

Information Item

Community Development Committee



Meeting Date: January 16, 2024

Topic

2024 Livable Communities Act Funding Availability and Scoring Criteria Discussion

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. § 473.25

Staff Prepared/Presented: Sarah Berke, Senior Manager, Livable Communities, 651-602-1198
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Division/Department: Community Development/Regional Planning

Proposed Action

None at this time. This item is for discussion and will lead to future committee action.

Background

The [Livable Communities Act](#) (LCA) requires that the Council prepare an annual plan for distribution of Livable Communities funds based on program criteria established by the Council. Criteria must be consistent with and promote the purposes of the statute and the Metropolitan Development Guide.

This information item will review (1) funding availability and (2) draft scoring criteria for discussion with the Community Development Committee before recommending approval of the comprehensive 2024 LCA Fund Distribution Plan, scheduled for the February 5, 2024, committee meeting agenda. Staff reviewed 2023 program demand and consulted with Community Development Finance and Administration staff to consider any recommendations for funding availability beyond the statutorily determined base amounts.

(1) Funding Availability & Recommended Allocation

Recommendations for each LCA program are presented below.

2024 Funding Availability

The base amounts available for each program in 2024 are shown in Table 1 below and are derived from the statutory requirements or from the levy.

Table 1. 2024 LCA Base Revenues

Program	2024 Base Revenues
Tax Base Revitalization Account (TBRA)	\$5.0 M
Livable Communities Demonstration Account (LCDA)	\$14.3 M
Local Housing Incentives Account (LHIA)	\$1.5 M

As in past years, there are reserves available to programs to supplement available funding in each program. Some reserves are restricted to a specific program; others are unrestricted and may be allocated to any program. Programmable reserves available for consideration in 2024 are shown in Table 2. Typically, some but not all these reserves are allocated to programs each year, while a large portion of reserves is held back to support cash flow.

Table 2. 2024 LCA Programmable Reserves

Program	TBRA	LCDA	LHIA
Restricted Reserves	\$2.0 M	\$2.4 M	\$0
Unrestricted Reserves	\$14.0 M		

Staff are recommending allocation of these reserves by program as described in the remainder of this report.

Tax Base Revitalization Account (TBRA)

The TBRA helps clean up contaminated land and buildings for subsequent development. These grants are intended to provide the greatest public benefit for the money spent, strengthen the local tax base, and create and preserve jobs and/or affordable housing. The TBRA is funded through the Fiscal Disparities program and may not exceed \$5,000,000 annually (Minn. Stat.473F.08, subd. 3b). There are three application paths for TBRA: Contamination Cleanup, Site Investigation, and Seeding Equitable Environmental Development.

Demand: Demand for TBA programs in 2023 was higher than it was in 2022, where for the first time in 10 years requests were lower than the amount of available funding. In 2023 the TBRA programs received over \$9.5 M in funding requests. Based on anticipated demand in 2024, including potential increased demand for Site Investigation with the offering of a new scattered-site funding pathway, staff is recommending a slight increase in funding levels for 2024, supported by restricted TBRA program reserves.

Staff funding recommendations are summarized in Table 3.



Table 3. 2024 TBRA Funding Recommendation

Program	TBRA <i>Contamination Cleanup & Site Investigation</i>	TBRA – SEED <i>Seeding Equitable Environmental Development</i>
Base Funding Allocation (\$5M)	\$5.0 M	\$0
Restricted Reserves Allocation (of \$2.0M available)	\$0.5 M	\$0.5 M
Unrestricted Reserves Allocation (of \$14M available across programs)	\$0	\$0
Total Funding Availability Recommended for 2024	\$5.5 M <i>Two cycles</i> <i>\$2.75M per cycle</i> <i>Up to \$500K for Site Investigation per year</i>	\$0.5 M <i>Two cycles</i> <i>\$250K per cycle</i>

Local Housing Incentives Account (LHIA)

The LHIA helps expand and preserve lifecycle and affordable housing. LHIA annual base funding includes \$500,000 transferred from the LCDA tax levy plus \$1 million from the Council’s general fund (Minn. Stat. § 473.254, subd. 5). Municipalities, by statute, must match LHIA funding awards on a 1:1 basis. The Council has often supplemented this base using interest earnings from LCA program accounts or General Purposes Levy revenues above the target reserve balance through the Council’s internal special initiative funding process.

