by both local residents and non-residents. Use tax is a much smaller portion of the total collection compared to sales tax proceeds. It is also estimated using a different formula.

Extension calculated potential sales for the city in each merchandise category and compared this calculation to actual taxable sales from the Minnesota Department of Revenue sales tax statistics for the same category. Actual sales greater than potential sales indicate the city attracts sales from outside its boundaries or has sales greater than one would expect from its residents. Extension used the difference between potential and actual sales to set reasonable estimates of spending by residents and non-residents across all categories. These estimates also helped inform adjustments for each category.

Potential sales calculations are based on average statewide spending by merchandise category and the population of the city, then adjusted by the level of income in Shoreview. Specifically, potential sales result from city population, state per capita taxable sales, and the index of income (see sidebar and Appendix B).

The following section details the initial and adjusted trade area calculations for all merchandise categories. The sections labeled "Analysis with Adjustments" lists the final estimate of sales generated by non-residents. A rationale for adjustments and conclusions is also included.

Potential sales estimate the dollar amounts for purchases made by local residents *if* local residents spend as much as the average Minnesota resident.

Potential sales are calculated by the following formula:
(T ÷ PMn) x PO x (YWC ÷YMn) = potential sales

T = Total Minnesota taxable sales for a merchandise category

PMn = 2023 population of Minnesota (5,800,386)

PO = 2023 population of Shoreview (27,369)

YWC = Per capita income of Shoreview residents ($69,310)

YMn = Per capita income of Minnesota residents ($72,557)

Online sales have been left out of the estimates for this analysis as data for these types of transactions by jurisdiction are not available before a local option sales tax is enacted. After a local option sales tax is enacted, sales tax is collected for online sales for delivered purchases. Extension estimates about 10-15% of sales are made online by households. This additional revenue is not included in this analysis.

TRADE AREA ANALYSIS BY MERCHANDISE CATEGORY

The following pages provide detailed analysis by merchandise category.

Vehicles and Parts

N/A percent of total taxable retail and service sales

The **n/a businesses** in this retail category include repair parts, snowmobiles, boats, trailers, and recreational vehicles. *Sales of cars and other on-road vehicles are not included in this category since they are subject to a different tax.*

	($Millions)
Actual taxable sales	$ -
-Potential sales	$ -
= $ variance	$ -
= as % of potential	%

Unadjusted Trade Area Analysis

Potential taxable sales to residents	$ -
Surplus	$ -
Total	$ -
Surplus percentage	%

Analysis with Adjustments

Capture rate of Shoreview residents	%
Residents' $ share	$ -
Non-Residents' $ share	$ -
Total	$ -
Non-resident share per group	%

Analysis for Vehicles and Parts

There are no businesses in this category. If businesses do exist, Department of Revenue suppresses data for categories with four or fewer businesses.

Building Materials

N/A percent of total taxable retail and service sales

These **n/a businesses** sell lumber, hardware, paint, wallpaper, tile, hardwood floors, roofing, fencing, ceiling fans, lawn equipment, and garden items.

	($Millions)
Actual taxable sales	$ -
Potential sales	$ -
= $ variance	$ -
= as % of potential	%

Unadjusted Trade Area Analysis

Potential sales to residents	$ -
Surplus	$ -
Total	$ -
Non-resident share per group	%

Analysis with Adjustments

Capture rate of Shoreview residents	%
Residents' $ share	$ -
Non-residents' $ share	$ -
Total	$ -
Non-resident share per group	%

Analysis for Building Materials

There are no businesses in this category. If businesses do exist, Department of Revenue suppresses data for categories with four or fewer businesses.

Food and Groceries

9.7 percent of total taxable retail and service sales

The **8 businesses** in this merchandise group include grocery stores, delis, bakeries, and butcher shops that sell food to be prepared at home. Liquor stores are also included in this group.

	($Millions)
Actual taxable sales	$13.52
- Potential sales	$20.93
= $ variance	($7.40)
= as % of potential	-35.4%

Unadjusted Trade Area Analysis

Potential sales to residents	$20.93
Surplus	($7.40)
Total	$13.52
Non-resident share per group	-54.7%

Analysis with Adjustments

Capture rate of Shoreview residents	48%
Residents' $ share	$10.14
Non-residents' $ share	$3.38
Total	$13.52
Non-resident share per group	25.0%

Analysis for Food and Groceries

Food and grocery businesses account for 9.7 percent of total taxable retail and service sales. This merchandise group includes eight establishments such as grocery stores, delis, bakeries, butcher shops, and liquor stores that primarily sell food intended for home preparation. Actual taxable sales total $13.52 million, compared to $20.93 million in estimated potential sales, resulting in a sales gap of $7.40 million. This represents a leakage of 35.4 percent relative to potential demand, indicating that a substantial share of local food and grocery spending is occurring outside the trade area. Extension estimates a 48 percent capture rate for Shoreview residents. Based on this capture rate, residents account for approximately $10.14 million of total sales, while non-residents contribute an estimated $3.38 million. Total sales remain $13.52 million, and the non-resident share is 25.0 percent. This analysis indicates that while resident spending capture is limited, a meaningful portion of sales is supported by non-resident customers, partially offsetting resident leakage but not fully closing the overall gap between actual and potential sales.

Furniture Stores, Electronics, and Appliances

0.1 percent of total taxable retail and service sales*

These **7 businesses** primarily include household-type appliances, sewing machines, cameras, computers, other electronic goods, furniture, beds, carpeting, window coverings, kitchenware, and wood-burning stoves.

