

Community Development Committee

Meeting date: March 16, 2015

Subject: City of Minneapolis Request for a Project Change to the TBRA TOD Grant, Prospect Park Station – Boeser Site project

District(s), Member(s): District 8 - Cara Letofsky

Policy/Legal Reference: Minnesota Statutes Section 473.252

Staff Prepared/Presented: Deb Streets Jensen, Livable Communities Grant Administrator, 651.602.1554

Division/Department: Community Development/Livable Communities

Proposed Action

That the Community Development Committee (1) approve a project change amendment reducing the number of housing units proposed for the City of Minneapolis' Tax Base Revitalization Account Transit Oriented Development grant agreement number SG011-187, Prospect Park Station – Boeser Site project; and (2) authorize its Community Development Division Director to execute the grant agreement amendment on behalf of the Council.

Background

This award was made in April 2012 in the first round of Tax Base Revitalization Account Transit Oriented Development (TBRA TOD) grants. The project, originally known as the *Prospect Park Boeser Site*, is being developed by the Cornerstone Group. It was originally proposed to include 250 rental housing units, 20% of which were to be affordable at 60% of area median income.

The City recently notified staff that the number of housing units in the current phase will be reduced to between 180 and 189. Although the overall unit count is being lowered, the percentage of affordable units will rise slightly to 21-22%, depending on the final number of units.

Livable Communities grant amendment guidelines approved by the Community Development Committee (CDC) require TBRA project changes to be approved by the CDC if the overall number of housing units is reduced by 20% or 50 units, whichever is higher.

Thus far \$129,734 of the grant has been disbursed for asbestos and lead-based paint abatement to enable the demolition of the building that was on the site. The remaining balance of \$590,573 is on hold, pending CDC action on this change request.

The City has also requested a two-year extension for the grant, which will be approved administratively provided the CDC approves this change in the project.

Rationale

This project scored third out of 28 projects reviewed during the first TOD grant cycle. Project elements that contributed to its score remain, including sustainable design features, energy efficiency, provision of green space, mixed income units and intergenerational living close to the Prospect Park LRT Station. The changed project would not have impacted the funding recommendation.

Funding

There are no impacts to remaining funding.

Known Support / Opposition

Staff is not aware of any opposition to the amendment.