

2019 Livable Communities Fund Distribution Plan

Community Development Committee



Intended Outcomes

- Discuss and explore potential changes in the 2019 Livable Communities Act Fund Distribution Plan
- Receive direction from Committee members

2018 Dialogue between Council and MetroCities

- More communications and outreach is needed
 - December 11: Joint Metro Cities/Council workshop for participating communities
 - Enhancements to the Livable Communities Web Pages
- Ongoing questions and open issues:
 - Tax Base Revitalization Account Transit Oriented Development (TBRA TOD)
 - Pre-Development funding
 - Funding limits for the Livable Communities Demonstration Account TOD category

Overview of Questions

- Tax Base Revitalization Account TOD grants
- Smaller jobs projects applying for Tax Base Revitalization Account grants
- Local Housing Incentive Account funds available outside the MN Housing Consolidated Request For Proposals
- When is land acquisition eligible for LCDA & LCDA TOD?
- How to score repeat LCDA & LCDA TOD applications
- Scoring refinements

Tax Base Revitalization Account Transit Oriented Development grants?

- Current: Projects in TOD areas eligible, but must also be part of a Livable Communities Demonstration Account TOD application
- Advantages: Projects that need cleanup and development costs, and their timing aligns, can submit at one time
- Option: Drop these categories and have applications go through the regular categories
- Considerations:
 - No TBRA TOD cleanup applications in last two years
 - Functionally, projects can apply separately to the two programs.
 - This category creates a separate category for a smaller pool of potential projects with separate funding limits.
 - Two applications still submitted (LCDA & TBRA). Does not really create efficiency for applicants or staff.

Smaller jobs projects applying for Tax Base Revitalization Account grants?

- Current: Some smaller jobs projects with potential benefits to some neighborhoods do not compete well due to their size
- Option: Develop scoring criteria to allow smaller jobs projects to better compete
- Consideration: Allowing communities with smaller jobs projects to better compete would require either geographic or descriptive scoring parameters

Local Housing Incentive Account funds available outside the Consolidated RFP?

- Current: Only applications to the Minnesota Housing Consolidated RFP are considered for LHIA funding
- Option: Work with suballocators to identify a process to assist with applications that don't go through the Consolidated RFP process

Advantages

- Could help some valid projects
- Could help the LHIA program have a bigger impact on projects in need of funding

Disadvantages

- Coordination among multiple agencies for application review and managing balance of LHIA funding

When is Land Acquisition eligible?

- Current: Any acquisition *after* the date of LCDA & LCDA TOD award; or for sites acquired for affordable housing or retention or creation of jobs for low-income and underserved populations within 12 months of the application date
- Option: Restrict to only affordable housing or jobs projects for low-income or underserved populations

Advantages

- Helps to refine eligible costs to more direct public purpose

Disadvantages

- Might restrict some other valid project

How to score repeat applications?

- Current: Additional requests for funding for the same project are scored like all new applications
- Option: Reduce the scoring of a project on a subsequent application?

Advantages

- Returning larger projects can place smaller new projects at a competitive disadvantage

Disadvantages

- Some larger projects need additional funding to succeed

Helping jobs-only projects score better in LCDA and LCDA-TOD?

- Current: All projects are evaluated on their contributions to housing and affordable housing. Projects that only support jobs do not compete well.
- Option: Create scoring that evaluates housing projects or jobs projects separately with mixed-use projects scoring higher points

Advantages

- Helps good jobs projects better compete

Consideration

- Must be done carefully to not disadvantage some housing projects

More points to engagement and partnerships in LCDA and LCDA-TOD scoring?

- Current: Scoring gives points for elements that are required in the application or for the project to move forward, such as a resolution of support or zoning consistency.
- Option: Eliminate redundant and required elements in the Tools and Process section and redistribute those points to the scoring on early community engagement and project partnerships

Advantages

- Would help encourage or reward more active early engagement

Disadvantages

- None

More points to demonstration of TOD principles in TOD scoring?

- Current: TOD design is only 8 points out of 75 possible points
- Option: Placing greater weight on design would better emphasize TOD principles in the scoring process. Like the last option, staff would look to redistribute points, without upsetting other weighting of other priority categories

Advantages

- Would help encourage or reward more active early engagement

Considerations

- Staff will need to ensure that the weighting of other categories is not compromised

Retain the threshold in LCDA-TOD scoring?

- Current: All projects applying for LCDA-TOD must meet all of the threshold criteria
- Option: Delete the Threshold Criteria and continue to focus on them in the scoring
- Considerations: These issues have been more effectively addressed in the scoring process

Excerpts from the TOD Threshold Criteria:

- The project must comply with an approved station area plan or small area plan that addresses the following TOD design features, such as minimal building setbacks, short blocks with pedestrian connections adjacent to the buildings, limited parking shared between uses (located to the rear of buildings and/or structured), etc.
- City has adopted a local control to create or preserve a mix of housing affordability around transit investments in the TOD area
- Address how the applicant will proactively and intentionally address gentrification

Next steps with the 2019 Fund Distribution Plan

- January: Discussion of Livable Communities Act and equitable development with the Equity Advisory Committee
- January: Additional discussion at the Community Development Committee
- February: Adoption of the 2019 Fund Distribution Plan



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