

## Community Development Committee

Meeting date: June 3, 2019

For the Metropolitan Council meeting of June 12, 2019

**Subject:** Livable Communities Demonstration Account Pre-Development Funding Recommendations  
**District(s), Member(s):** All  
**Policy/Legal Reference:** Minnesota Statute § 473.253  
**Staff Prepared/Presented:** Hannah Gary, Senior Planner, Livable Communities (651) 602-1633  
**Division/Department:** Community Development / Regional Planning

### Proposed Action

That the Metropolitan Council:

1. Authorize the transfer of \$10,000 from the Livable Communities Demonstration Account Transit Oriented Development Pre-Development grant funding category to the Livable Communities Demonstration Account Pre-Development grant funding category.
2. Award three Livable Communities Demonstration Account Pre-Development grants for \$260,000 as shown in the table below.
3. Authorize its Community Development Division Director to execute the grant agreements on behalf of the Council.

Applicant	Recommended Project	Award Amount
City of Brooklyn Center	Monarch Park	\$60,000
City of Minneapolis	Upper Harbor Terminal	\$100,000
City of Saint Paul	Ford Site Redevelopment	\$100,000
Total Recommended		\$260,000
Total Available		\$260,000
Total Remaining		\$0

### Background

The Livable Communities Act (LCA) supports Metropolitan Council priorities through the Livable Communities Demonstration Account (LCDA) by funding projects that create livable communities by connecting jobs, transit, services, and housing. The Council adopted the 2019 LCDA guidelines, criteria, schedule, and evaluation process as part of the 2019 Annual Livable Communities Fund Distribution Plan ([Business Item 2019-33](#)) on February 13, 2019. The Fund Distribution Plan provides for a one-step staff evaluation process for the LCDA Pre-Development grant funding. A team of staff from the Community Development Division reviews pre-development applications.

### Rationale

On May 1, 2019, the Council received three applications for the spring round of LCDA Pre-Development funding. Applications came from the City of Brooklyn Center, the City of Minneapolis, and the City of Saint Paul. The staff evaluation concluded that all three applications met the minimum scoring threshold required for funding. Project details are included in the attached project summaries.

## **Thrive Lens Analysis**

Projects that demonstrate efficient and effective use of public financial resources further the Thrive Stewardship Outcome.

Projects that redevelop and increase density further the Thrive Prosperity outcome of “[e]ncouraging redevelopment and infill development across the region.”

Projects that provide a mix of housing affordability levels further the Thrive Equity outcome of “[c]reating real choices in where we live, how we travel, and where we recreate for all residents, across race, ethnicity, economic means, and ability.”

Projects that introduce more housing types and affordability levels in existing neighborhoods further the Thrive Livability outcome of “Providing housing and transportation choices for a range of demographic characteristics and economic means.”

## **Funding**

As outlined in the [\*Fund Distribution Plan\*](#), the Council has two rounds of LCDA Pre-Development funding in 2019, with up to \$250,000 available in each round. Staff recommends that \$10,000 in available funds from the LCDA Transit Oriented Development Pre-Development grant funding category be allocated to the LCDA Pre-Development grant funding category to fund all submitted requests. All three applications present projects that will further Livable Communities Act goals and offer demonstration value to the region.

## **Known Support / Opposition**

Each applicant submitted a resolution of support from their respective city.

There is known opposition to the Upper Harbor Terminal project. Council staff received a letter from a resident outlining concerns about the project. Opposition to the project has included comments about the community engagement process to date and lack of representation in the process. The Pre-Development funds for the project will go in part to support additional community engagement for the project.

There has been opposition to the Ford Site redevelopment, and the developer has worked in partnership with the City to conduct community engagement.

There is no known opposition to the Monarch Park project in Brooklyn Center. The applicant anticipates moments of opposition around increased density and parking and intends to address these concerns through a community engagement process.

## Review Process

The Council issued a notice of funding availability in March 2019 after adopting the 2019 Annual Livable Communities Fund Distribution Plan. Staff distributed information about funding availability and met with applicants to discuss the LCA processes, criteria, and best program fit for their projects.

Three 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: land use and design; connections to surrounding uses; sustainability; housing; jobs; partnerships and engagement; readiness; and demonstration value. Each application exceeded the minimum threshold of 30 points to be eligible for funding. Staff is recommending that all three projects receive full funding.

