# Community Development Committee

Meeting date: June 15, 2020

For the Metropolitan Council meeting of June 24, 2020

**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:** Stephen Klimek, Senior Planner, Livable Communities (651) 602-1541

**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 for $200,000 as shown in the table below.
2. Authorize its Community Development Division Director to execute the grant agreements on behalf of the Council.

| Applicant | Recommended Project | Award Amount |
|---|---|---|
| City of Minneapolis | Towerside District Stormwater | $100,000 |
| City of Saint Paul | Keystone Community Food Site | $100,000 |
| | Total Recommended: | $200,000 |
| | Total Available: | $250,000 |
| | Total Remaining: | $50,000 |

## 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 2020 Livable Communities Act TOD guidelines, criteria, schedule, and evaluation process as part of the 2020 Annual Livable Communities Fund Distribution Plan (*Business Item 2020-70*) on February 26, 2020. The Fund Distribution Plan provides for a one-step staff evaluation process for the LCDA-TOD Pre-Development grant funding. A team of staff from the Community Development Division reviews pre-development applications.

## Rationale

On May 1, 2020, the Council received two applications for the spring round of LCDA-TOD Pre-Development funding. Applications came from the City of Minneapolis and the City of Saint Paul. The staff evaluation concluded that both applications met the minimum scoring threshold required for funding. Project details are included in the attached project summaries.

As outlined in the *Fund Distribution Plan*, the Council has two rounds of LCDA-TOD Pre-Development funding in 2020, with up to $250,000 available in each round. Both applications presented projects that will further Livable Communities

Act goals and offer demonstration value to the region. Fully funding both applications will result in $200,000 in grant awards and $50,000 of the total available funding unallocated. The remaining balance can be carried forward to the 2020 funding opportunities or transferred to the regular LCDA funding opportunities as provided for in the Fund Distribution Plan.

## Thrive Lens Analysis

Projects that leverage regional 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

Funds are available in the Livable Communities authorized 2020 budget and Livable Communities reserve accounts. Reserve funds may need to be amended into the authorized budget in Q3 or Q4 2020, if grantee draws are forecasted to exceed the authorized 2020 budget.

## Known Support / Opposition

All applicants have submitted a statement of support from their City Council or other authorizing body. City Council resolution requirements are being accepted at a later date in light of the current pandemic.

## Review Process

The Council issued a notice of funding availability in March 2020 after adopting the 2020 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.

Two 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: TOD Design and Demonstration; Transit Accessibility, Walkability, & Ridership; Housing; Jobs; Catalyst; and Process and Partnerships. Each application exceeded the minimum threshold of 39 points to be eligible for funding. Staff is recommending that both projects receive funding.

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

| Applicant | Project | Points (65 pts. possible; minimum 39) | Amount Requested | Amount Recommended |
|---|---|---|---|---|
| City of Minneapolis | Towerside District Stormwater | 51.5 | $100,000 | $100,000 |
| City of Saint Paul | Keystone Community Food Site | 40 | $100,000 | $100,000 |

| | |
|---:|---:|
| Total Requested: | $200,000 |
| Total Recommended: | $200,000 |
| Total Available: | $250,000 |
| Total Remaining: | $50,000 |

## Project Recommended for Funding

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

**Grant #**
**Type:** LCDA-TOD Pre-Development
**Applicant:** City of Minneapolis
**Project Name:** Towerside District Stormwater
**Project Location:** Intersection of 29th Ave SE and University of Minnesota Transitway
**Council District:** District 8 - Abdirahman Muse

| Project Detail | |
|---|---|
| Future Development Project Overview | The Malcolm Yards development is a combination of several current, planned, and prospective development projects. Current projects include a food hall, market rate housing with ground floor commercial, and affordable housing. Future phases plan to include office and additional mixed use and commercial buildings. |
| Comments/ Demonstration value | <ul><li>There is demonstration value in a district-scale stormwater management system which is stacked with green space and that creates a cohesive development framework centered on walkability for future TOD investment.</li><li>The development projects will bring new uses to largely vacant land near an LRT station.</li><li>This project serves as an example of strong partnerships coming together on a larger development project.</li></ul> |

| Funding | |
|---|---|
| Requested amount | $100,000 |
| Previous LCA funding | $15,961 in 2012 TBRA Grant; $ 44,888 in 2017 TBRA Grant |

| Use of funds | |
|---|---|
| **Amount** | **Uses to be completed by the end of the grant term** |
| $100,000 | **Stormwater**: Planning and engineering for stormwater and public realm space<br>Deliverables: Schematic design plans for district stormwater management system, analysis of layered public realm uses |

**Grant #**
**Type:** LCDA-TOD Pre-Development
**Applicant:** City of Saint Paul
**Project Name:** Keystone Community Food Site
**Project Location:** Lexington Station Area
**Council District:** District 14 - Kris Fredson

| Project Detail | |
|---|---|
| Future Development Project Overview | Keystone Community Service's Community Food Site facility will include a new centralized distribution facility and operations for a food shelf grocery space, food truck, community space and crisis support services. |
| Comments/ Demonstration value | • There is demonstration value in locating an essential service and daily need such as food access within a TOD area, as well as the integration of food retail space and distribution infrastructure.<br>• This project will develop as a result of community engagement and the inclusion of Keystone Service's users. |

| Funding | |
|---|---|
| Requested amount | $100,000 |
| Previous LCA funding | None |

| Use of funds | |
|---|---|
| **Amount** | **Uses to be completed by the end of the grant term** |
| $95,000 | **Site Selection**: Site feasibility analyses; site plan concept design<br>Deliverables: Location options, 3 site plan concepts |
| $3,000 | **Community Engagement**: Including community and program participants in project planning<br>Deliverables: Community engagement plan and documentation |
| $2,000 | **Design Workshops**: Including user groups in project design<br>Deliverables: Workshop documentation; concept and schematic design |