	($Millions)
Actual taxable sales	$0.20
-Potential sales	$22.42
= $ variance	($22.22)
= as % of potential	-99.1%

Unadjusted Trade Area Analysis

Potential sales to residents	$22.42
Surplus	($22.22)
Total	$0.20
Non-resident share per group	-10975.8%

Analysis with Adjustments

Capture rate of Shoreview residents	1%
Residents' $ share	$0.19
Non-residents' $ share	$0.01
Total	$0.20
Non-resident share per group	5.0%

Analysis for Furniture Stores, Electronics, and Appliances

Furniture stores, electronics, and appliance retailers account for just 0.1 percent of total taxable retail and service sales. This merchandise group includes seven businesses selling household appliances, electronics, computers, furniture, bedding, carpeting, window coverings, kitchenware, and related durable household goods. Actual taxable sales total $0.20 million, compared to estimated potential sales of $22.42 million, resulting in a sales gap of $22.22 million. This represents a leakage of 99.1 percent relative to potential demand, indicating that nearly all resident spending in this category is occurring outside the local market. Extension estimates the capture rate of Shoreview residents at just 1 percent. Based on this capture rate, residents contribute approximately $0.19 million in sales, while non-residents account for roughly $0.01 million. Total sales remain $0.20 million, and the adjusted non-resident share is reduced to 5.0 percent. The adjusted analysis confirms that this retail category functions almost entirely as an unmet local demand area, with negligible resident capture and minimal reliance on non-resident spending.

General Merchandise Stores

N/A percent of total taxable retail and service sales*

The **n/a businesses** in this category sell general merchandise and are unique because they have the equipment and staff needed to sell a large variety of goods from a single location. This includes department stores, superstores, dollar stores, and variety stores.

	($Millions)
Actual taxable sales	$ -
potential sales	$ -
= $ variance	$ -
= as % of potential	%

Unadjusted Trade Area Analysis

Potential sales to residents	$ -
Surplus	$ -
Total	$ -
Non-resident share per group	%

Analysis with Adjustments

Capture rate of Shoreview residents	%
Residents' $ share	$ -
Non-Residents' $ share	$ -
Total	$ -
Non-resident share per group	%

Analysis for General Merchandise Stores

There are no businesses in this category. If businesses do exist, Department of Revenue suppresses data for categories with four or fewer businesses.

Health and Personal Items

0.1 percent of total taxable retail and service sales

Stores selling prescription drugs, food supplements, vision supplies, cosmetics, and hearing aids are among the **5 businesses** included in this merchandise group.

	($Millions)
Actual taxable sales	$0.08
Potential sales	$4.88
= $ variance	($4.80)
= as % of potential	-98.4%

Unadjusted Trade Area Analysis

Potential sales to residents	$4.88
Surplus	($4.80)
Total	$0.08
Non-resident share per group	-6312.5%

Analysis with Adjustments

Capture rate of Shoreview residents	1%
Residents' $ share	$0.07
Non-residents' $ share	$0.00
Total	$0.08
Non-resident share per group	5.0%

Analysis for Health and Personal Items

Health and personal item retailers account for 0.1 percent of total taxable retail and service sales. This merchandise group includes five businesses selling prescription drugs, food supplements, vision supplies, cosmetics, and hearing aids. Actual taxable sales total $0.08 million, compared to estimated potential sales of $4.88 million, resulting in a sales gap of $4.80 million. This represents a leakage of 98.4 percent relative to potential demand, indicating that nearly all resident spending in this category is occurring outside the local market. Extension estimates the capture rate of Shoreview residents at 1 percent. Based on this capture rate, residents contribute approximately $0.07 million in sales, while non-resident spending is effectively negligible. Total sales remain $0.08 million, and the adjusted non-resident share is estimated at 5.0 percent. The adjusted analysis indicates that this category functions almost entirely as an unmet local demand area, with minimal resident capture and little reliance on non-resident spending.

Gas/Convenience Stores

2.1 percent of total taxable retail and service sales

This merchandise group covers **8 businesses** selling convenience items at a store that also sells fuel.

	($Millions)
Actual taxable sales	$2.97
-Potential sales	$9.41
= $ variance	($6.43)
= as % of potential	-68.4%

Unadjusted Trade Area Analysis

Potential sales to residents	$9.41
Surplus	($6.43)
Total	$2.97
Non-resident share per group	-216.3%

Analysis with Adjustments

Capture rate of Shoreview residents	28%
Residents' $ share	$2.68
Non-residents' $ share	$0.30
Total	$2.97
Non-resident share per group	10.0%

Analysis for Gas/Convenience Stores

Gas and convenience stores account for 2.1 percent of total taxable retail and service sales. This merchandise group includes eight businesses selling convenience items at locations that also sell fuel. Actual taxable sales total $2.97 million, compared to estimated potential sales of $9.41 million, resulting in a sales gap of $6.43 million. This represents a leakage of 68.4 percent relative to potential demand, indicating that a majority of resident spending in this category occurs outside the local market. Extension estimates the capture rate of Shoreview residents at 28 percent. Based on this capture rate, residents contribute approximately $2.68 million in sales, while non-residents account for an estimated $0.30 million. Total sales are $2.97 million, and the adjusted non-resident share is 10.0 percent. The adjusted analysis suggests that while non-resident spending plays a minor role, the category primarily serves local residents and experiences significant leakage due to limited resident capture.

Apparel/Clothing

0.3 percent of total taxable retail and service sales

This merchandise group includes **7 businesses** selling new clothing and accessories, jewelry, shoes, bridal items, clocks, and luggage.

