





# MINNEAPOLIS/ST. PAUL BUSINESS JOURNAL

COVER STORY

## THIS TEARDOWN FIGHT ISN'T ABOUT HOUSES

Developers and homeowners challenge suburban tree ordinances.

CAITLIN ANDERSON AND ETHAN NELSON, PAGES 12-15

### Grand Avenue challenge

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B#232 S#0 P#2

#BXNMRH .....CAR-RT LOT\*\*C 020

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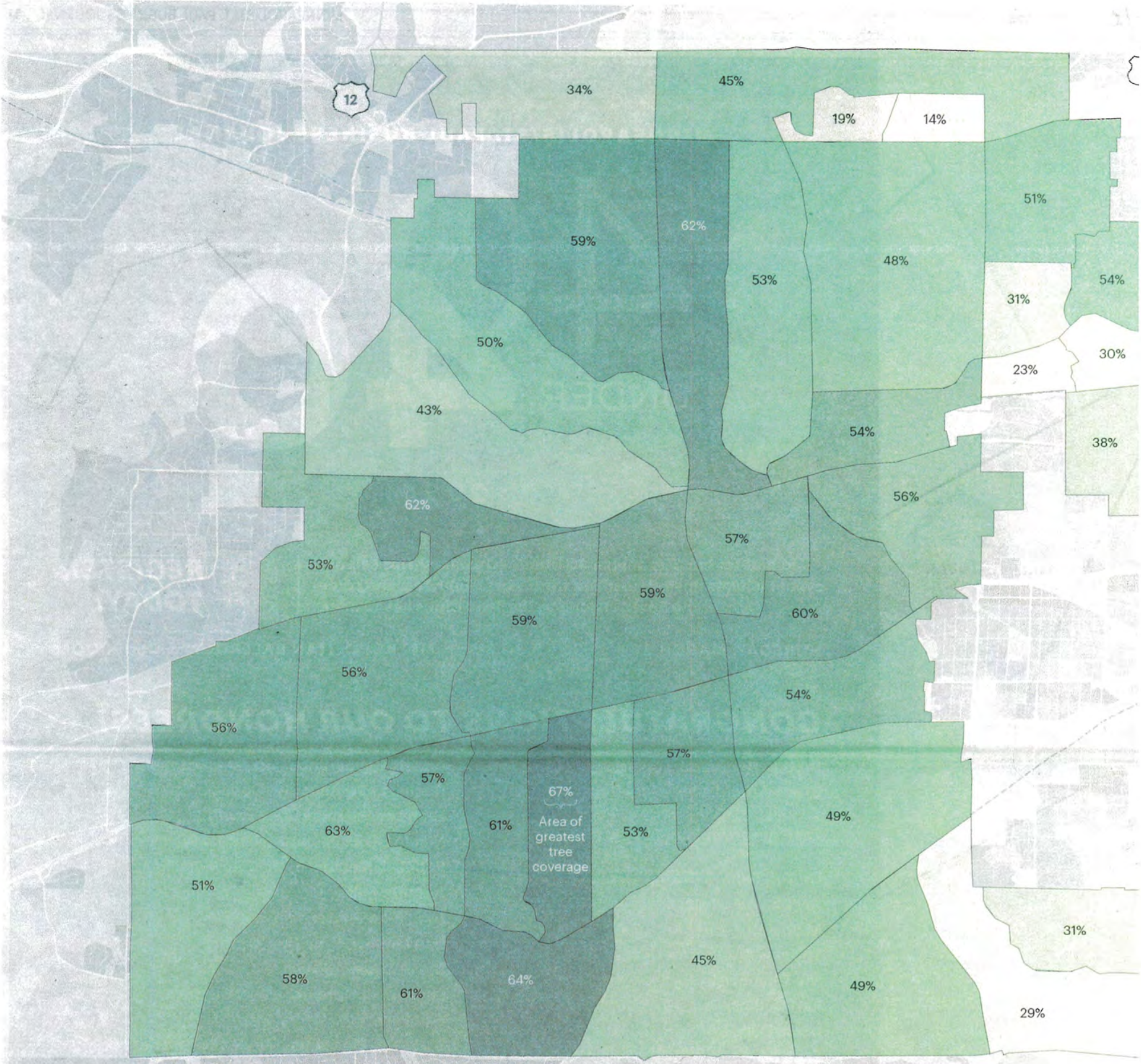