Demand – LHIA/Consolidated RFP: LHIA funding is typically pooled with Minnesota Housing’s Consolidated Request for Proposals (RFP) each year; historically, some portion of the Council’s LHIA funding was awarded to multi-family rental projects and some to single-family homeownership projects. Since 2023, the LHIA program has supported only multi-family projects, while homeownership development proposals are directed to the Affordable Homeownership program.

Funds distributed through the RFP continue to be in high demand. In 2023, more than 50 applications were submitted to Minnesota Housing for metro-area projects; only 13 were funded.

Staff’s funding recommendations are summarized in Table 4.



Table 4. 2024 LHIA Funding Recommendation, with Strategic Initiatives Funding Placeholder

Program	LHIA (Consolidated RFP - Multifamily)
Base Funding Allocation (\$1.5M)	\$1.5 M
Unrestricted Reserves Allocation (of \$14M available across programs)	\$1.0 M
Additional Strategic Initiatives Funding (TBD)	\$0
Total Funding Availability Recommended for 2024	\$2.5 M <i>(Proposed/for discussion)</i>

** In 2020-2022, the Council identified Strategic Initiatives funding for historic affordable housing LHIA allocations available above the base in the amounts of \$4M, \$6.5M, and \$4M, respectively, including \$2M to launch the Affordable Homeownership program in 2022.*

Livable Communities Demonstration Account (LCDA)

LCDA funds are distributed through several different funding opportunities throughout each program year. Based on a formula in statute (Minn. Stat. § 473.253, subd. 1), base funding for LCDA programs is \$14.3 M for 2024.

The LCDA supports 5 funding programs, described in more detail below: LCDA and Transit Oriented Development, Pre-Development and Policy, and Affordable Homeownership.

LCDA and Transit Oriented Development (TOD) Development

LCDA and LCDA-TOD development grants support development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently. LCDA-TOD grants are focused on high density projects that contribute to a mix of uses in TOD-eligible areas along light rail, commuter rail, BRT, and high-frequency bus corridors.

Demand: Demand for LCDA and LCDA-TOD funding was higher in 2023 than in 2022. Total requests for the LCDA and LCDA-TOD development programs were more than \$30 M.

Staff recommends that LCDA and LCDA-TOD allocations increase slightly this year, proportionate with the increase to the base, because of ongoing strong demand for these programs.

Pre-Development and Policy

The LCDA and TOD Pre-Development program supports early-stage development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently. The Policy program supports local policies to advance LCA and Thrive 2040 goals.

Demand: In 2023, there was strong demand for Pre-Development and Policy, with nearly twice as much funding requested as was available for the programs' combined allocation in 2023.

Staff recommends that the Pre-Development funding allocation increase slightly to \$2 million while adding \$200,000 in dedicated funding for the Policy development program for the first time. Staff plans to expand on efforts to promote the Policy program and monitor the impact of a higher interest rate environment on early-stage development proposals.

Affordable Homeownership

The Council launched a \$2M Affordable Homeownership pilot in 2022 to determine whether Council homeownership priorities can more successfully be met by making homeownership



awards through a Council-run process, rather than the previous approach via the LHIA program as part of the multi-funder consolidated RFP. The intention stated at the outset in 2022 was that, if successful, the pilot could be funded long-term out of the base LHIA amount and any programmable reserves. However, because the LHIA base has not increased beyond a flat \$1.5M since its inception, and because there were no LHIA-specific reserves available to program, the Pilot was funded in 2023 solely from LCA general reserves. To better align the program with its actual funding source, staff are recommending formally acknowledging the Pilot as a program within the LCDA account for the 2024 program year.

Demand: Strong interest in the Homeownership program continued in 2023, with nearly \$1M more in requests received than was available for awards.

In 2024, as in 2023, staff recommend funding the Homeownership program via unrestricted LCA reserves. Staff recommends a small increase in funding to a total of \$3M for 2024.