**Table 1. LCDA Pre-Development Application Scoring Summary**

Applicant	Project	Points (70 pts. possible; minimum 30)	Amount Requested	Amount Recommended
City of Brooklyn Center	Monarch Park	51.12	\$60,000	\$60,000
City of Minneapolis	Upper Harbor Terminal	50.25	\$100,000	\$100,000
City of Saint Paul	Ford Site Redevelopment	55.75	\$100,000	\$100,000
			Total Requested	\$260,000
			Total Recommended	\$260,000
			Total Available (after funding shift)	\$260,000
			Total Remaining	\$0

## Project Recommended for Funding

A project summary for each of the recommended projects is on the following three pages.

**Grant #**  
**Type:** LCDA Pre-Development  
**Applicant** City of Brooklyn Center  
**Project Name** Monarch Park  
**Project Location** 57<sup>th</sup> Avenue and Logan Avenue  
**Council District** District 2 – Reva Chamblis

<b>Project Detail</b>	
Future Development Project Overview	This is a mixed-use, mixed-income development proposing to add retail and commercial space, a workforce development center, multi-family housing, and a public plaza. These uses will be housed in two mixed-use buildings: Monarch Park and Sector 612. A portion of the commercial space is proposed to be affordable space to be occupied by small businesses.
Comments/ Demonstration value	This project proposes to diversify housing options in the area and add affordability at three tiers. The commercial affordability aspect is innovative and will serve as a demonstration project to other communities looking to support affordable commercial space. A mixed-use development furthers City goals of including higher-density, mixed-use developments.
<b>Funding</b>	
Requested amount	\$60,000
Previous LCA funding	None
<b>Use of funds</b>	
Amount	Uses to be completed by the end of the grant term
\$15,000	Community Engagement
\$10,000	Site Planning
\$25,000	Financial Analysis (market feasibility study and pro-forma creation for workforce development center and affordable commercial space)
\$10,000	Stormwater Management Plan Design

**Grant #**  
**Type:** LCDA Pre-Development  
**Applicant** City of Minneapolis  
**Project Name** Upper Harbor Terminal  
**Project Location** Dowling Avenue & 1<sup>st</sup> Street N  
**Council District** District 7 – Robert Lilligren

<b>Project Detail</b>	
Future Development Project Overview	The proposed development project on this 48-acre industrial site will include a mix of uses and mixed-income residential units. This is a partnership with the City and the Minneapolis Park and Recreation Board; a portion of the site will be park land and the remainder of the site will be private development. The project proposes connecting nearby neighborhoods to the new development as well as regional park and trail amenities along the Mississippi River.
Comments/ Demonstration value	This project will provide connections between neighborhoods that have been cut-off from regional amenities as well as provide additional park space along the Mississippi River. There is demonstration value in the City's plan to include community ownership models in the commercial space. The project has met opposition and the City plans to continue community engagement efforts.
<b>Funding</b>	
Requested amount	\$100,000
Previous LCA funding	\$32,200 in Spring 2015 TBRA Grant
<b>Use of funds</b>	
Amount	Uses to be completed by the end of the grant term
\$50,000	Stormwater Analysis/Design
\$50,000	Community Engagement

**Grant #**  
**Type:** LCDA Pre-Development  
**Applicant** City of Saint Paul  
**Project Name** Ford Site Redevelopment  
**Project Location** 966 Mississippi River Boulevard S  
**Council District** District 14 – Kris Fredson

<b>Project Detail</b>	
Future Development Project Overview	This is a redevelopment of the 122-acre site previously home to the Ford plant. The project proposes a mix of affordable, market rate, rental, and ownership housing options. A proposed street network will connect residents to the new uses on the site and to the natural areas along the Mississippi River. The stormwater system will serve as a central amenity water feature and will restore Hidden Falls Creek.
Comments/ Demonstration value	The project is a demonstration of integrating a larger development into an existing urban neighborhood. While the project is adding more density to the area, it will be well integrated into the existing pattern of development. Additionally, the stormwater management system seeks to re-create features of Hidden Falls and provide a large, central water amenity feature.
<b>Funding</b>	
Requested amount	\$100,000
Previous LCA funding	\$100,000 in Fall 2018 Pre-Development Grant; \$100,000 in 2011 LCDA Grant
<b>Use of funds</b>	
Amount	Uses to be completed by the end of the grant term
\$100,000	Design of Stormwater System