

Community Development Committee

Meeting date: Monday July 21st, 2014

For the Metropolitan Council meeting of Wednesday August 13th, 2014

Subject: Livable Communities Act Spring Round Transit-Oriented Development (TOD) Tax Base Revitalization Account (TBRA) Site Investigation and Livable Communities Demonstration Account (LCDA) Pre-Development Grant Recommendations

District(s), Member(s): 3-Munt, 5-Elkins, 6-Brimeyer, 7-Cunningham, 13-Kramer, 14-Commers

Policy/Legal Reference: MN Statute §473.253

Staff Prepared/Presented: Adam Maleitzke, Senior Planner, (651) 602-1633

Division/Department: Community Development / Housing & Livable Communities

Proposed Action

That the Metropolitan Council award four Livable Communities Demonstration Account Transit-Oriented Development grants and two Tax Base Revitalization Account Transit-Oriented Development grants as follows:

Recommended Projects	City	Recommended Amount	
		LCDA-TOD	TBRA-TOD
Shady Oak Zoning	Hopkins/Minnetonka	\$50,000	\$0
Target Field Station – Pad A	Minneapolis	\$0	\$26,625
PLACE	St. Louis Park	\$100,000	\$0
NW University/Dale	St. Paul	\$40,000	\$0
Downtown East Park	Minneapolis	\$60,000	\$0
729 Washington Avenue N	Minneapolis	\$0	\$98,000
TOTAL		\$250,000	\$124,625

Background

Advancing Transit Oriented Development (TOD) along existing and emerging transitways is a priority of the Metropolitan Council. The funds are targeted to support TOD activities in several identified “TOD areas.” The Livable Communities Act (LCA)-TOD program guidelines, criteria, schedule, and evaluation process were adopted as part of the 2014 Fund Distribution Plan (FDP). The FDP requires a one-step staff evaluation process for Livable Communities Demonstration Account TOD (LCDA-TOD) Pre-Development and Tax Base Revitalization Account TOD (TBRA-TOD) Site Investigation grants. This is the first of two rounds of Pre-Development and Site Investigation funding for 2014.

Rationale

The Council received five applications for LCDA-TOD Pre-Development funding for an associated future development project, two applications for TBRA-TOD Site Investigation funding, and one LCDA-TOD Pre-Development request for a zoning implementation project. Staff evaluated the applications using criteria approved by the Council in the 2014 FDP and determined that seven applications met the minimum scoring threshold and were within the amount of available funding. TBRA-TOD Site Investigation funding is available to fully fund two Site Investigation projects. LCDA-TOD Pre-Development funding is available to fully fund three projects and partially fund one project. Funding was not available for an eligible, but lower-scoring project.

One project did not meet the minimum scoring threshold and is not eligible for funding.

Funding

Applications for Spring round LCDA-TOD Pre-Development and TBRA-TOD Site Investigation funding were due June 2nd. As outlined in the FDP, Pre-Development and Site Investigation funding has been divided into two rounds, with \$250,000 in Pre-Development funding and \$125,000 in Site Investigation funding available for TOD projects during each round. Fall round applications will be due November 3rd. For the Spring round, applicants requested \$350,000 in Pre-Development funding, \$100,000 more than what is available and \$124,625 in requests for Site Investigation funding, with \$375 remaining.

Known Support / Opposition

There is no known opposition to the applications recommended for funding.

Review Record

The Council received eight applications for Spring round Pre-Development and Site Investigation funding, from Hopkins/Minnetonka (a joint application), Minneapolis, St. Louis Park, and St. Paul. All applications were determined to be eligible for review. An evaluation team of staff from Community Development, Metropolitan Transportation Services, and Metro Transit evaluated applications using criteria approved by the Council in the 2014 Livable Communities Fund Distribution Plan (FDP).

The Council approved two sets of evaluation criteria in the FDP for this category of grants, including criteria for projects with an associated future development project and criteria for zoning implementation requests. All projects were evaluated using criteria for transit accessibility, ridership potential, TOD design, partnerships and readiness, TOD demonstration value, and potential to catalyze future investment. In addition, applications with future development projects were evaluated for their potential to generate jobs and affordable housing. The scores from each category were aggregated to yield a preliminary score out of 90 possible points, and all projects were ranked. The FDP requires that projects meet a 54-point threshold. The Housing Performance Scores (HPS) for each community were then applied to the preliminary score, for a grand total of 100 possible points.

