

Community Development Committee

Meeting date: February 17, 2015

Subject: Livable Communities 2014 Work Group Summary and Discussion of 2015 Livable Communities Fund Distribution Plan

District(s), Member(s): All

Policy/Legal Reference: Minnesota Statutes, 473.25

Staff Prepared/Presented: Paul Burns (651) 602-1106

Division/Department: Community Development/Housing and Livable Communities

Proposed Action

None. Information only.

Background

Shortly after the Council approved the 2014 Livable Communities Fund Distribution Plan last March, a work group composed of Community Development Committee members and representatives from Metro Cities was formed to consider how Livable Communities Act grant funds might be leveraged to advance the THRIVE MSP 2040 equity outcome. The work group met in the late summer and early fall. They provided the following recommendations for incorporation into the 2015 and future Fund Distribution Plans:

Tax Base Revitalization Account (TBRA)

- ❖ **Proposal:** Add a two-year pilot targeted to sites in Areas of Concentrated Poverty that would allow awarding Contamination Clean-up to projects on sites without an identified development project with the goal of creating jobs.

Livable Communities Demonstration Account (LCDA)

- ❖ **Proposal:** Add two members to the Livable Communities Advisory Committee to bring community-based expertise in planning, economic and community development/engagement to provide input on behalf of traditionally under-represented people.

Local Housing Incentives Account (LHIA)

- ❖ **Proposal:** The Minnesota State Building Code requires a minimum of 5% of the total units in new residential projects to be designed and constructed to meet accessibility requirements and an additional 2% of the dwelling units to be adaptable for residents who are vision- and/or hearing-impaired. The work group recommended adding a preference for projects that exceed those requirements.

Inclusionary Housing Account (IHA)

- ❖ **Proposal:** Request \$10 million appropriation in 2015 for this mixed-income housing funding category. It has not been funded since 1999. (This was not included in the Governor's budget.)

Fair Housing/LCA Program

- ❖ The Council's adopted Housing Policy Plan includes a number of policies to support fair housing practices throughout the region. One such policy requires Livable Communities Act grantees to adopt fair housing policies for their communities and, for projects that include a residential component, a Fair Housing Marketing Plan. Staff proposes requiring Fair Housing Marketing

Plans for 2015 applications with residential components. Staff also recommends phasing in the requirement for applicants to adopt a fair housing policy in 2016, after the Council develops information and capacity to assist those communities in adopting those policies.

Other Proposed 2015 Changes

The demand and interest in the Tax Base Revitalization Account Transit Oriented Development (TBRA TOD) grant category has been limited. Rather than eliminate it, staff proposes to limit its availability to only those projects that are concurrently requesting Livable Communities Demonstration Account Transit Oriented Development (LCDA TOD) grants to avail LCDA TOD projects of cleanup dollars.