If the Council identifies any additional sources of funding to direct toward homeownership goals, as it has in past years, the strong demand for the first two years of the Affordable Homeownership program suggests that any such funds could be effectively deployed.

Staff's funding recommendations are summarized in Table 5.

Table 5. 2024 LCDA Account Funding Recommendations

Program	LCDA Development	LCDA-TOD Development	Pre-Development	Policy Development	Affordable Homeownership
Base Funding Allocation (\$14.3M)	\$7.8M	\$4.5M	\$2.0M	\$0	\$0
Restricted Reserves Allocation (of \$2.4 available)	\$1.0M	\$1.0M	\$0	\$0	\$0
Unrestricted Reserves Allocation (of \$14M available across programs)	\$1.0M	\$0	\$0	\$200,000	\$3.0 M
Total Funding Availability Recommended for 2024	\$9.8M	\$5.5M	\$2.0M	\$200,000	\$3.0 M

LCDA-TOD Eligible Areas

Through the FDP, the Council defines the areas that are eligible to compete for LCDA-TOD funds. This section describes eligible areas for the 2024 funding cycle, which are further illustrated in Figure 1 below.

To be eligible for LCDA-TOD Development, a corridor must meet these thresholds and one of two additional requirements:

- The transit project has completed environmental review, OR
- Received a Record of Decision.

The Riverview Streetcar Corridor station areas are no longer considered eligible as the route does



not meet LCDA-TOD Development Program requirements. However, the Riverview Corridor is a high-frequency local route and as a result eligibility will remain in a ¼ mi buffer along the route. The E Line corridor has met eligibility criteria for the LCDA-TOD Development program. The high-frequency local bus route numbers are now identified in the eligibility listing.

As the Purple Line corridor route and Blue Line Extension route changed in 2022 and 2020 respectively, parts of the initial corridors are no longer being considered.

When the Blue Line Extension alignment changed in 2020, LCDA-TOD guidelines kept the original corridor in place for the purposes of considering applications for a one-year grace period, and subsequently as alignment were identified, the known status of the corridor was maintained, including station areas between Robbinsdale and Brooklyn Park. The partial corridor did not include the Minneapolis stations that were unknown. Additionally, most of the geography of these station areas are covered by C Line and D Line corridor eligibility for LCDA-TOD. These areas of eligibility are still in effect until the Minneapolis stations complete environmental review.

Staff are recommending the same approach for the Purple Line. The original alignment was kept in 2023, and for 2024 those stations that are not being considered in the modification study will be removed. This includes 6 stations north of the Maplewood Mall Transit Center: St Johns Blvd, Buerkle Rd, County Road E, Cedar Ave, Whitaker St, and Washington & 7th St.

2025 Eligibility is projected to include the F Line and G Line in the LCDA-TOD program.

Figure 1. 2024 LCDA-TOD Eligible Areas

[Updated map forthcoming]



Summary of All Programs

Overall funding recommendations for all LCA programs are shown in Table 6, along with the balance of reserve funds that are not recommended for programming this year. Note that this does not currently include any special initiative funds.

Table 6. 2024 LCA Funding Availability Recommendations

Program	TBRA		LCDA					LHIA
Base Funding Allocation	\$5.5 M		\$14.3 M					\$1.5 M
Restricted Reserves Allocation Recommended	\$0.5 M		\$2.0 M					\$0
Unrestricted Reserves Allocation Recommended (of total \$7.2M available)	\$0		\$4.2 M					\$1.0 M
<i>Special Initiatives Funding*</i>	-		-					-
Total Recommended for 2024	\$6.0 M		\$20.5 M					\$2.5 M
Recommended Distribution by Program	TBRA \$5.5M	SEED \$0.5M	LCDA \$9.8M	TOD \$5.5M	Pre-D \$2.0M	Policy \$0.2M	HO \$3.0M	RFP \$2.5M
<i>Restricted reserve balance</i>	\$1.5M		\$0.4M					-
<i>Unrestricted reserve balance</i>	\$9.5							

*Subject to separate Council consideration of special initiatives/general purpose levy funding.

