

Minutes of the

REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE

Monday, June 7, 2021

Committee Members Present: Atlas-Ingebretson, Chamblis, Cummings, Johnson, Lee, Lilligren, Lindstrom, Muse, Vento

Committee Members Absent: Wulff

Committee Members Excused:

CALL TO ORDER

A quorum being present, Committee Chair Lilligren called the regular meeting of the Council's Community Development Committee to order at 4:00 p.m. on June 7, 2021.

APPROVAL OF MINUTES

It was moved by Lindstrom, seconded by Johnson to approve the minutes of the May 17, 2021 regular meeting of the Community Development Committee. Motion carried.

[Click here to view the June 7, 2021 Community Development Committee meeting video](#)

BUSINESS

Consent

2021-130 Dakota County Transportation Plan Updates Comprehensive Plan Amendment, Review File 21927-3 (Patrick Boylan 651-602-1438)

It was moved by Cummings, seconded by Lindstrom, that the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

1. Authorize Dakota County to place its comprehensive plan amendment into effect.
2. Find that the amendment does not change the County's forecasts.
3. Advise the County to implement the advisory comments in the Review Record for Wastewater and Forecasts.

Motion carried.

2021-139 Establish Public Hearing Date for the Public Housing Agency Annual Plan (Stephanie Paulson 651-602-1548)

It was moved by Cummings, seconded by Lindstrom, that the Metropolitan Council:

1. Approve the Amended Edina Affordable Housing Partnership as described in this Business Item.
2. Authorize the Community Development Executive Division Director to negotiate and execute: (a) a 25-year forgivable loan agreement with the City of Edina or the Edina Housing and Redevelopment Authority; and (b) other documents necessary to implement this affordable housing partnership initiative.
3. Authorize the Community Development Executive Division Director to execute purchase agreements and related agreements/documents necessary for the purchase of the homes.

Motion carried.

The Community Development Committee recommended approval of the proposed action without questions or discussion as part of its consent agenda.

2021-141 Livable Communities Demonstration Account Pre-Development Funding Recommendations

Senior Planner Hannah Gary presented the Business Item to the Community Development Committee.

It was moved by Vento, seconded by Muse, that the Metropolitan Council:

1. Award three Livable Communities Demonstration Account Pre-Development grants totaling \$275,000 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 Saint Paul	The Rondo Restorative Development Overlay District	\$150,000
Brooklyn Park EDA	Innovation Hub	\$50,000
City of Minneapolis	Chicago-Lake Rebuild	\$75,000

Motion carried.

Council Member Cummings inquired about the applications that were not awarded for funding and how staff follow up with the applicants to explain the score and encourage them to apply again. An overview of the application scores was given along with information about conversations with each of the applicants.

2021-142 Livable Communities Demonstration Account – Transit Oriented Development Pre-Development Funding Recommendations

Senior Planner Stephen Klimek presented the Business Item to the Community Development Committee.

It was moved by Lee, seconded by Chamblis, that the Metropolitan Council:

1. Award two Livable Communities Demonstration Account Transit-Oriented Development Pre-Development grants for \$202,500 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	3030 Nicollet	\$150,000
City of Saint Paul	990 Payne	\$52,500

Motion carried.

Council member Lee asked about the typical number of applications received for the program. Council Member Cummings asked what was being done to encourage more applications. Staff responded that an average of 2-3 applications are usually received in a given grant cycle and shared current outreach activities intended to increase prospective applications in the future.

2021-126 Gale Woods Farm Special Recreation Feature, Park Acquisition Opportunity Fund (Olson), Three Rivers Park District

Senior Parks Planner Jessica Lee presented the Business Item to the Community Development Committee

It was moved by Johnson, seconded by Vento, that the Metropolitan Council:

1. Approve a grant from the Parks and Trails Legacy Fund of up to \$459,375 to Three Rivers Park District to acquire the vacant rural residential 27.87-acre Olson property adjacent to Gale Woods Farm, just west of Woodedge Road in Minnetrista, for Gale Woods Farm Special Recreation Feature.
2. Authorize the Community Development Director to execute the grant agreement and restrictive covenant on behalf of the Council.

Motion carried.

The Community Development Committee recommended approval of the proposed action without questions or discussion.

2021-140 SW: City of Blaine Groveland Village Comprehensive Plan Amendment, Review File 21902-2 Planning Analyst Eric Wojchik presented the Business Item to the Community Development Committee. Council Member Vento asked about how often the Metropolitan Airports Commission (MAC) comments on developments in proximity to their airports. Community Development Division Director Barajas responded that there have not been many amendments of this type over the last decade, but MAC does engage on those that are nearby. Council Member Johnson asked what mitigation measures the developer will put in place to reduce noise impacts for residents in this development. Mr. Wojchik addressed this question by highlighting the various City requirements and agreements put in place to mitigate potential noise impacts.

It was moved by Lindstrom, seconded by Johnson, that the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

1. Authorize the City of Blaine to place its comprehensive plan amendment into effect.
2. Find that the amendment does not change the City's forecasts.
3. Due to the proximity to the Anoka-Blaine (ANE) Airport, strongly encourage the City to:
 - a. Consider suspending the development until updated noise contours are available and to analyze the impact of noise on the development.
 - b. Implement the notification requirements and noise mitigation standards if the City chooses to move forward with this development proposal.
4. Advise the City to implement the advisory comments in the Review Record for Forecasts and Natural Resources.

Motion carried.

2021-131 Approval of the Amended Edina Affordable Housing Partnership

Metro HRA Director Terri Smith presented the Business Item to the Community Development Committee.