Project Not Recommended for Funding

Sufficient funds were not available to fund the lowest-ranked eligible project, Payne and Bush (73.70 points).

Project Not Eligible for Funding

One project, 615 St. Anthony, scored 51 points and is not eligible for funding.

Projects Recommended for Funding

Full funding is recommended for the following projects, listed in descending order by final score: Shady Oak Zoning (84.40 points), Target Field Station – Pad A (83.20 points), PLACE (80.00 points), and NW University/Dale (79.60 points), and 729 Washington Avenue N (76.70 points) projects. Due to funding limitations, partial funding is recommended for Downtown East Park (78.50 points).

The attached summaries include additional information about the projects recommended for funding.

Livable Communities Project Summary

Grant #
Type: LCA-TOD Pre-Development
Applicant City of Hopkins (lead grantee; Minnetonka is co-applicant)
Project Name Shady Oak Zoning Ordinance
Project Location METRO Green Line Extension – Shady Oak Station Area
Council District 3 – Munt; 5 – Elkins

Project Detail	
Zoning Implementation Project Overview	Following the completion of the Southwest LRT Investment Framework, the cities of Hopkins and Minnetonka are partnering to prepare a joint station area plan for the Shady Oak station area. Funding will be used to prepare a zoning ordinance for the station area that could include performance-based zoning, an overlay, or planned unit development. The new ordinance will be adopted by both cities. The zoning ordinance will include new categories for higher density, mixed development and a transition away from what is currently largely a low-scale, industrial and commercial district to uses that are more supportive of transit. In addition, funding will be used to examine the entitlement processes of each city to identify opportunities for streamlining the approvals process, leading to more certainty for developers.
Comments/ Demonstration value	<ul style="list-style-type: none"> • Anticipated average increase in floor-area ratio is over 130%; significant increases in anticipated average Dwelling Units per Acre, minimum number of floors; demonstrates efficient land use principles • Joint partnership between two cities to streamline the station area entitlement process is a model for future transitways
Funding	
Requested amount	\$50,000 (\$25,000 local match)
Previous LCA funding	none
Use of funds	
Amount	Uses to be completed by 7/23/2016
\$50,000	Prepare a new zoning ordinance, explore changes to entitlement process
\$50,000	TOTAL



Livable Communities Project Summary

Grant #
Type: LCA-TOD Site Investigation
Applicant City of Minneapolis
Project Name Target Field Station – Pad A
Project Location METRO Green Line – Target Field Station;
 5th St. N and 6th Ave. N
Council District 7 – Cunningham

Project Detail	
Future Development Project Overview	Current plans call for an eleven-story mixed-use building on a vacant parcel directly adjacent to Target Field Station. Anticipated uses include a 160-room hotel, 40,000 square feet of office, and over 5,000 square feet of restaurant and other retail. The project will be oriented to the North Loop neighborhood and platform with limited setbacks, wide sidewalks, and street-facing restaurant and retail uses.
Jobs (FTEs)	246 regular jobs
Total housing units	0
Affordable units (60% AMI)	0
Anticipated # bedrooms	0
TOD metrics	floor-area ratio (FAR): 4.0; distance to station: 100'; commercial parking ratio: 1 stall/757 square. feet; station area average block size: 3.5 acres; jobs/acre: 306
Comments/ Demonstration value	<ul style="list-style-type: none"> • Demonstrates how to integrate retail, office, and hotel uses next to a major transit hub • Introduces a significant retail component to the western section of the North Loop neighborhood, which is new for the area. The retail will provide amenities for local residents, workers, and hotel guests and help to support the use of transit • Low ratio of parking to anticipated commercial space: 1 stall/757 square feet. of commercial space • Developer may pursue LEED certification, especially if hotel is included in project • Very high density: 4.0 FAR
Funding	
Requested amount	\$26,625 (\$8,875 local match)
Previous LCA funding	None.
Use of funds	
Amount	Uses to be completed by 7/23/2016
\$26,625	Phase I ESA, Phase II ESA, and RAP Development
\$26,625	TOTAL