Finally, for all programs, the following limit applies:

- The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

(2) Scoring Criteria Updates for 2024

The LCA scoring criteria framework is intended to align LCA program impact with the Council's *Thrive MSP 2040* outcomes of Livability, Sustainability, Equity, Prosperity, and Stewardship. Staff have refined and adjusted the framework each year since the last major restructure of the scoring criteria in 2021 in order to achieve the best balance of Council priorities and applicant access.

In response to conversations with Committee members (including two workshops with CDC members in 2023), and in anticipation of the *Imagine 2050* regional development guide updates, staff are planning to explore further program changes for the 2025 program year. Staff intend to spend 2024 talking with stakeholders, including city staff, county staff, Council Members, and developers, about program design. These recommendations will then be brought forward to the



Community Development Committee and Council for final approval. Much of the recent conversation staff have had with Council Members will not yet be reflected in changes to 2024 programming because of the time required to be thoughtful and inclusive in the program design process. Given the potential for larger proposed changes next year, for the 2024 cycle, staff is proposing to largely maintain program criteria with only minor changes to clarify language and to streamline some operational elements.

Overview of Proposed Scoring Criteria Changes

Notable scoring changes for 2024 are summarized as follows.

- LCDA and LCDA-TOD
 - Scoring Criteria: To reduce redundancy for applicants and scoring, staff propose to consolidate Project Process and Project Team into a single scoring section for LCDA and LCDA-TOD.
 - Scoring Process: To streamline the scoring process and make more efficient use of expert volunteer time, LCDA and LCDA-TOD applications will be scored through a single step process rather than the two-step process currently in place. This will ensure that all projects are seen by both internal and external reviewers rather than being eliminated during internal review, will be better aligned with other State and Metropolitan Council grant review processes, and will make better use of external reviewers' expertise.
- Homeownership
 - Scoring and Selection Process: In response to evaluation of the initial two years of this pilot program, the Homeownership applications will be scored using a process more aligned with LCDA and LCDA-TOD. A review panel of both internal and external reviewers will evaluate applications, scoring on the criteria that best match their experience and expertise.
 - Homeownership Match and Award changes: In lieu of a 1:1 match requirement, but with similar effect, staff propose capping per-unit support at no more than 50% of eligible project gap. (Statute requires a 1:1 match for grant awards made from the Local Housing Incentives Account, but the LCA Homeownership program has been funded by general LCA program reserves, not from LHIA funds).
Staff proposes guidance for maximizing the number of awards and the number of homes funded if demand continues to exceed available funds, in recognition of the fact that homeownership projects are often scalable with partial awards.
- TBRA Site Investigation
 - Scattered Site Investigation Pilot: To encourage more applicant interest and support more time-sensitive projects, staff proposes to pilot a scattered-site award option that could be used by an applicant for multiple sites within a Target Area, with a maximum award of up to \$50,000 per project or up to \$250,000 per applicant for multiple scattered sites. Applicants would be required to expend 80% or more of awarded funds before being eligible to reapply.

Attachments:

Attachment 1: Redlined Scoring Tables for LCA Programs, showing changes proposed for 2024

Attachment 2: 2024 Scoring Tables for LCA Programs, clean version



Attachment 1: (Redlined) 2024 Fund Distribution Plan for all LCA programs

Tax Base Revitalization Account (TBRA)

The TBRA helps clean up contaminated land and buildings for subsequent development. These grants are intended to provide the greatest public benefit for the money spent, strengthen the local tax base, and create and preserve jobs and/or affordable housing.

SEED (Seeding Equitable Economic Development)

Program Criteria:

- Local Match: None
- Grant Terms: 2 years from date of award
- Term extensions: None
- Award Limits: \$50,000 for investigation; 50% of funding available for cleanup
- Application Limit: None

Geographic restriction: Sites that meet specific place-based equity criteria, as determined by the Council considering: concentrated areas of poverty, low-wage jobs, Black, Indigenous, and other populations of color; and low-income households with little recent redevelopment activity (as measured by building permits). Excess available funding: If funding applied for or awarded through TBRA SEED is less than the funding available, the remaining funds may be made available for award through the regular TBRA categories (Investigation, Cleanup).