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DATA DIVE

# SUBURBAN CLASH OVER CANOPIES

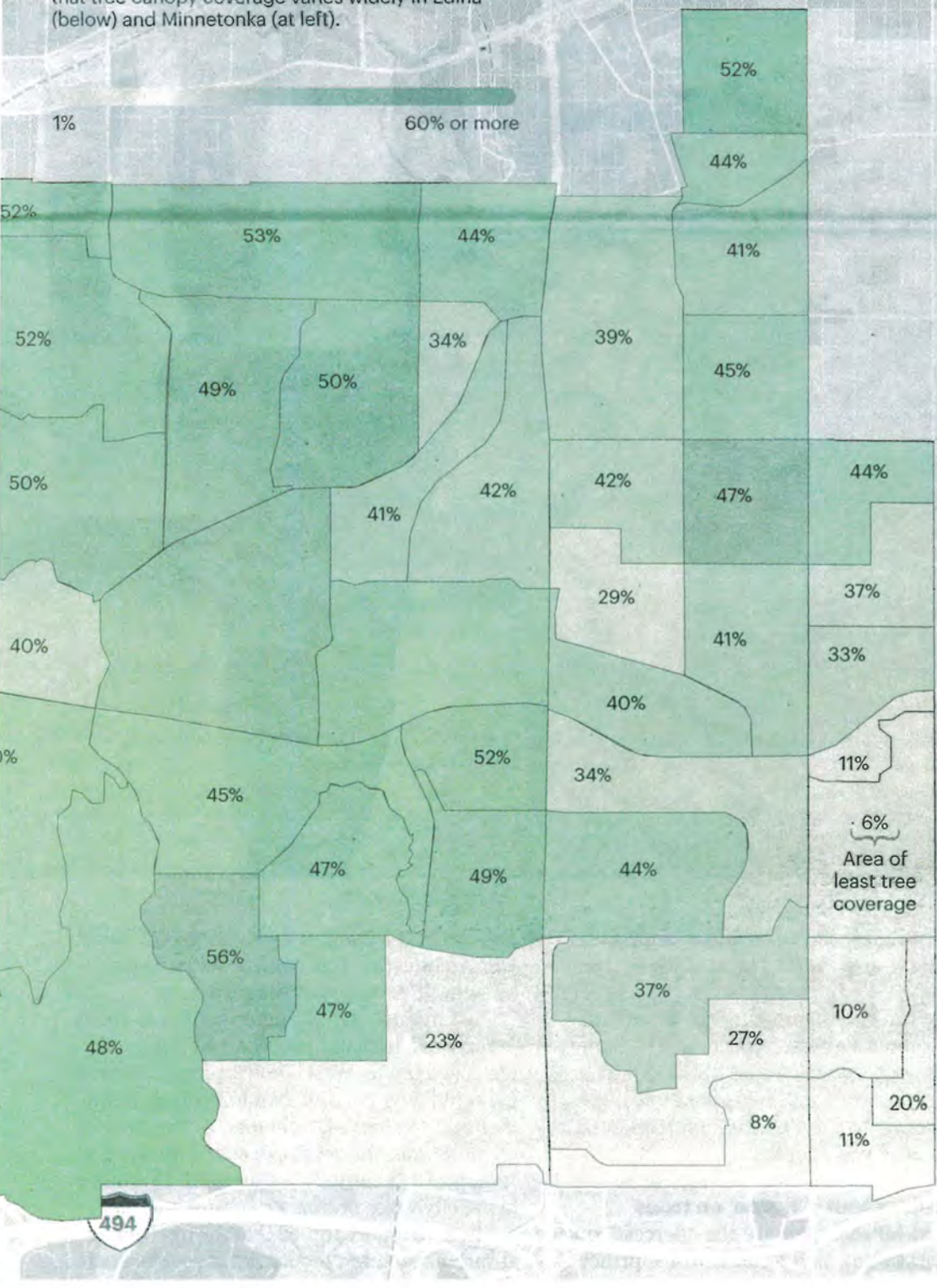
Tree ordinances in cities like Edina and Minnetonka are meant to protect green space, but they've got some homebuilders and owners seeing red.





### WEST-METRO TREE COVER

Data provided by the Metropolitan Council shows that tree canopy coverage varies widely in Edina (below) and Minnetonka (at left).



**W**hen homebuilder Rebecca Remick was recently finalizing plans to construct a new house in Edina, she and her client were slapped with an unexpected fee from the city: a \$19,000 deposit for permission to tear down a 35-foot tree in the way of the project.

Remick, owner of Edina-based City Homes, was “stunned” by that dollar amount, she told the Edina City Council at a meeting last month. The homeowner had just become financially secure enough to make living in Edina a reality, but the newly discovered requirement made the dream of a perfect home more difficult to achieve.