Livable Communities Project Summary

Grant #
Type: LCA-TOD Pre-Development
Applicant City of St. Louis Park
Project Name PLACE
Project Location METRO Green Line Extension – Wooddale Station Area;
 Wooddale Avenue & 36th Street
Council District 6 – Brimeyer

Project Detail	
Future Development Project Overview	Developer PLACE is working with the City of St. Louis Park to redevelop a vacant, former industrial site into a landmark mixed-use, mixed-income community that integrates affordable housing, a transit hub, urban aquaponics, and on-site energy generation through wind, solar, geothermal, and anaerobic digestion. More than 60% of the 324 units of housing will be affordable at 60% AMI. The project will also feature live-work units, retail, and GreenPark, an automated parking system that can more efficiently provide spaces for each program depending on the time and day. Buildings will be oriented towards the adjacent Cedar Lake Trail and future Green Line extension platform.
Jobs (FTEs)	118 regular, 600 temporary
Total housing units	324
Units @ 60% AMI	200
Anticipated # bedrooms	42 studio, 48 one bedroom, 84 two bedroom, 120 three bedroom, 30 three bedroom
TOD metrics	floor-area ratio (FAR): 4.26; dwelling units per acre (DUPA): 111; distance to station: 961'; commercial parking ratio: 1 stall/319 square feet; station area average block size: 3.5 acres; jobs/acre: 40
Comments/ Demonstration value	<ul style="list-style-type: none"> • Roughly 50% of units will be for larger families (3 and 4 bedrooms) • Innovative environmental design features in a suburban setting, including an anaerobic digester, GreenPark system, solar, wind, and geothermal • Conversion of underutilized, vacant industrial structures into transit supportive uses a good model for other sites along the corridor and region • Demonstrates potential viability of mixed use redevelopment on site with several constraints, including an adjacent highway, heavy rail trains, and limited pedestrian and vehicular connections • Very high density for a suburban station area: 4.26 FAR; 111 DUPA
Funding	
Requested amount	\$100,000 (\$36,500 local match)
Previous LCA funding	None.
Use of funds	
Amount	Uses to be completed by 7/23/2016
\$30,000	Design research to determine optimum orientation and massing, detailed site plan and preliminary elevations
\$40,000	Market studies for housing, commercial/retail, and hotel
\$30,000	Development and operating pro formas
\$100,000	TOTAL

Livable Communities Project Summary

Grant #
Type: LCA-TOD Pre-Development
Applicant City of St. Paul
Project Name NW University & Dale
Project Location METRO Green Line – Dale Station Area; University Avenue W and Dale Street
Council District 14 – Commers

Project Detail	
Future Development Project Overview	The Neighborhood Development Center (NDC) is proposing a mixed use commercial and residential development at the northwest corner of University and Dale. The goal is to expand opportunity for existing businesses and bring affordable housing and retail amenities to the Frogtown and Rondo neighborhoods. The residential space is envisioned to include two floors of affordable housing, including 24 small efficiencies and 1-bedroom units. Over 11,000 square feet of retail space, 2,000 square feet of restaurant space, and office space totaling over 17,000 square feet will offer a diverse mix of job opportunities for the neighborhood.
Jobs (FTEs)	50 regular, 75 temporary
Total housing units	24
Affordable units (60% AMI)	24
Anticipated # bedrooms	20 studio, 4 one bedroom
TOD metrics	floor-area ratio (FAR): 1.16; dwelling units per acre (DUPA): 25; distance to station: 80'; commercial parking ratio: 1 stall/391 sq. ft.; residential parking ratio: .83 stalls/unit; station area average block size: 4 acres; jobs/acre: 52
Comments/ Demonstration value	<ul style="list-style-type: none"> • Diverse mix of commercial and retail land uses offer opportunities for local entrepreneurs • Technical and financial support offered by NDC will help to sustain retail and commercial uses • Good mix of commercial and residential land uses • Low commercial and residential parking ratios will encourage residents, customers, and workers to ride the METRO Green Line
Funding	
Requested amount	\$40,000 (\$10,000 local match)
Previous LCA funding	None.
Use of funds	
Amount	Uses to be completed by 7/23/2016
\$15,000	Design, renderings, and supporting documents for project (does not include building construction and engineering documents)
15,000	Develop and analyze financial scenarios
5,000	Development of housing plan
5,000	Analyze financial and legal ramifications of potential development partnerships
\$40,000	TOTAL