TBRA SEED Scoring Table

What: Proposed Project Outcomes		
Tax Base	Increase to the tax base OR potential to increase the city tax base from expected changes to the property classification or the preferred land use in a current Request For Proposals for redevelopment	5
Jobs and Housing	Potential to add or preserve living-wage jobs or affordable housing based on the proposed redevelopment OR existing land use designation and proximity to existing employment centers	5
Compact, Connected Development	Develop vacant lots or re-use vacant buildings	20
	Potential to increase the use of transit and alternatives such as walking or biking	
	Interim use that increases visibility or improves market potential of the redevelopment proposals	
	Demonstrate a market demand for the proposed redevelopment OR future redevelopment proposals	
	Potential to increase the density or intensity of land use based on the proposed development OR changes to existing site conditions, if any, and existing zoning designation	
Environmental Impact	Identify or reduce risk to human health from suspected or known environmental contaminants, pollutants, hazardous substances or hazardous building materials and likely impact of risks particularly to vulnerable populations (e.g., infants, children and elderly) based on the current property use at or adjacent to the subject property	15
	Potential to support equitable environmental protection based on project location and potential impact of exposure from existing environmental risks	6

Subtotal Outcomes		51
How: Proposed Project Process		
Process	Address a residential and/or workforce need that was identified by or with residents or workers most impacted by inequities	4
	The city is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices	3
Subtotal Process		7
Who: Proposed Project Team		
Capacity	Project team's capacity to begin an environmental investigation or cleanup	12
	The team can demonstrate a need for public financing	
	The project team, including partners, represents the community the project; will serve or the predevelopment activities will build a representative team.	
	Public applicant's capacity to oversee environmental investigations or cleanup	
Subtotal Team		12
TOTAL		70
Applicants must score at least 35 of the 70 available points		



Site Investigation

Program Criteria

- Local Match: 25% per site
- ☐ ~~Grant Terms: 1 year for single site; 3 years from date of award for multiple sites. 31 years from date of award~~
- ☐ Term extensions: None
- ☐ Award Limits: Up to \$50,000 per project; and up to \$250,000 per applicant for multiple sites within a Target Area. Grant funds for individual sites will be available until expended on a first come, first served basis.
- ☐ Application Limit: Applicants with an open grant for multi-site investigation with less than 80% of the awarded funds expended are ineligible to apply. ~~None~~
- ☐ Site Eligibility: Individual project sites must be approved by the Council staff prior to incurring eligible costs. Changes to the eligible Target Area will require a grant amendment prior to incurring costs to be reimbursed using grant funds.
- Excess available funding: If funding applied for or awarded through TBRA Site Investigation is less than the funding available, the remaining funds may be made available for award through the TBRA Cleanup and/or SEED category.

TBRA Site Investigation Scoring Table

What: Proposed Project Outcomes		
Tax Base	Increase to the city tax base	5
Jobs and Housing	Build or preserve affordable housing with priority given to projects that serve residents who have barriers finding safe, affordable housing or new housing units affordable to households with income at or below 30% of the median income	5
	Create or preserve long-term job opportunities with priority given to projects with living-wage jobs	
Compact, Connected Development	Develop vacant lots or re-use vacant buildings	15
	Increase the use of transit and alternatives such as walking or biking	
	Support efficient growth in the region by increasing density and intensity through redevelopment	
	Demonstrate a market demand for future redevelopment proposals	5
Environmental Impact	Investigate contaminated sites with the greatest potential to improve the environment and reduce risk to human health	12
	Potential to support equitable environmental protection based on project location and potential impact of exposure	6
Subtotal Outcomes		48
How: Proposed Project Process		

Process	Address a residential and/or workforce need that was identified by or with residents or workers most impacted by inequities	4
	The city is taking steps toward addressing racial and other inequities at the local level, especially efforts to implement equitable development practices	3
Subtotal Process		7

Who: Proposed Project Team



Capacity	Project team’s capacity to begin an environmental investigation and commit sources for required matching fund contribution	15
	The team demonstrates a need for public financing	
	The project team, including partners, is designed to reflect and be responsive to those under-represented and most impacted by the project; or the predevelopment activities will seek to build such partnerships in a meaningful way	
	Demonstrate public applicant’s capacity to oversee environmental investigations	
Subtotal Team		15
Total		70
Applicants must score at least 35 of the 70 available points		