	($Millions)
.9Actual taxable sales	$0.40
Potential sales	$5.07
= $ variance	($4.66)
= as % of potential	-92.0%

Unadjusted Trade Area Analysis

Potential sales to residents	$5.07
Surplus	($4.66)
Total	$0.40
Non-resident share per group	-1154.6%

Analysis with Adjustments

Capture rate of Shoreview residents	7%
Residents' $ share	$0.36
Non-residents' $ share	$0.04
Total	$0.40
Non-resident share per group	10.0%

Analysis for Apparel/Clothing

Apparel and clothing retailers account for 0.3 percent of total taxable retail and service sales. This merchandise group includes seven businesses selling new clothing and accessories, jewelry, shoes, bridal items, clocks, and luggage. Actual taxable sales total $0.40 million, compared to estimated potential sales of $5.07 million, resulting in a sales gap of $4.66 million. This represents a leakage of 92.0 percent relative to potential demand, indicating that the vast majority of resident spending in this category occurs outside the local market. Extension estimates the capture rate of Shoreview residents at 7 percent. Based on this capture rate, residents contribute approximately $0.36 million in sales, while non-residents account for an estimated $0.04 million. Total sales remain $0.40 million, and the adjusted non-resident share is 10.0 percent. The adjusted analysis indicates that this category primarily serves local residents at a very limited scale and functions largely as an unmet area of consumer demand.

Leisure Goods, All Other Miscellaneous Retail

1.6 percent of total taxable retail and service sales

43 businesses are part of this group, including florists, used merchandise stores, pet supply stores, sporting goods, books, music, hobby items, fabrics, toys, and other retailers.

	($Millions)
Actual taxable sales	$2.25
Potential sales	$18.91
= $ variance	($16.66)
= as % of potential	-88.1%

Unadjusted Trade Area Analysis

Potential sales to residents	$18.91
Surplus	($16.66)
Total	$2.25
Non-resident share per group	-739.5%

Analysis with Adjustments

Capture rate of Shoreview residents	11%
Residents' $ share	$2.03
Non-residents' $ share	$0.23
Total	$2.25
Non-resident share per group	10.0%

Analysis for Miscellaneous Retail

Leisure goods and other miscellaneous retail account for 1.6 percent of total taxable retail and service sales. This merchandise group includes 43 businesses such as florists, used merchandise stores, pet supply retailers, sporting goods stores, book and music sellers, hobby shops, fabric and toy stores, and other specialty retailers. Actual taxable sales total $2.25 million, compared to estimated potential sales of $18.91 million, resulting in a sales gap of $16.66 million. This represents a leakage of 88.1 percent relative to potential demand, indicating that most resident spending in this category occurs outside the local market. Extension estimates the capture rate of Shoreview residents at 11 percent. Based on this capture rate, residents contribute approximately $2.03 million in sales, while non-residents account for an estimated $0.23 million. Total sales remain $2.25 million, and the adjusted non-resident share is 10.0 percent. The adjusted analysis indicates that this category largely serves local residents but captures only a small share of resident demand, resulting in substantial leakage to other retail markets.

Amusement and Recreation

0.3 percent of total taxable retail and service sales*

The **5 businesses** in this group include casinos, bowling lanes, water parks, amusement parks, arcades, bingo halls, golf courses, ski slopes, marinas, dance or fitness centers, recreational clubs, ice rinks, swimming pools, roller rinks, etc.

	($Millions)
Actual taxable sales	$0.39
Potential sales	$10.51
= $ variance	($10.12)
= as % of potential	-96.3%

Unadjusted Trade Area Analysis

Potential sales to residents	$10.51
Surplus	($10.12)
Total	$0.39
Non-resident share per group	-2616.7%

Analysis with Adjustments

Capture rate of Shoreview residents	2%
Residents' $ share	$0.25
Non-residents' $ share	$0.14
Total	$0.39
Non-resident share per group	35.0%

Analysis for Amusement and Recreation

Amusement and recreation businesses account for 0.3 percent of total taxable retail and service sales. This merchandise group includes five businesses such as casinos, bowling lanes, water parks, amusement parks, arcades, bingo halls, golf courses, ski slopes, marinas, dance or fitness centers, recreational clubs, ice rinks, swimming pools, and similar facilities. Actual taxable sales total $0.39 million, compared to estimated potential sales of $10.51 million, resulting in a sales gap of $10.12 million. This represents a leakage of 96.3 percent relative to potential demand, indicating that nearly all resident spending on amusement and recreation occurs outside the local market. Extension estimates the capture rate of Shoreview residents at 2 percent. Based on this capture rate, residents contribute approximately $0.25 million in sales, while non-residents account for an estimated $0.14 million. Total sales remain $0.39 million, and the adjusted non-resident share increases to 35.0 percent. The adjusted analysis indicates that while overall sales are minimal relative to resident demand, a notable portion of existing activity is supported by non-resident users, suggesting limited but measurable attraction beyond the local population within an otherwise highly unmet market.

Accommodations

6.2 percent of total taxable retail and service sales

These **4 businesses** provide lodging or short-term accommodations for travelers, vacationers, and others. Included are hotels, motels, lodges, bed & breakfasts, campgrounds, fraternities, boarding houses, and dormitories.

