

## Community Development Committee

Meeting date: November 20, 2017

The Community Development Committee makes the final decision on this item

**Subject:** City of Maple Plain Additional Extension Request and Project Change to Livable Communities Demonstration Account Grant SG012-118, Maple Plain Downtown Redevelopment

**District(s), Member(s):** District 1 – Katie Rodriguez

**Policy/Legal Reference:** Minnesota Statutes, Section 473.25

**Staff Prepared/Presented:** Paul Burns, Manager, Livable Communities (651 602-1106)

**Division/Department:** Community Development/Regional Planning

### Proposed Action

That the Metropolitan Council: (1) approve a two-year extension and project change to Livable Communities Demonstration Account grant SG012-118 for the Maple Plain Downtown Redevelopment project; and (2) authorize its Community Development Director to execute an amendment on behalf of the Council.

### Background

The Council granted \$895,766 in Livable Communities Demonstration Account funds to the City of Maple Plain for their Downtown Redevelopment project in 2012. In its original application, the City of Maple Plain indicated that it planned to acquire and demolish an outdated convenience store and reconstruct an existing street grid and utilities to catalyze two commercial buildings with retail and a possible health care facility.

Livable Communities Act grant agreement terms are for three years with the possibility of an administrative extension of another two years upon demonstration of progress of the project. After the initial three-year grant agreement through December 2015, Council staff administratively extended the project to a full five-year term expiring on December 31, 2017.

The City of Maple Plain has indicated it worked diligently to implement the original development. It drew down grant funds to acquire the property and demolish an existing building. However, the City decided not to renew the development agreement it had with the original developer, due to the lack of progress by that developer.

The City has now entered into a development agreement with a new developer. The original project was to include two commercial buildings of one or two stories. The new project will be two buildings, with a City Hall and a possible county library on the first floors of the buildings, with two to three additional stories for at least 30 market-rate apartment units. There is a possibility of a small commercial redevelopment on a small adjacent property.

In addition to these changes in project scope, the City is now requesting another two-year extension to December 31, 2019 (for a total of seven years).

### Rationale

The Council has approved four other extensions beyond the maximum five-year term. Two of those were for just a few months, and the other two were for one year.

The City of Maple Plain is a small city that is trying to re-inject vitality in a downtown that is bisected by a busy highway. They have also had turnover in city staff, hampering the progress of this project.

The proposed new development would be an improvement over the original project. The loss is the replacement of the office/retail component, which would be replaced by public use, but the gain would be in density and in new apartments in a small suburban city that has not seen this type of redevelopment.

### **Thrive Lens Analysis**

By redeveloping a site and improving infrastructure this project will help advance the Thrive Prosperity outcome and the Thrive policy “Encouraging redevelopment and infill.” By providing housing choices for a range of demographic characteristics, this project will help advance the Thrive Livability outcome.

### **Funding**

The grant award was for \$895,766. \$519,750.70 has been disbursed to date, leaving a balance of \$376,015.30, to assist with the street and associated other infrastructure.

### **Known Support / Opposition**

No known opposition.