TBRA Contamination Cleanup

Program Criteria:

- Local Match: None
- Grant Terms: 3 years from date of award
- Term extensions: up to 2 years
- Award Limits: 50% of total available funding per city and no more than 75% of total available funding within Minneapolis and St. Paul (this is inclusive of all TBRA programs)
- Application Limit: None
- Excess available funding: If funding applied for or awarded through TBRA is less than the funding available, the remaining funds may be made available for award through the TBRA SEED category.

TBRA Cleanup Scoring Table

What: Proposed Project Outcomes		
Tax Base	Increase to the city tax base	25
	Add tax revenue in the near term. (Projects not in or not expected to be in a Tax Increment Finance districts earn 5 points because all the affected tax jurisdictions benefit after construction is complete.)	
Jobs and Housing	Build new affordable housing that helps the city meet their share of the region's need for affordable housing built between 2020-2030. Priority will be given to new housing units affordable to household with incomes at or below 30% of the area median income (AMI) in census tracts with the most households spending more than a third of their income on housing costs before considering units affordable at other levels of AMI up to 60%. OR	25
	Preserve and rehabilitate affordable housing, prioritizing cities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or cities with higher rates of housing cost burdened households,	
	AND build or preserve affordable housing opportunities with priority given to projects that serve populations not currently served by the local housing market with priority given to housing for previously unhoused individuals, individuals with disabilities and housing developed with on-site supportive social services.	
	Add or preserve long-term job opportunities with priority given to projects with living wage jobs	
	Add jobs in priority high-growth and high-opportunity sectors of the region's economy for industry sectors that have demonstrated significant growth in recent years compared with the nation as a whole; and/or advance city job growth priorities identified in a public economic development strategy.	
Compact, Connected Development	Increase long-term living wage jobs in a qualified Seeding Equitable Environmental Development (SEED) eligible area	20
	Support efficient growth in the region through adaptive reuse, infill development or redevelopment	
	Increase the use of transit and alternatives such as walking or biking	
	Demonstrate a market demand for future redevelopment proposals	5



Environment and Livability	Cleanup contaminated sites with the greatest potential to improve the environment and reduce risk to human health	25
	Improve access to local and regional parks and trails through outreach, site design, or programming	20
	Conserve vital existing regional natural resources features and functions	
	Conserve, restore or protect the region's water resources through environmentally sound opportunities for recharging groundwater with best management practices for stormwater	
	Commitment to resilient energy infrastructure using renewable and/or district energy sources	
	Increase job opportunities within micro-enterprises, worker-owned businesses, or other business models that support wealth creation	
	Support equitable environmental protection for projects in areas most impacted by prior contaminants, pollutants, or hazardous substances that reduce potential impact of exposure	
Subtotal Outcomes		120
How: Proposed Project Process		
Process	Address a residential and/or workforce need that was identified by or with residents or workers most impacted by racial or other disparities	10
	The city is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices	4
Subtotal Process		14
Who: Proposed Project Team		
Capacity	Demonstrate public applicant's capacity to oversee environmental cleanup grants	16
	The team can demonstrate a need for public financing	
	The project team, including partners, represents the community the project will serve; or predevelopment activities will build a representative team	
	Project team's readiness to proceed with project site cleanup and construction	
Subtotal Team		16
TOTAL		150
Applications must score at least 75 of the total 150 available points		



Pre-Development

LCA supports pre-development activities that further development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently.