	($Millions)
Actual taxable sales	$8.66
Potential sales	$11.81
= $ variance	($3.15)
= as % of potential	-26.7%

Unadjusted Trade Area Analysis

Potential sales to residents	$11.81
Surplus	($3.15)
Total	$8.66
Non-resident share per group	-36.3%

Analysis with Adjustments

Capture rate of Shoreview residents	1%
Residents' $ share	$0.09
Non-residents' $ share	$8.57
Total	$8.66
Non-resident share per group	99.0%

Analysis for Accommodations

Logically, a significant percentage of lodging sales are from non-residents visiting the area or staying overnight for business or vacation. As with previous LOST analyses, Extension set the non-resident share at 90+ percent of sales to allow for resident spending related to events, facility charges, and 'staycations.' A capture rate of 1 percent of Shoreview resident spending in this category was estimated after making adjustments to account for graduations and other large events related to the post-secondary institutions.

Eating/Drinking Establishments

21.8 percent of total taxable retail and service sales

These **32 businesses** sell food at full-service or limited-service establishments. The group includes cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, and street vendors. It also includes bars, taverns, and nightclubs.

	($Millions)
Actual taxable sales	$30.35
Potential sales	$53.83
= $ variance	($23.48)
= as % of potential	-43.6%

Unadjusted Trade Area Analysis

Potential sales to residents	$53.83
Surplus	($23.48)
Total	$30.35
Non-resident share per group	-77.3%

Analysis with Adjustments

Capture rate of Shoreview residents	37%
Residents' $ share	$19.73
Non-residents' $ share	$10.62
Total	$30.35
Non-resident share per group	35.0%

Analysis for Eating/Drinking Establishments

Eating and drinking establishments account for 21.8 percent of total taxable retail and service sales. This merchandise group includes 32 businesses selling food through full-service and limited-service establishments, including cafeterias, bagel shops, ice cream parlors, snack bars, food service contractors, caterers, lunch wagons, and street vendors, as well as bars, taverns, and nightclubs. Actual taxable sales total $30.35 million, compared to estimated potential sales of $53.83 million, resulting in a sales gap of $23.48 million. This represents a leakage of 43.6 percent relative to potential demand, indicating that a substantial share of resident spending on dining and drinking occurs outside the local market despite this category's strong overall presence. Extension estimates the capture rate of Shoreview residents at 37 percent. Based on this capture rate, residents contribute approximately $19.73 million in sales, while non-residents account for an estimated $10.62 million. Total sales remain $30.35 million, and the adjusted non-resident share is 35.0 percent. The adjusted analysis indicates that while this category captures a meaningful portion of resident demand and benefits from non-resident spending, nearly half of potential resident expenditures continue to leak to other markets.

Repair and Maintenance

5.8 percent of total taxable retail and service sales

The **14 businesses** in this group restore machinery, equipment, and other products. The group does not include plumbing or electrical repair services but does encompass auto repair, cameras, televisions, computers, copiers, appliances, lawn mowers, specialized equipment, small engines, furniture, shoes, guns, etc.

	($Millions)
Actual taxable sales	$8.13
Potential sales	$10.36
= $ variance	($2.23)
= as % of potential	-21.5%

Unadjusted Trade Area Analysis

Potential sales to residents	$10.36
Surplus	($2.23)
Total	$8.13
Non-resident share per group	-27.4%

Analysis with Adjustments

Capture rate of Shoreview residents	71%
Residents' $ share	$7.32
Non-residents' $ share	$0.81
Total	$8.13
Non-resident share per group	10.0%

Analysis for Repair and Maintenance

Repair and maintenance services account for 5.8 percent of total taxable retail and service sales. This merchandise group includes 14 businesses that restore machinery, equipment, and other products, including auto repair, electronics, appliances, lawn and garden equipment, small engines, furniture, shoes, firearms, and other specialized items, but excludes plumbing and electrical repair services. Actual taxable sales total $8.13 million, compared to estimated potential sales of $10.36 million, resulting in a sales gap of $2.23 million. This represents a leakage of 21.5 percent relative to potential demand, indicating a comparatively strong level of local market performance. Extension estimates the capture rate of Shoreview residents at 71 percent. Based on this capture rate, residents contribute approximately $7.32 million in sales, while non-residents account for an estimated $0.81 million. Total sales remain $8.13 million, and the adjusted non-resident share is 10.0 percent. The adjusted analysis indicates that this category captures a large share of resident demand, with relatively limited leakage compared to other retail and service categories.

Personal Services/Laundry

0.2 percent of total taxable retail and service sales

The **22 businesses** in this merchandise group include barber shops and beauty parlors, death care services, laundry and dry-cleaning services, and a wide range of other personal services, such as pet care (except veterinary), photofinishing, temporary parking, and dating services.

	($Millions)
Actual taxable sales	$0.31
Potential Sales	$5.31
=$ variance	($5.00)
= as % of potential	-94.1%

Unadjusted Trade Area Analysis

Potential sales to residents	$5.31
Surplus	($5.00)
Total	$0.31
Non-resident share per group	-1586.1%

Analysis with Adjustments

Capture rate of Shoreview residents	6%
Residents' $ share	$0.30
Non-residents' $ share	$0.02
Total	$0.31
Non-resident share per group	5.0%

Analysis for Personal Services/Laundry

Personal services and laundry account for 0.2 percent of total taxable retail and service sales. This merchandise group includes 22 businesses such as barber shops and beauty parlors, death care services, laundry and dry-cleaning establishments, and a wide range of other personal services, including pet care (excluding veterinary services), photofinishing, temporary parking, and dating services. Actual taxable sales total $0.31 million, compared to estimated potential sales of $5.31 million, resulting in a sales gap of $5.00 million. This represents a leakage of 94.1 percent relative to potential demand, indicating that most resident spending on personal services is occurring outside the local market. Extension estimates the capture rate of Shoreview residents at 6 percent. Based on this capture rate, residents contribute approximately $0.30 million in sales, while non-residents account for an estimated $0.02 million. Total sales remain $0.31 million, and the adjusted non-resident share is 5.0 percent. The adjusted analysis indicates that this category functions largely as an unmet local demand area, with minimal resident capture and limited reliance on non-resident spending.