More homebuilders, property owners and real estate agents also went before the council to raise alarm over the implications of Edina’s tree ordinance, which was updated in 2023.

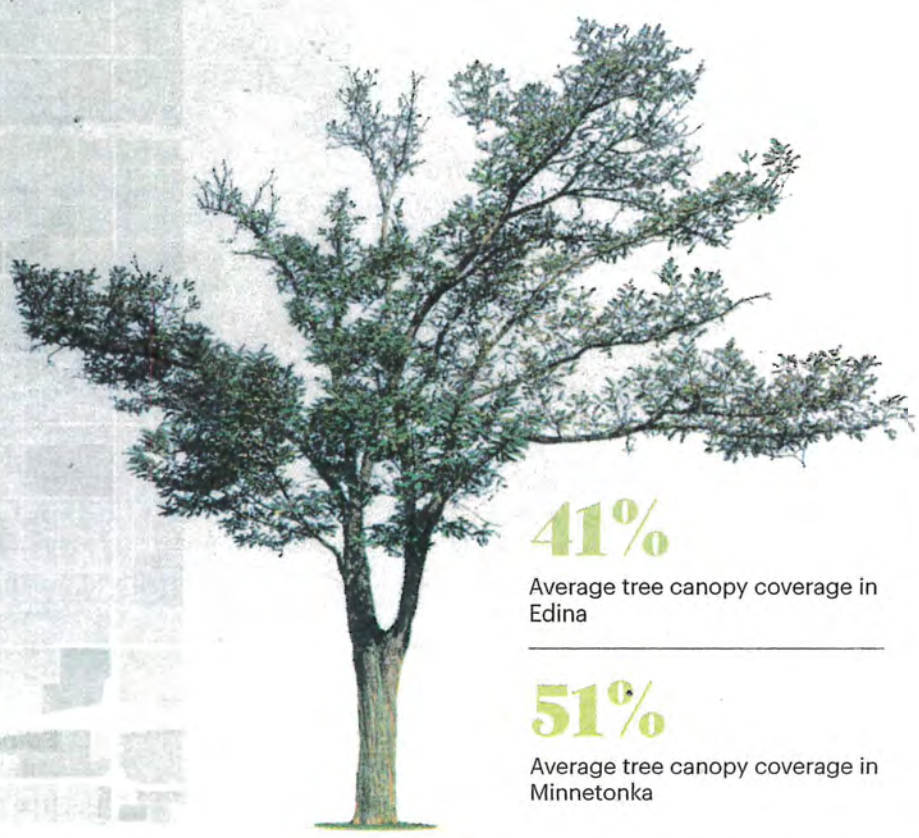
Tree ordinances are raising concerns elsewhere. Last month, the Minnetonka City Council denied two housing proposals in part due to the city’s tree ordinance. Those plans would have otherwise brought over 50 residences to the west-metro city.

While tree ordinances allow communities to better protect their tree canopies, housing developers are con-

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**41%**  
Average tree canopy coverage in Edina

**51%**  
Average tree canopy coverage in Minnetonka



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cerned they're becoming stricter without consideration to economic feasibility. The cascading effect can mean less construction and limited new housing supply.

"These are policies that we want to believe are well-intentioned, but the on-the-ground implications have real-world impact for the Edina homeowners or homeowners in Minnetonka or anyone that's just looking to either build a house, remodel a house and the like," said Mark Foster, vice president of legislative and political affairs at Roseville-based Housing First Minnesota, one of the state's largest homebuilder associations.

Still, cities must find ways to protect their mature trees, especially as many succumb to diseases like emerald ash borer, which has ravaged communities across the metro, said Karen Zumach, director of community forestry for St. Paul-based nonprofit Tree Trust.

#### Why cities have tree protection ordinances

City tree protection ordinances are typically intended to help protect existing healthy trees in a community to retain its tree canopy.

Mature trees are important for a community because losing them in a short period of time impacts air quality, water quality, property values and more, prompting a cascading effect on the environment, Zumach said.

Trees are easy to cut down, but they can take up to 50 years to reach their full potential, she said.

"Yes, development is very important, but a lot of times that whole idea of, 'Oh well, if I cut down a tree, I'll plant five more.' Yeah, that's great, but the benefits realized from those five trees that you've just planted won't be even part of the equation for 25, 30 years," she said.

Cities have been doing a good job at trying to create that balance, Zumach added.

Last year, Edina updated its ordinance with new language and rules, including a requirement that the property owner must place cash in escrow, or otherwise provide a letter of credit, worth 110% of the value of replacement if they opt to remove a protected tree for new construction.