Livable Communities Project Summary

Grant #
Type: LCA-TOD Pre-Development
Applicant City of Minneapolis
Project Name Downtown East Park
Project Location METRO Green/Blue Line – Downtown East Station Area;
 Park Avenue and 5th Street S
Council District 7 – Cunningham

Project Detail	
Future Development Project Overview	As a critical part of the overall Downtown East redevelopment, Blocks 74 and 75, formerly owned by the StarTribune, will be developed into a 133-unit park residential apartment building and a dynamic 4-acre world class urban park/plaza that will serve as the “front yard” to the Vikings/People’s stadium, and nearby offices and residential buildings. A 2,000 square foot. park-oriented restaurant space will also be included. The park will serve the surrounding neighborhood and will become a destination for the region.
Jobs (FTEs)	34 regular, 373 temporary
Total housing units	133
Affordable units (60% AMI)	0
Anticipated # bedrooms	37 studio, 62 one bedroom, 34 two bedroom
TOD metrics	floor-area ratio (FAR): 3.62; dwelling units per acre (DUPA): 159; distance to station: 200’; commercial parking ratio: 0/2,000 sq. ft.; residential parking ratio: .89 stalls/unit; station area average block size: 2.5 acres; jobs/acre: 26
Comments/ Demonstration value	<ul style="list-style-type: none"> • No parking provided for park-oriented commercial space • Signature park will become a destination for neighborhood and region • Park will be a catalyst for future high-density, transit-supportive investment in the Downtown East neighborhood • Potential for significant stormwater management within park boundary • Design of park could demonstrate how to integrate a diverse program of local activities, major entertainment and sporting events, and passive recreation
Funding	
Requested amount	\$100,000 (\$25,000 local match)
Previous LCA funding	None.
Use of funds	
Amount	Uses to be completed by 7/23/2016
\$60,000	Develop schematic design for Downtown East Park
\$60,000	TOTAL

Livable Communities Project Summary

Grant #
Type: LCA-TOD Site Investigation
Applicant City of Minneapolis
Project Name 729 Washington Avenue N
Project Location METRO Green/Blue Lines – Target Field Station;
 729 Washington Avenue N
Council District 7 – Cunningham

Project Detail	
Future Development Project Overview	Developer Greco, LLC is proposing to redevelop two vacant parcels, currently used as surface parking lots, into a mixed-use development that will include market rate apartments, retail, and a structured parking ramp with ground-floor office space. The project will add mixed use development along Washington Avenue with ground floor commercial that is intended to be service oriented. The infill development will remove two surface parking lots and increase housing and job density.
Jobs (FTEs)	33 regular
Total housing units	50
Affordable units (60% AMI)	0
Anticipated # bedrooms	50 two bedroom
TOD metrics	floor-area ratio (FAR): 2.92; dwelling units per acre (DUPA): 55; distance to station: 2,213'; station area average block size: 3.5 acres; jobs/acre: 37
Comments/ Demonstration value	<ul style="list-style-type: none"> • 10 story building will be first major development taller than 6 stories in the North Loop neighborhood in several years • “Green alley” proposal to pedestrianize the ROW could be a model for future development on adjacent parcels within the superblock, addressing issues with poor connectivity in the neighborhood • Ground-level office space within the parking structure could demonstrate how to integrate active ground level uses with structured parking • Landscaped plaza adjacent to Washington Avenue will draw pedestrians through the block, providing a more direct connection to Target Field Station
Funding	
Requested amount	\$98,000 (\$32,681 local match)
Previous LCA funding	None.
Use of funds	
Amount	Uses to be completed by 7/23/2016
\$98,000	Site remedial investigation and Response Action Plan
\$98,000	TOTAL