Retail (Non-Store) and Other Services

This section includes taxable sales attributed to North American Industrial Classification System categories 511-813 released by MN Revenue.

	($Millions)
Actual taxable sales	$71.76
% of total taxable retail and service sales In Shoreview	51.6%

Analysis with Adjustments

	($Millions)
Residents' $ share	$43.77
Non-residents' $ share	$27.99
Total	$71.76
Non-resident share per group	39%

Analysis for Retail and Other Services

This group includes non-store retailers (such as direct selling operations), healthcare, waste management, rental/lease services, administrative support, and the performing arts. Some of these categories serve primarily a local market, whereas categories like 541 (professional and technical services) often serve a non-local market. This mix of business types is too diverse to run a trade area analysis for, but Extension estimated an aggregate 39 percent of these sales are to non-resident customers. The categories of sales are shown below:

CATEGORY	TAXABLE SALES	% NON-LOCAL	NON-LOCAL $
454 RETL -NONSTORE RETAILERS	$13,576,420	35%	$4,751,747
531 REAL ESTATE	$21,785	40%	$8,714
541 PROF,SCIENTIFIC,TECH SERV	$6,365,973	35%	$2,228,091
561 ADMIN, SUPPORT SERVICES	$51,111,899	40%	$20,444,760
611 EDUCATIONAL SERVICES	$66,115	40%	$26,446
621 HEALTH -AMBULATORY CARE	$560,646	35%	$196,226
711 PERF ART, SPECTATOR SPRTS	$43,998	40%	$17,599
813 RELIGIOUS,CIVIC,PROF ORGS	$12,892	40%	$5,157
TOTALS	$71,759,728	39%	$27,678,739

Construction, Manufacturing, Utilities, Wholesale Operations, Transportation, and Sales Suppressed for Business Confidentiality

A diverse mix of businesses fall into these non-retail categories, and a portion of sales are within a suppressed or non-disclosed subcategory. These industries and services generate $80.83 million in taxable sales, or 36.8 percent of total taxable sales in Shoreview. A significant portion of this amount would be subject to any new sales taxes, including a local option sales tax.

This category includes utilities that primarily serve a local market and are subject to a local option sales tax. The diversity of firm types included in this category makes it difficult to understand the customer mix of these businesses; however, Extension broke out each known subcategory with an assumption of whether customers paying the taxable sales were non-local:

Category	Taxable Sales	% non-local	$ non-local
CONSTRUCTION	$334,866	60%	$200,919.60
MANUFACTURING	$2,151,411	80%	$1,721,128.80
WHOLESALE	$33,009,100	90%	$29,708,190.00
UNDESIGNATED/SUPPRESSED	$45,331,661	50%	$22,665,830.50
Total	$80,827,038	67%	$54,296,068.90

Extension estimated that, overall, 67 percent of sales are to non-residents. This analysis assumes that some subcategories, such as manufacturing sell primarily (90 percent) to non-resident customers, whereas subcategories like construction split sales between resident and non-resident customers.

Analysis with Adjustments

	($Millions)
Residents' $ share	$26.67
Non-residents $ share	$54.15
Total	$80.83
Non-resident share	67%

APPENDIX A: RESEARCH ON THE EFFECTS OF A LOCAL OPTION SALES TAX

Policymakers are often concerned that enacting a local sales tax will result in a loss of consumer purchases to neighboring communities that have not adopted the tax.

The Minnesota Department of Revenue records the tax collected from a set of Minnesota jurisdictions that have had a local sales or use tax in effect for at least eight years. Most of these cities show continued sales growth. A comparison that includes 11 Minnesota cities adopting a 0.5 percent local option sales tax is offered below (refer to Figures 4, 5, 6, and 7).

Policymakers must determine the best allowable method to raise revenue from a variety of options. One option is raising property taxes, which is not directly related to a household's current income and raises the financial burden of low-income or retired homeowners. Sales taxes raise revenues based on household expenditures, which, in Minnesota, excludes the basic necessities of food and clothing. However, since sales tax raises revenues from non-residents who shop in Shoreview, resident contributions to tax revenues are significantly lower than a tax generated exclusively by local residents, such as a property tax. Policymakers must carefully consider these and other factors before making a decision about enacting a local sales tax.

Figure 4: Taxable retail and service sales by communities that began collecting a local option sales tax from 1999 to 2006