It was moved by Cummings, seconded by Atlas-Ingebretson, that the Metropolitan Council:

1. Approve the Amended Edina Affordable Housing Partnership as described in this Business Item.
2. Authorize the Community Development Executive Division Director to negotiate and execute:
 - (a) a 25-year forgivable loan agreement with the City of Edina or the Edina Housing and Redevelopment Authority; and (b) other documents necessary to implement this affordable housing partnership initiative.
3. Authorize the Community Development Executive Division Director to execute purchase agreements and related agreements/documents necessary for the purchase of the homes.

Motion carried.

The Council Members had some general brief discussion on the process for home purchases and acknowledgement of the market conditions that may impact timing of purchases.

INFORMATION

1. Project Based Voucher Program Offer and Award Discussion Continued

Metro HRA Director Terri Smith presented the Information Item to the Community Development Committee.

The Council's Housing and Redevelopment Authority (Metro HRA) administers 6,872 Housing Choice Vouchers (HCV). The majority of these vouchers are tenant-based and move from place to place with the tenant. The U.S. Department of Housing and Urban Development (HUD) allows housing authorities the discretion to Project Base up to twenty percent (20%) of their vouchers, referred to as Project Based Vouchers (PBVs). The Metropolitan Council approved, as part of the Administrative Plan (Section 17-II.B, project basing *up to 20%* of vouchers as PBVs, [Metro HRA Housing Choice Voucher Administrative Plan](#)). Generally, the Administrative Plan sets the overall policy guidance (*up to 20%* PBVs) while staff puts the policy into operations, with Council Member input.

Staff considered many variables when determining whether or not to offer PBVs in a given year. These include overall voucher utilization, current voucher turnover rates, funding and budget, and balancing PBV and waiting list admissions. The Metro HRA does not get any extra vouchers or a separate pool of funding from HUD for attaching to PBVs. Rather, the PBVs come from a very limited pool of turnover vouchers from the standard Housing Choice Voucher program.

The Metro HRA has awarded 970 PBV units (13% of total vouchers) in 55 separate projects to date located throughout Anoka, Carver, Hennepin, Ramsey, and Washington Counties. There are:

- 37 developments (363 units) that have supportive service components assisting specialized populations such as people experiencing homelessness or people living with disabilities.
 - These units are filled through the Coordinated Entry System or through direct referrals from service providers. Applicants for these units do not come from the Metro HRA HCV waiting list.
- 18 developments (608 units) that serve general populations (low-income households with no additional services).
 - These units are filled from the broader HCV waiting list.
 - 296 general occupancy units (166 senior and 130 preservation) have very little turnover.
 - 150 are Council-owned housing units that have a separate waiting list so are not filled from the HCV general waiting list.

On average, the Metro HRA has approximately 750 vouchers turnover each year (62 per month). Balancing the use of the limited turnover vouchers is incredibly difficult. These vouchers need to serve the following groups:

1. **Waiting list applicants.** The Metro HRA last opened its waiting list in 2019, received 17,400 application requests in one week, and randomly placed 2,000 applicants on the list. Two years later, 1,900 applicants remain on the waiting list. Although Table 1 below shows waiting list admissions from 2019 and 2020, these were applicants from the prior waiting list.
2. **PBV unit movers and Initially filling PBV buildings.**
 - After living in a PBV unit for one year, the tenant has the option of taking a tenant-based voucher to move to another home. Per federal regulation, PBV movers are issued vouchers before waiting list applicants.
 - If, for example, a 50-unit PBV building comes “online,” Metro HRA needs to use 50 turnover vouchers to lease up the building.
 - There are 105 units (3 projects from 2019 and 7 from 2020) in the pipeline that are either under construction or newly awarded PBVs that will require turnover vouchers upon filling.
 - Table 1 below shows overall PBV lease ups (movers and initial building lease up) as they are not tracked separately.
3. **Special Purpose Vouchers.** Special purpose (Housing Choice) vouchers are awarded to serve specific, targeted populations, are generally filled through direct referral and are included in the Special Purpose Vouchers in Table 1, unless otherwise noted below.
 - Mainstream Vouchers – Serve non-elderly persons with disabilities experiencing homelessness or at risk of homelessness. Admissions are made through referrals from the Metro Transit Homeless Action Team or through direct referrals from County partners.

- Veterans Affairs Supportive Housing Vouchers – Serve veterans experiencing homelessness. Admissions are made through referrals from the U.S. Department of Veteran’s Affairs.
 - Family Unification Program Vouchers - Serve families for whom the lack of adequate housing is a primary factor in the separation of children from their families. Referrals are received from the Public Child Welfare Agency.
 - Non-Elderly Disabled Vouchers – Provide rental assistance to persons with disabilities selected from the general waiting list. Admissions are included in the Waiting List Admissions below.
4. **Absorbing vouchers from other housing authorities.** Once a family has a voucher, they can move from place-to-place, including to another housing authority’s service area. When a voucher holder arrives from another housing authority, the Metro HRA can choose to bill the initial housing authority or “absorb” the voucher into its own program. Billing is administratively burdensome. Absorbing requires vouchers from the Metro HRA’s pool of turnover Housing Choice Vouchers.

Public Comments regarding the Project Based Voucher Program information item were submitted online in advance and requests from public to speak at the virtual meeting were allowed. The following people addressed the Community Development Committee:

Lee Blons – CEO Beacon Interfaith

Justin Lewandowski – resident, Hubbard Ave in St Paul

Tom Francis – Hope Lutheran Church

Leslie Vermillion – Scott County Administrator, Shakopee, MN

ADJOURNMENT

Business completed, the meeting adjourned at 6:15 p.m.

Michele Wenner
Recording Secretary