

# Business Item

Community Development Committee



**Committee Meeting Date:** September 6, 2022

**For the Metropolitan Council:** September 14, 2022

## Business Item: 2022-243

Funding Recommendations for 2022 Livable Communities Act Policy Development Grants

**District(s), Member(s):** All  
**Policy/Legal Reference:** Livable Communities Act (Minn. Stat. § 473.25)  
**Staff Prepared/Presented:** Hannah Gary, Senior Planner, Livable Communities (651) 602-1633  
**Division/Department:** Community Development / Regional Planning

### Proposed Action

That the Metropolitan Council award two Livable Communities Act Policy Development Grants totaling \$94,000 as shown Table 1 below.

Table 1. Recommended Grant Projects and Funding Amounts

Applicant	Recommended Project	Award Amount
City of Mahtomedi	Mahtomedi Sustainability Policies	\$44,000
City of Minnetonka	Minnetonka Policy Grant	\$50,000

### Background

Livable Communities Act (LCA) supports Metropolitan Council priorities through the Livable Communities Demonstration Account (LCDA) by funding projects that connect jobs, transit, services, and housing in efficient and effective ways. The Council adopted the 2022 LCA Pre-development guidelines, criteria, schedule, and evaluation process as part of the Annual Livable Communities Act Fund Distribution Plan ([Business Item 2022-50](#)) on March 9, 2022. In previous years the Council has offered a Transit Oriented Development (TOD) Zoning grant program. Given a recent lack of interest in the program and desire to support a broader range of policies, the Council approved expanding the TOD Zoning program as a pilot program. The program supports locally adopted policies that further LCA goals and have an impact on physical development in the applicant city.

On July 18, 2022, the Council received two applications for Policy Development funding. The City of Mahtomedi and the City of Minnetonka both submitted applications. A staff evaluation concluded that all submitted applications met eligibility requirements. Project details are included in the attached project summaries.

### Rationale

As detailed in the Review Process section of this report, the recommended projects and award amounts meet the funding award criteria for the program. As outlined in the 2022 Fund Distribution Plan, the Council has two rounds of LCA Pre-Development funding in 2022, with up to \$1,000,000 available in each round. The funding for the Policy Development program is coming from the funding allocated for Round Two of LCA Pre-Development. There is an award limit of \$50,000 per City for Policy Development awards which is included in the \$300,000 per City limit for Pre-

Development. Unallocated funds will be available for future programming.

### **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 “[p]roviding housing and transportation choices for a range of demographic characteristics and economic means.”

### **Funding**

Funds are available in the Livable Communities authorized 2022 budget and Livable Communities reserve accounts to award these grants. Reserves may need to be amended into a future annual budget to meet cashflow needs on Livable Communities multi-year grants.

### **Known Support / Opposition**

All applicants have submitted a statement of support from their City Council or other authorizing body. There is no known opposition to the proposals submitted.



## Review Process

The Council issued a notice of funding availability in March 2022 after adopting the 2022 Annual Livable Communities Fund Distribution Plan. Staff held informational webinars, 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 2. Council staff conducted a preliminary review for completeness and eligibility, then used Council-approved criteria to evaluate each application in the following areas: Pre-Development Project Outcomes, Proposed Project Process, and Proposed Project Team. The results of the staff evaluation are shown in Table 3.

Because the Policy Development Program was being implemented as a pilot program in the first year, staff did not set a minimum score to be eligible for funding. Before the next funding cycle, Council staff will review the program and recommend changes, including scoring criteria and minimum scores. Staff anticipating altering the scoring criteria and implementing a minimum score for 2023.

Table 2. Application Summary

Grant Category	Submitted Applications	Eligible Applications	Applications recommended for funding
LCA Policy Development	2	2	2

Table 3. Scoring Summary

Applicant	Project	Points	Amount Requested	Amount Recommended
City of Mahtomedi	Mahtomedi Sustainability Policies	25	\$44,000	\$44,000
City of Minnetonka	Minnetonka Policy Grant	22	\$50,000	\$50,000
			<b>Total Recommended</b>	<b>\$94,000</b>
			Total Available	\$457,100
			Total Remaining	\$363,100

## Projects Recommended for Funding

A summary of each of the recommended funding awards is on the following pages, including the following projects:

- Mahtomedi Sustainability Policies, City of Mahtomedi
- Minnetonka Policy Grant, City of Minnetonka



## Livable Communities Project Summary

**Grant #** SG  
**Type:** LCA Policy Development  
**Applicant:** City of Mahtomedi  
**Project Name:** Mahtomedi Sustainability Policies  
**Council District:** 12 – Gonzalez

Project Detail	
Project Overview	The City of Mahtomedi approved their Sustainability Plan that included goals to improve their ecological health; reduce energy use, vehicle miles traveled, and waste generated; and increase community involvement. The City is applying for this grant to implement their Plan through revising their existing ordinances, guidelines, and regulations.
Support for Award	<ul style="list-style-type: none"> <li>The policy will have an impact on environmental sustainability in the city, achieving goals outlined in <i>Thrive MSP 2040</i>.</li> </ul>
Funding	
Requested Amount	\$44,000
Previous LCA funding	None
Use of Funds	
<b>\$44,000</b>	<b>TOTAL</b>
\$15,000	<b>Activity:</b> Create green stormwater infrastructure guidelines, standards, and standard plates to be implemented during both private development and public infrastructure rehabilitation <b>Deliverable:</b> Documentation of consultant time and final product
\$10,000	<b>Activity:</b> Review and revise the existing City parking requirements to minimize the amount of parking spaces necessary to support development, reduce impervious surfaces when constructing parking facilities, and encourage EV charging station installation <b>Deliverable:</b> Documentation of consultant time and final product
\$7,000	<b>Activity:</b> Modify the City’s existing residential accessory structure regulations to allow for feasible wind energy conversion system (WECS) installations <b>Deliverable:</b> Documentation of consultant time and final product
\$7,000	<b>Activity:</b> Update the City’s existing tree removal regulations to encourage tree preservation, increase the tree canopy, and require tree replacement during development and redevelopment activities <b>Deliverable:</b> Documentation of consultant time and final product
\$5,000	<b>Activity:</b> Community Engagement to inform policy development <b>Deliverable:</b> Documentation of engagement activities and how they are informing the final policy



## Livable Communities Project Summary

**Grant #** SG  
**Type:** LCA Policy Development  
**Applicant:** City of Minnetonka  
**Project Name:** Minnetonka Policy Grant  
**Council District:** 3 – Vacant

Project Detail	
Project Overview	The city will have an updated zoning code which is more reflective of the current community with supportive zoning districts and standards. The update will remove barriers for geographic separation of home and work, thereby reducing auto dependency. The current comprehensive plan is supportive of intensive and transit-oriented land use and the zoning code needs to be updated to maintain consistency. Additionally, the comprehensive plan includes resiliency and sustainability components to better address climate impacts.
Support for Award	<ul style="list-style-type: none"> <li>The zoning code update will allow for increased density, improved connections, and removes a barrier to constructing new affordable housing.</li> </ul>
Funding	
Requested Amount	\$50,000
Previous LCA funding	None
Use of Funds	
<b>\$50,000</b>	<b>TOTAL</b>
\$50,000	<b>Activity:</b> Consultant Time <b>Deliverable:</b> Documentation of consultant time and final update to the zoning code