But the group of housing stakeholders who attended the Edina City Council meeting said the city hasn't accepted the option for a letter of credit. In at least one case, the city required \$75,000 in upfront cash to be stored in an escrow account, one of the homeowners said.

The policy states that at least half of the money will sit for three years, accruing interest. At that point, the cash will be released back to the homeowner if the replacement tree or trees are still standing.

In Minnetonka's case, its tree ordinance was last updated in 2021. The revised law considered a tree protected based solely on size, rather than by species, while also lowering the size threshold for what would be considered a protected tree. It also added more limits on the



## 42%

Average tree canopy coverage in Twin Cities metro

amount of removal allowed and included single-family homes in having to abide by that limit.

At the time of the update, the Minnetonka City Council expressed concerns with some of the language, worried that it would impact new construction, especially affordable housing, according to the meeting's minutes. Still, the ordinance was adopted.

#### Edina, Minnetonka 'fiercer' on trees

Edina and Minnetonka are the "fiercest" on tree preservation, said Dean Dovolis, princi-

pal, CEO and founder of Minneapolis-based DJR Architecture Inc., which works on development projects across the metro.

Last month, the Minnetonka City Council denied two housing proposals by Minnetonka-based Lake West Development, which included two 20-unit condominium buildings and 14 single-family lots. At the time of the proposals, the developer stated the site had "practical difficulties" that required a variance to the city's tree ordinance.

The staff report argued that the tree-removal variance request would not meet city stan-





**“The idea of, ‘Oh well, If I cut down a tree, I’ll plant five more.’ ... The benefits of those five trees that you just planted won’t even be part of the equation for 25, 30 years.”**

**KAREN ZUMACH**, director of community forestry, Tree Trust

potential home buyers, who may seek out projects elsewhere, and that the market is already experiencing a lack in new housing.

If the ordinance “is one of the pieces of the puzzle that inhibits [housing] for future growth, we have a problem,” local real estate agent Ben Ganje said at the Edina meeting.

The tree ordinance adds burdens on top of policies that make it harder to build homes, like aesthetic or plotline requirements, said Foster, Housing First’s legislative point person.

“It’s a theme that we’re starting to see more and more throughout many Minnesota communities,” Foster said. “Like I said, these have real-world consequences that price homeowners, and many, many folks out of the opportunity of ownership.”

**What’s the solution?**

Housing developer and community stakeholders have varied solutions as to how tree preservation and new construction can coexist.

Edina is still trying to figure that out, Hovland said. But “there’s a unanimity of opinion from developers, builders, homeowners and residents and the city that we all want to protect tree canopy as best we can. So we’re trying to figure out how to do that and still encouraging ... the redevelopment we’ve been seeing in Edina.”

The Edina City Council is expected to consider potential revisions to the ordinance in May during a work session, Hovland said.

Solutions include putting a limit to the amount needed to be put in escrow and accepting the letter-of-credit option in Edina’s policy, the housing stakeholders said. Another is making the tree ordinance “more positive” by requiring homeowners to work with an arborist on an approved plan to plant the best tree types in the best placements to ensure their growth, instead of penalizing them, Remick said.

“If we put the right plant, the right tree in the right spot, it’ll grow taller, bigger than any of the trees that are there right now,” Remick said. “We will get greater benefit by doing it the right way.”

Cities should also encourage planting for the renewal of tree canopies, instead of focusing on preservation, Dovolis said.

*Includes reporting from Ethan Nelson.*

dards for approval. In the single-family home development’s case, the request seemed solely to maximize the number of lots that can be developed, the staff report said.

During the meeting, Minnetonka City Council member Deb Calvert acknowledged that such a tree-filled site is harder to develop, but noted the importance of trees in Minnetonka.

“I am in favor of development, but sensible development that meets our ordinances that reflects the values of our community,” she said at the time.

Lake West is now revising the plan.

Having an adequate tree canopy has aesthetic benefits and offers cooling effects in the summer, reducing energy consumption in homes, said Edina Mayor Jim Hovland. That’s part of what makes it important to have a tree ordinance and “making sure that you protect your tree canopy as best you can.”

But Edina’s ordinance goes too far, City Homes’ Remick said. “I love trees. It’s just, we have to figure out how to make it work for everybody.”

Housing stakeholders say the ordinance can make constructing new homes too onerous for

*Homebuilder Rebecca Remick stands in front of a project in Edina, where the city required a \$19,000 fee to remove a 35-foot-tall tree.*

NANCY KUEHN | MSPBJ