Program Criteria:

- Local Match: None
- Grant Terms: 2 years from date of award
- Term extensions: Up to 1 year
- Award Limits: \$300,000 per city per round; ~~inclusive of up to \$50,000 per city for Policy Development awards~~
- Application Limit: No more than six per city ~~or county applicant~~
- Excess available funding: If funding applied for or awarded through Pre-Development is less than the funding available, the remaining funds may be made available for award through the [Policy Development Program or the](#) regular LCDA or LCDA – TOD Development categories

Pre-Development Scoring Table

While we recognize there are different types of inequities based on identity and circumstance, LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Pre-Development Project Outcomes		Points
Criteria:		
The goals and vision of the proposed project would meet one or more of the following LCA and/or Thrive goals:		
LCA and Thrive Goals	Add new housing types and create or preserve affordable housing. Priority for projects with deep affordability and/or serving populations who have barriers to finding housing	160
	Create or preserve long-term living wage jobs or support economic opportunity for communities of historic wealth extraction people experiencing the most economic hardships	
	Increase or preserve (for preservation and rehab projects) density on the site and make it easier for people with mobility barriers to easily access travel between housing, jobs, services, and amenities	
	Minimize climate change and/or environmental pollution impacts, reduce greenhouse gas emissions, and/or conserve natural resources in areas most negatively impacted by environmental harms . reducing greenhouse gas emissions and conserving natural resources	
	Further equity outcomes by fostering regional connections, mitigating climate impacts and implicit bias, removing barriers to access affordable housing, creating living wage jobs, and supporting the creation of small businesses owned and operated by a historically marginalized population	
How: Pre-Development Project Process		
Process	Show an understanding of who will benefit most from the project and in what ways, and use this understanding to shape equitable development strategies and outcomes	142
	The project reflects the culture and needs of the community it is intending to serve. Engagement is or will be scaled to the size of the project and harnesses the power of community to co-create the development project	

The strength of the partnership between the applicant (City/County/HRA/EDA) and development partner(s), including the level of support and engagement the applicant has with the project



Who: Proposed Project Team		
Who's Involved	The strength of the partnership between the applicant (City/County/HRA/EDA) and development partner(s), including the level of support and engagement the applicant has with the project	10
	Those with decision-making power reflect the community the project will serve or the predevelopment activities will build a reflective team	
Total		302
Applications must score at least <u>202</u> of the <u>302</u> points available		



Policy Development

Program Criteria:

- Local Match: ~~25% reimbursable match~~ None
- Grant Terms: 2 years from date of award
- Term extensions: Up to 1 year
- Award Limits: \$50,000 per city per round, ~~inclusive of up to \$300,000 per city for Pre-Development awards~~
- Application Limit: One per city
- Excess available funding: If funding applied for or awarded through [Policy](#) Development is less than the funding available, the remaining funds may be made available for award through [Pre-Development](#) or the regular LCDA or LCDA – TOD Development categories

Policy Development Scoring Table

While we recognize there are different types of inequities based on identity and circumstance, LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Policy Development Outcomes		
Criteria:		Points:
The goals and vision of the proposed policy would meet one or more of the following LCA and/or Thrive goals associated with physical development:		30
LCA and Thrive Goals	<ul style="list-style-type: none"> • Support affordable housing by allowing for more development of new affordable housing or preservation of existing affordable housing • Support wealth building and economic opportunity for communities of historic wealth extraction residents experiencing most economic hardships • <u>Minimizing climate impact by reducing greenhouse gas emissions and conserving natural resources</u> • Support more equitable development outcomes in physical developments and/or through city process to approve physical developments • Realize more equitable outcomes in affordable housing, living wage jobs, climate impacts, transportation, and regional connections 	
	Support more equitable development outcomes in physical developments and/or through city process to approve physical developments	
How: Policy Development Process		
Process	The process will include analysis of who will benefit most from the policy and in what ways, and use findings to shape equitable development strategies and outcomes	10
Who: Policy Development Team		
Who Is Involved	The project team has a defined scope of work with tangible goals	10

Total	50
Applications must score at least 25 of the possible 50 points	



Livable Communities Demonstration Account (LCDA) Development

LCDA supports development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently.

Program Criteria

- Local Match: None
- Grant Terms: 3 years from date of award
- Term extensions: Up to 2 years
- Award Limits: If eligible applications from suburban communities exceed 60% of available funds, it is recommended that no more than 40% of the funds be granted to projects in Minneapolis and St. Paul.
- Application Limit: No more than three per city **or county applicant**
- Excess available funding: If funding applied for or awarded through LCDA or LCDA-TOD Development is less than the funding available, the remaining funds may be made available for award through whichever program has requests for more funding than is available.