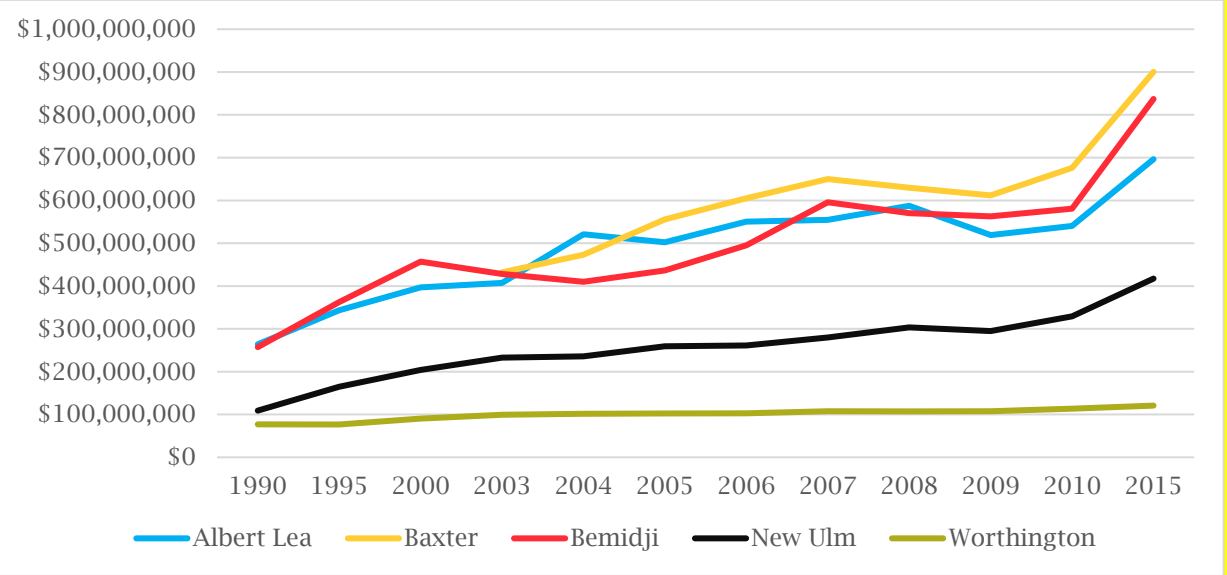


Figure 5: Data table for example communities, taxable retail and service sales (in millions)

Town Name	2015 Population	Year LOST	90	95	00	03	04	05	06	07	08	09	10	15
Albert Lea	18,356	2006	$264	$344	$397	$407	$521	$502	$551	$555	$588	$519	$541	$696
Baxter	8,065	2006				$432	$473	$556	$605	$650	$630	$612	$676	$900
Bemidji	11,917	2005	$257	$362	$457	$428	$410	$437	$495	$596	$570	$563	$581	$837
New Ulm	13,594	1999	$109	$165	$204	$233	$236	$259	$261	$280	$303	$295	$329	$417
Worthington	11,283	2005	$77	$77	$91	$99	$102	$103	$103	$108	$107	$108	$114	$121

Figure 6: Taxable retail and service sales by communities that began collecting a local option sales tax between 2011- 2012

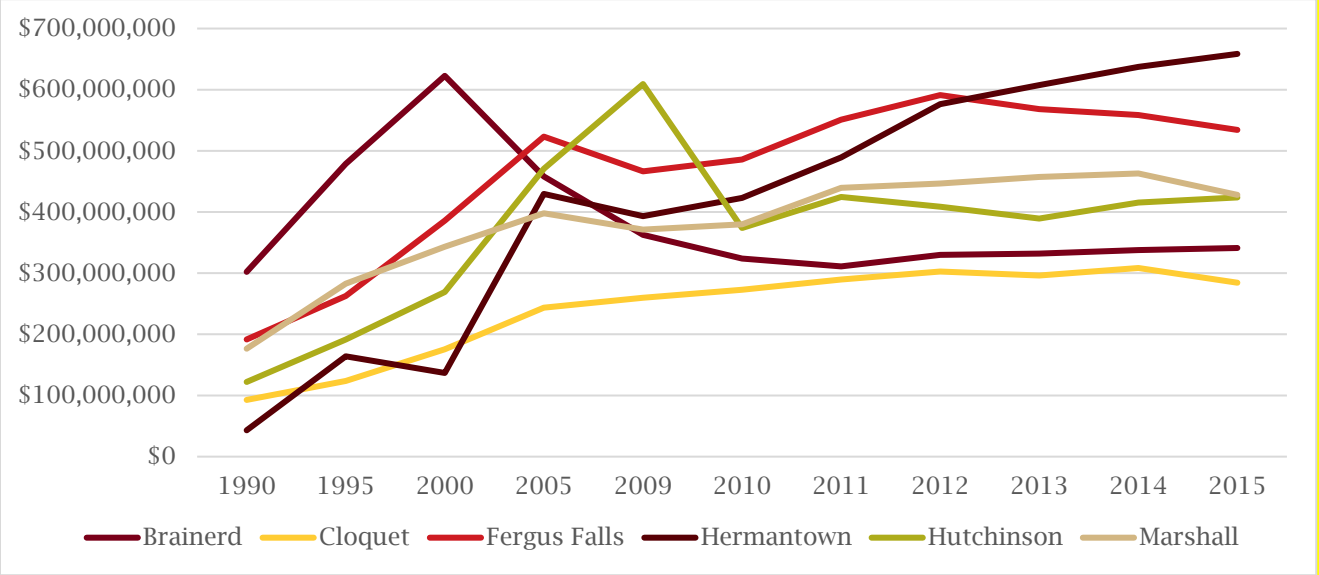


Figure 7: Data table for example communities, taxable retail and service sales (in millions)

Town Name	2015 Pop	Year LOST	90	95	00	05	09	10	11	12	13	14	15
Brainerd	13,178	2011	$302	$479	$623	$458	$362	$324	$311	$330	$332	$338	$341
Cloquet	11,201	2011	$93	$124	$175	$244	$260	$273	$290	$303	$296	$308	$284
Fergus Falls	13,471	2011	$192	$263	$386	$523	$467	$486	$551	$591	$568	$558	$534
Hermantown	7,448	1996 - increase 2012	$43	$164	$137	$430	$393	$423	$489	$576	$607	$637	$659
Hutchinson	13,080	2011	$122	$191	$269	$471	$609	$374	$425	$409	$389	$415	$424
Marshall	12,735	2011	$176	$283	$343	$398	$371	$380	$440	$447	$457	$463	$428

APPENDIX B: DEFINITIONS OF TERMS

Gross sales
Gross sales include taxable sales and exempt businesses with sales and use tax permits. This is the most inclusive indicator of business activity for reporting jurisdictions, but it can be misleading when used in comparisons. At times, non-taxable commodity items (e.g., gasoline) can have large price variations, creating huge swings in gross sales.

