

Community Development Committee

Meeting date: June 3, 2019

For the Metropolitan Council meeting of June 12, 2019

Subject: Livable Communities Demonstration Account Transit-Oriented Development Pre-Development Funding Recommendations

District(s), Member(s): All

Policy/Legal Reference: Minnesota Statute § 473.253

Staff Prepared/Presented: Ryan Kelley, Senior Planner, Livable Communities, (651) 602-1541 / Hannah Gary, Senior Planner, Livable Communities, (651) 602-1633

Division/Department: Community Development / Regional Planning

Proposed Action

That the Metropolitan Council:

1. Award two Livable Communities Demonstration Account Transit-Oriented Development Pre-Development grants totaling \$172,000, as shown in the table below.
2. Authorize its Community Development Division Director to execute the grant agreements on behalf of the Council.

Recommended Projects	Applicant	Award Amount
422 West University Avenue	City of Saint Paul	\$100,000
Hopkins Artspace	City of Hopkins	\$72,000
Total Recommended		\$172,000
Total Available		\$250,000
Total Remaining		\$78,000

Background

The Metropolitan Council has identified advancing Transit Oriented Development (TOD) along existing and emerging transitways as a priority. The Livable Communities Demonstration Account (LCDA) TOD grant category supports development activities in identified TOD areas. The Council adopted the 2019 Livable Communities Act TOD guidelines, criteria, schedule, and evaluation process as part of the 2019 Livable Communities Fund Distribution Plan ([Business Item 2019-33](#)) on February 13, 2019. The Fund Distribution Plan specifies a one-step staff evaluation process for TOD Pre-Development and TOD Zoning Implementation grants. A team of staff from the Community Development Division reviews pre-development applications.

Rationale

On May 1, 2019, the Council received two applications for the spring round of LCDA-TOD Pre-Development funding. The staff evaluation concluded that both applications met the minimum scoring threshold to be recommended for funding. Further detail is represented in the attached Review Record.

Thrive Lens Analysis

Projects that leverage our infrastructure investments by helping increase densities and provide a mix of uses further the Thrive Stewardship Outcome.

Projects that redevelop and increase density, especially near transit stations, further the Thrive Prosperity outcome of “Encouraging redevelopment and infill development across the region.”

Projects that help produce jobs near transit further the Thrive Equity outcome of “using our influence and investments to build a more equitable region.”

Projects located near transit and that include a mix of housing and jobs further the Thrive Livability outcome of “Aligning resources to support transit-oriented development and walkable, urban places.”

Funding

As outlined in the [Fund Distribution Plan](#), the Council will have two rounds of LCDA-TOD Pre-Development and Zoning Implementation funding in 2019 with \$250,000 available in each round. Staff is recommending funding both applications in this round for a total of \$172,000. After funding the recommended projects, a balance of \$78,000 remains in the LCDA-TOD Pre-Development and Zoning Implementation grant category. The remaining balance can be carried forward to the 2019 funding opportunities or transferred to the regular LCDA funding opportunities as provided for in the Fund Distribution Plan.

Known Support / Opposition

Each applicant community submitted a resolution of support. There is no known opposition to the applications recommended for funding at this time. Each applicant anticipates that there may be general concern regarding redevelopment and topics such as density and height. Hopkins also has specifically noted that the loss of a parking lot may be an issue. Both projects will be conducting community engagement activities to identify and address community concerns.

Review Process

The Council issued a notice of funding availability in March 2019 following adoption of the 2019 Annual Livable Communities Fund Distribution Plan. Staff held meetings to familiarize applicants with the LCA-TOD process and criteria.

Two total applications were submitted as shown in Table 1. Community Development staff conducted a preliminary review for completeness and eligibility, then used Council-approved criteria to evaluate each application in the following areas: transit accessibility, walkability, ridership; TOD design; catalytic potential; readiness and partnerships. Both applications met the 45-point minimum score. Full funding is being recommended for all requests.

Table 1: LCDA-TOD Pre-Development Application Scoring Summary

Project	Applicant	Points (75 pts. Possible, 45 point minimum)	Amount Requested	Amount Recommended
422 West University Avenue	City of Saint Paul	60	\$100,000	\$100,000
Hopkins Artspace	City of Hopkins	54.5	\$72,000	\$72,000

Total Requested	\$172,000
Total Recommended	\$172,000
Total Available	\$250,000
Total Remaining	\$78,000

Projects Recommended for Funding

Project summaries for projects recommended for funding are on the following pages.

Project Summary

Grant # SG
Type: TOD Pre-Development
Applicant City of Saint Paul
Project Name 422 West University Avenue
Council District District 14 – Kris Fredson

Project Detail	
Project Overview	422 West University Avenue contains the Little Mekong Market. The Asian Economic Development Association (AEDA) is redeveloping this site to replace failing buildings and construct a mixed-use project anchored by an indoor/outdoor market with a food hall, community commissary, and retail vendors. The concept includes new buildings surrounding a public outdoor performance/gathering space with offices and apartments on the upper floors.
Comments/ Demonstration value	<ul style="list-style-type: none"> • The market structure allows for dozens of Southeast Asian and African American-centric small and micro business purveyors to own property in the vendor stalls while AEDA coordinates on-site support and marketing services. • The art offerings and architecture of the apartments are to be standouts in new construction. • Strong mix of uses and potential for significant public space and station area activation.
Funding Request	
\$100,000	TOTAL
\$15,000	Community engagement to develop site plan concepts
\$29,000	Market study
\$44,000	Development of site plan concepts
\$12,000	Development of concept stormwater management plan

Project Summary

Grant # SG
Type: TOD Pre-Development
Applicant City of Hopkins
Project Name Hopkins Artspace
Council District District 5 – Molly Cummings

Project Detail	
Project Overview	<p>The City of Hopkins has been focused on using art and creative expression to build community for the past two decades, building such projects as the Hopkins Center for the Arts, the Artstreet program and the reconstruction of 8th Street into “the Artery.” The city invited Artspace to pursue a project in downtown to provide affordable housing for artists to complement the thriving art economy and provide an opportunity for artists to live in the city. Hopkins received a pre-development grant in 2018 to conduct a market analysis which indicated that Hopkins is an excellent candidate for an Artspace development of approximately 40 units with community space. The city and Artspace have defined a location to redevelop and will continue community engagement efforts and begin site plan design. The project is adjacent to the Lake Minnetonka LRT Regional Trail which connects directly into the Artery and the future Downtown Hopkins Green Line Station.</p>
Comments/ Demonstration value	<ul style="list-style-type: none"> • Great opportunity to design/orient a building to enhance the trail and further improve this area of downtown for pedestrians and transit ridership. • Strong synergy of affordable artist housing with existing creative economy in Hopkins.
Funding	
\$72,000	TOTAL
\$5,000	Geotechnical work
\$20,000	Community engagement to develop site plan concepts
\$35,000	Development of site plan concepts
\$12,000	Development of concept stormwater management plan