

## Community Development Committee

Meeting date: October 15, 2018

**Subject:** Project Change Amendment to the Livable Communities Demonstration Account-Transit Oriented Development Grant, SG-09042, Northwest University & Dale, City of Saint Paul

**District(s), Member(s):** District 14, Jon Commers

**Policy/Legal Reference:** Minnesota Statutes Section 473.252

**Staff Prepared/Presented:** Ryan Kelley, Senior Planner, 651.602.1541

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

### Proposed Action

That the Community Development Committee:

1. Approve a project change amendment for the Livable Communities Demonstration Account-Transit Oriented Development (LCDA-TOD) grant agreement number SG-09042, Northwest University & Dale to the City of Saint Paul reducing the number of housing units, jobs and commercial/retail space.
2. Authorize its Community Development Division Director to execute the grant agreement amendment on behalf of the Council.

### Background

Grant SG-09042 was awarded in 2017 ([Business Item 2017-227](#)) to assist with site acquisition costs. The Northwest University & Dale project is the redevelopment of the third corner of this intersection, located at the Green Line Dale Street Station. The 2017 project proposal included 61 units of affordable senior housing, all at 51-60% of Area Median Income (AMI), new retail/commercial space and new office space in a six-story building.

The City submitted a subsequent LCDA-TOD grant application for the Northwest University & Dale project in the 2018 round of LCDA-TOD Development funding, which was for a project revised from the 2017 submittal. The revised project has a slight reduction in the square feet of retail, commercial, and office space, includes the acquisition of an additional adjacent parcel, has changed from six stories to five, and the number of units has been reduced from 61 to 40. The housing component has also changed from 100% affordable senior housing to 100% affordable housing targeted toward families. The revised proposal includes a larger number of two- and three-bedroom units and in addition to serving people at 51-60% AMI includes units affordable at 31-50% AMI.

Livable Communities grant amendment guidelines approved by the Community Development Committee (CDC) ([Business Item 2011-302](#)) require LCDA project changes to be approved by the CDC if the overall project density and/or land use intensity is reduced by 20% or more from the density and/or land use intensity originally proposed. The change in density for Northwest University & Dale between the 2017 project and the revised project is a 34% reduction. The CDC is the final approving body of LCDA grant amendments.

### Rationale

This project scored fifth out of seven projects in the 2017 LCDA-TOD grant cycle as reviewed by the Livable Communities Advisory Committee. The elements that contributed to the project's score remain, including intensified redevelopment with

a mix of uses, and improvements to the public realm through building siting, design, and new public spaces. Additionally, the change to include units with higher bedroom counts and a focus on serving families serves a need in the station area, which is a factor in application scoring. The revised project still scores in the fundable range of projects in that grant round.

### **Thrive Lens Analysis**

Investing in the Northwest University & Dale project advances several Thrive outcomes, including Prosperity, Equity, Livability, and Sustainability. This project adds a diversity of land uses at a significant transit node, including affordable housing units available to families. A range of affordability levels is proposed along with the addition of jobs and public space accessible to the nearby and broader community.

### **Funding**

In 2017, the Council approved a grant of \$1,450,000 for this project. With approval of this business item, there are no changes to the funding amount of this 2017 grant.

### **Known Support / Opposition**

The City has indicated that the new project design was influenced by further conversations with the neighborhood and has submitted a Resolution of Support for the project (Attachment A).

## Livable Communities Project Summary

**Grant #** SG-09042  
**Type:** LCDA-TOD Development  
**Applicant:** City of St. Paul  
**Project Name:** Northwest University & Dale  
**Project Location:** Green Line – Dale Street Station  
**Council District:** District 14 – Jon Commers