Taxable sales
Taxable sales are sales subject to sales tax. Taxable sales exclude exempt items, items sold for resale, items sold for exempt purposes, and items sold to exempt organizations. For the purpose of this study, taxable sales were the focus of the analysis. For more information on what is taxed in Minnesota, see the "Minnesota Sales and Use Tax Instruction Booklet" available at https://www.revenue.state.mn.us/minnesota-tax-handbooks

Taxable retail and service sales
In this study and other retail trade analyses conducted by University of Minnesota Extension, the term “taxable retail and service sales” refers to the North American Industry Classification System (NAICS) numbers of 441 to 454 (retail) and 511 to 812 (most service industries) released by the Minnesota Department of Revenue for a geographic area.

Current and constant dollar sales
Current dollar (or “nominal dollar”) sales are those reported by the state. No adjustment has been made for price inflation. In general, this measure of sales is not satisfactory for comparisons over long periods of time since it does not account for changes in population, inflation, or the state's economy. Constant dollar (or “real dollar”) sales reflect changes in price inflation by adjusting current dollar sales according to the Consumer Price Index (CPI). Constant dollar sales indicate the real sales level with respect to a base year. This is a more realistic method of evaluating sales over time than current dollar comparisons, but it still does not take into consideration changes in population or the state’s economy.

Number of businesses
The number of sales and use tax permit holders who filed one or more tax returns for the year.

Index of income
This index provides a relative measure of income, calculated by dividing local per capita income by state per capita income. The base is 1.00. For example, a 1.20 index of income indicates that per capita income in the area is 20 percent above the state average.

Potential sales
Potential sales are an estimate of the amount of money spent on retail goods and services by residents of a city or county. It is the product of city/county population, state per capita sales, and the index of income (based on the county personal per capita income).

Actual sales
For this study, the Minnesota Department of Revenue’s 2023 sales data for Shoreview provides the actual sales numbers used.

Variance between actual and potential sales
The variance between actual and expected sales is the difference in sales from the "norm" (i.e., the amount above or below the standard established by the expected sales formula). When actual sales exceed expected sales, the study area has a "surplus" of retail sales. When actual sales fall short of expected sales, the study area has a retail sales "leakage." Discrepancies between expected and actual sales occur for a variety of reasons. For this study, we use potential sales per merchandise group to create a first-cut estimate of residents' purchase activities.

Cautions

Gross sales
Gross sales are a comprehensive measure of business activity, but it should be noted the numbers in this report are self-reported. Furthermore, gross sales are not audited by the state of Minnesota. It is believed that gross sales figures are generally reliable, but there is the possibility of distortions, especially in smaller cities where misreporting may have occurred.

Misclassification
Holders of sales and use tax permits select the North American Industry Classification System (NAICS) category that best fits their business. All sales reported by a business is attributed to that selected NAICS category. Regardless of who makes this classification, errors are occasionally made. Also, sometimes a business will start out as one type but evolve over time to a considerably different type. Misclassifications can distort sales among business categories, especially in smaller cities. For example, a furniture store that is classified as a general merchandise store will underreport sales in the furniture store category and over-report sales in the general merchandise category.

Suppressed data
The sales data for merchandise categories that have less than four reporting firms are not reported. This is a measure taken by most states to protect the confidentiality of sales tax permit holders. Sales for suppressed retail categories are placed into the miscellaneous retail category (NAICS 999) and included in total sales but not total sales of a typical retail trade analysis. For this report, however, all taxable sales—including NAICS 999—are part of calculating the amount of special taxes collected.

Consolidated reporting
Vendors with more than one location in Minnesota have the option of filing a separate return for each location or filing one consolidated return for all locations. The consolidated return shows sales made, tax due, and location by study area, and city/county for each business. Data for consolidated filers are combined with data for single-location filers to produce the figures in this report. Occasionally, consolidated reports may not be properly deconstructed, and all sales for a company may be reported for one town or county. Whenever misreporting is discovered, the Minnesota Department of Revenue is contacted to clarify the situation.

Draft local sales tax project list

Regionally significant eligible projects

Shoreview community center

Enhanced Service Hub: Redesign the lower-level service desk and sales office for better traffic flow and a centralized security checkpoint.

Entrance Modernization: Expand and refresh upper/lower entrances to handle large groups; including safety improvements.

Parking & Logistics: Optimize parking capacity and safety, including dedicated zones for buses, field trips, and food trucks.

Strategic Access Control: Implement a lower-level wall to secure the fitness/playground areas while keeping the café and service desks accessible to the public.

Facility Envelope: Add gutters, roof covers for key entrances, and redesign the maintenance/service alley with dumpster screening.

HVAC & Systems: Replace aging HVAC, sand filters, and kitchen appliances; install a pool generator.

Gym Expansion: Add an additional multipurpose gym with an additional track. Upgrade locker rooms, specifically for families.

Playground Light & Nature: Upgrade/replace the indoor playground; incorporate natural light into the indoor playground area.

ADA & Universal Access: Install city hall elevator, upgrade restrooms with lower sinks, add adult sized changing tables, and ensure secure ADA access to the walking track.

Storage & Utility: Significantly increase storage capacity across all departments.

Bobby Theisen Park

Upgrade soccer fields used by associations

Bucher Park

Upgrade baseball fields used by associations

Heritage Park

Install interpretive trail

Purchase and install a time appropriate barn

McCullough Park

Splash pad, restroom and changing facilities

Playground

Upgrade baseball fields used by associations

Parking lot improvements

Rice Creek Fields

Dugouts; shade for spectators

Park building

Open lawn enhancements

Parking lot improvements

Shamrock Park

Upgrade baseball fields used by associations

Upgrade soccer fields used by associations

Pickleball courts

Park building

Parking lot improvements

Shoreview Commons Park

Upgrade soccer field used by associations

Sitzer Park

Upgrade baseball fields used by associations

Dugouts; shade for spectators

Park building

Wilson Park

Upgrade baseball fields used by associations

Dugouts; shade for spectators

Park building

Parking lot improvements

Trail connections

Upgrade boardwalk connecting McCullough Park to Sherwood Road

Install trail from Highway 96 to Reiland Lane in the Highway 96 Regional Trail area

Memorandum

TO: City Council Workshop

FROM: Niki Hill, AICP , Assistant Community Development Director

DATE: September 21, 2026

SUBJECT: Temporary RV Occupancy

ITEM NUMBER: 1.c

SECTION: GENERAL BUSINESS

REQUESTED MOTION

INTRODUCTION

Staff received a request to allow a property owner to temporarily live in an RV on their residential property while preparing for and constructing a permanent home. The current City Code does not allow this, and staff does not have the ability to approve an exception.

Therefore, the City Council is being asked whether it wants to consider changing the Code to allow temporary RV occupancy in limited circumstances.

DISCUSSION

The City's current regulations, Section 28-2 (3) states: Recreational vehicles may be parked or stored in a garage or lawfully erected building, or may be parked or stored outdoors as follows: a. Any such vehicle shall not be used as temporary or permanent living quarters.

There is no exception in the Code that would allow the approval of temporar y occupancy based on the circumstances of an individual property owner. As a result, staff cannot administratively approve this request.

A change to the city code would be required to allow this type of temporary occupancy. A property owner may submit a formal text amendment application, but the City Council could also choose to direct staff to explore a code change proactively.

If Council is interested in allowing temporary RV occupancy, staff would need to develop clear standards addressing questions such as:

- What circumstances would allow an RV to used for temporary living?
- How long could it remain on the property?
- Where could it be located?
- How would water, sewer, wastewater, and other health and safety requirements be addressed?
- What happens if construction is delayed or the permanent home is not completed?
- How would the City enforce the requirements and require removal of the RV when the allowed period ends?

Staff does have concerns about allowing temporary living in recreational vehicles, as option for people who are building a house or doing a major home renovation project. Staff has previously encountered situations where flexibility was provided for temporary conditions associated with construction projects, but compliance issues ultimately required enforcement and abatement. As a result, staff has subsequently taken a more restrictive approach to allowing temporary conditions to remain.

RECOMMENDATION

Staff is seeking City Council direction on whether there is interest in considering a code amendment to allow temporary RV occupancy on residential properties.

If Council supports further consideration, staff would return with proposed ordinance language and specific standards for Council consideration. The existing regulation in the City Code is not part of the zoning chapter, therefore, any amendment proposed would only go the City Council and not the Planning Commission.

Alternatively, the Council may determine that the existing regulations should remain unchanged. A property owner may also pursue a formal text amendment application independently through the City's established process.

ATTACHMENTS

Shoreviewmn.gov Mail - Request for Ordinance Amendment â€“ Temporary RV Occupancy.pdf

SHOREVIEW

Brad Martens <bmartens@shoreviewmn.gov>

Request for Ordinance Amendment – Temporary RV Occupancy

1 message

STEPHEN WHITE <stev3895@yahoo.com> Mon, Sep 14, 2026 at 1:27 PM
Reply-To: STEPHEN WHITE <stev3895@yahoo.com>
To: bmartens@shoreviewmn.gov

Dear Mayor, City Council Members, and City Staff,

My family and I are respectfully asking the City of Shoreview to consider amending its ordinance to allow a property owner to temporarily occupy a recreational vehicle on their own residential property while preparing for and building a permanent home on that property.

For us, this request is about much more than simply finding a temporary place to live.

After more than 20 years away from Minnesota, our family made the decision to come home. We purchased a 1.27-acre property in Shoreview because this is where we want to put down roots and build our permanent family home. Our children attend school in the area, their grandparents and extended family are nearby, and being closer to family was an important part of our decision to return to Minnesota.

We chose Shoreview because we believe it is a community where we can build a home, raise our children, be good neighbors, and contribute to the community for many years to come. We are preparing to make a substantial investment in our property and in Shoreview by replacing the existing structures and building a new permanent single-family home.

Our current housing situation requires us to vacate our rental by October 28. We own our property, and our goal is simply to temporarily live there in our modern, self-contained, four-season recreational vehicle while we move through the process of preparing the property and building our permanent home.

We understand that Shoreview's current ordinance does not allow us to do that. That is why we are respectfully asking the City Council to consider amending the ordinance to allow temporary RV occupancy for property owners who are preparing for and constructing a permanent residence on their property.

We are not looking for a permanent alternative to building a home. The entire reason we purchased this property is to build our family's permanent home in Shoreview.

Because we must leave our current housing by October 28, our timeframe is extremely tight. We respectfully ask that this proposed amendment be considered as quickly as the City's process allows. We also ask that, given the limited time available, the City advise us whether there is any existing legal avenue or other lawful relief available that could allow our family to temporarily occupy our RV on our property while the amendment process is being considered.

We genuinely want to make Shoreview our home. We want our children to grow up here, we want to be part of

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