Project Detail		
Project Overview	The redevelopment supports the Dale Street Area Station Plan vision for a “healthy and functioning Main Street” serving the daily needs of residents and small businesses. The mixed-use project includes retail/commercial space, office space and affordable housing units. The building will anchor this important corner of the station area providing enhanced landscaping, a corner plaza/seating area and green space, while also working to secure smaller local businesses and service organizations as tenants.	
	<b>As awarded in 2017:</b>	<b>As requested to be amended in 2018:</b>
Jobs (FTEs)	Temporary (construction): 75 Permanent: 98	Temporary (construction): 75 Permanent: 76
Net tax capacity increase	\$81,409	\$74,329
Total housing units	61	40
Affordable units	61 @ 51%-60% AMI	20 @ 31-50% AMI; 20 @ 51-60% AMI
Anticipated # bedrooms	51 - Studio/1BR; 6 - 2BR; 4 - 3+BR	10-studio/1 BR, 18-2 BR, 12-3+ BR
Est. total development	\$22,954,876	\$23,927,000
Est. private funds leveraged	\$8,102,640	\$15,944,650
Est. other public funds	\$13,402,236	\$2,192,587
TOD metrics	Floor-area ratio: 2.02 Dwelling units per acre: 61 Distance to platform: 73 ft Residential parking ratio: .25 stalls/unit	Floor-area ratio: 1.6 Dwelling units per acre: 38.46 Distance to platform: 73 feet Residential parking ratio: .4 stalls/unit
Comments/ Demonstration value	<ul style="list-style-type: none"> <li>TOD design features include: active first floor uses, high transparency and building articulation, efficient land use, enhanced public realm</li> <li>Potential to catalyze additional TOD investment and increased density in the immediate station area</li> <li>The business incubator space is greatly needed and good addition to this project and can provide important wealth building capacity for neighborhood.</li> </ul>	
Funding Request		
\$1,450,000	TOTAL	
\$1,450,000	Site Acquisition	



# City of Saint Paul

## Signature Copy

Resolution: RES 18-1119

City Hall and Court House  
15 West Kellogg Boulevard  
Phone: 651-266-8560

**File Number: RES 18-1119**

Identifying the need for Livable Communities Transit-Oriented Development funding, and authorizing applications for grant funds for the North West University Dale and Plant & Cultivate (Springboard for the Arts) Projects.

WHEREAS the City of Saint Paul is a participant in the Metropolitan Livable Communities Act ("LCA") Local Housing Incentives Program for 2017 as determined by the Metropolitan Council, and is therefore eligible to apply for LCA Livable Communities Demonstration Account and Tax Base Revitalization Account Transit-Oriented Development (collectively, "TOD") funds; and

WHEREAS the City has identified proposed projects within the City that meet TOD purposes and criteria, and are consistent with and promote the purposes of the Metropolitan Livable Communities Act and the policies of the Metropolitan Council's adopted Metropolitan Development Guide; and

WHEREAS the City has the institutional, managerial and financial capability to adequately manage an LCA-TOD grant; and

WHEREAS the City certifies that it will comply with all applicable laws and regulations as stated in the grant agreement; and

WHEREAS the City acknowledges Livable Communities TOD grants are intended to fund projects or project components that can serve as models, examples or prototypes for TOD development or redevelopment elsewhere in the Region, and therefore represents that the proposed projects or key components of the proposed projects can be replicated in other metropolitan area communities; and

WHEREAS only a limited amount of grant funding is available through the Metropolitan Council's Livable Communities TOD initiative during each funding cycle, and the Metropolitan Council has determined it is appropriate to allocate those scarce grant funds only to eligible projects that would not occur without the availability of TOD grant funding; and

NOW THEREFORE BE IT RESOLVED that, after appropriate examination and consideration, the City Council does hereby:

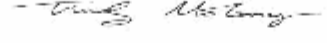
1. find that it is in the best interests of the City's development goals and priorities for the proposed projects to occur at the sites indicated in the grant applications at this particular time:
  - North-West-University-Dale
  - Plant & Cultivate (Springboard for the Arts)
2. find that the TOD Project components for which Livable Communities TOD funding is sought:
  - (a) will not occur solely through private or other public investment within the reasonably foreseeable future; and
  - (b) will occur within the term of the grant award only if Livable Communities TOD funding is made available for these projects at this time.
3. authorize its Department of Planning & Economic Development to submit, on behalf of the City of Saint Paul, the above identified applications for Metropolitan Council Livable Communities TOD development grant funds for the TOD Project components identified in the applications, and to execute such agreements as may be necessary to implement the projects on behalf of the City.

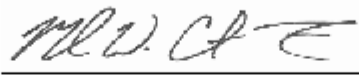
At a meeting of the City Council on 7/11/2018, this Resolution was Mayor's Office.

**Yea:** 6 Councilmember Bostrom, Councilmember Brendmoen, Councilmember Tolbert, Councilmember Noecker, Councilmember Prince, and Councilmember Henningson

**Nay:** 0

**Absent:** 1 Councilmember Thao

**Vote Attested by**  **Date** 7/11/2018  
**Council Secretary** Trudy Moloney

**Approved by the Mayor**  **Date** \_\_\_\_\_  
Melvin Carter III