Scoring Criteria:

~~LCDA's Development program is scored in two steps. A staff evaluation team reviews and scores eligible grant applications using the Step One criteria (left column, lavender background). Members of the Council's Livable Communities Advisory Committee then score using the Step Two criteria (right column, peach background).~~ The LCDA program has in the past been scored in two steps; Step One was an internal review completed by a review committee from different divisions in the Council. Step Two was an external review conducted by the Livable Communities Advisory Committee (LCAC), a 15-member committee of subject area experts. In order to reduce the timeline for applicants, align more with State and other Council grant review processes, and ensure all applications are reviewed by external reviewers, the LCDA applications will be scored in a single step. The review committee will continue to include external reviewers who will score alongside Council staff.



LCDA Development Scoring Table

While we recognize there are different types of inequities based on identity and circumstance, LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Proposed Project Outcomes				
Step One			Step Two	
Step One – Scored by staff			Step Two – Scored by LCAG	
Criteria		Points	Criteria	Points
Housing	Build or preserve affordable housing; priority given for projects that serve residents not who have barriers to finding safe, affordable housing, for projects have with the deepest affordability, and for these including supportive services or other needed services	8	Meet the needs of current and/or future residents through design, programming, or services	4
	Build Create new affordable housing that helps the City meet their share of the region's need for affordable housing at needed affordability levels needed most ; OR Preserve and rehabilitate affordable housing, prioritizing cities communities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or communities with more housing cost burdened households			
	Further equity outcomes in housing access*	32 *		
Economic Opportunity	Create or preserve permanent jobs OR Create workforce development and/or training opportunities; priority for projects with full-time living wage jobs	8	Support economic and/or growth for those experiencing the largest economic hardships through the business model, training programs, or project mission	4
	Create economic opportunity in health care, technology or environmental sustainability fields; advance strategic city job growth priorities; and/or create or preserve industrial jobs with access to regional transit systems			
	Further equity outcomes in access to economic opportunity*	32 *		

What: Proposed Project Outcomes

Step One		Step Two		
<i>Criteria</i>		<i>Points</i>		
<i>Criteria</i>		<i>Points</i>		
Compact, Connected Development	Increase density or intensity of land use in the project area; OR <u>Preserve</u> Use an existing building that <u>newly activates or preserves activity in the area</u> brings more activity to the project site.	8	4	
	<u>Make it easier and more comfortable for people to access their daily needs and desired amenities.</u> OR <u>Preserve existing access if project is preservation or rehab</u> Add new uses to the project area to better meet residents' needs.			
	Further equitable access transit, services, and amenities*	<u>32</u>*		
Environment and Livability	Improve access to local and regional parks and trails and green space through outreach, site design, or programming	8	4	
	Minimize greenhouse gas emissions to the greatest extent possible			
	Conserve natural resources, <u>include or address resilience needs, and/or advance climate adaptation and mitigation strategies</u> , including reuse/ preservation of an existing building and/or sustainable site design; priority for a focus on equitable development outcomes			
	Further <u>equity outcomes in environmental impact and resilience</u> equitable access to local and regional parks and/or address environmental sustainability in locations where residents have been most impacted by environmental harms*	<u>32</u>*		
Subtotal Outcomes		<u>44</u>40	Subtotal Outcomes	16

How: Proposed Project Process			
Step One		Step Two	
Criteria		Points	Criteria
		Points	Points
Project Process	The project reflects the culture and needs of the community it is intending to serve. The need for the project was determined by residents and/or workers most impacted by inequities*	85*	Engagement is scaled to the project, meaningful, and efforts center those under-represented and most impacted by inequities
	The City is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices*	3*	
Subtotal Process		118	Subtotal Process
			4
Who: Proposed Project Team			
Project Team	City efforts to contribute to the project financially, considering the city capacity	4	The project and the team use a strategic and integrated approach to addressing equity issues and the intended impacts of the project will result in more equitable outcomes
	Those with decision-making power for the project are reflective of the community the project is intending to serve*	2*	
Subtotal Team		6	Subtotal Team
			5
Step One Total		54	Step Two Total
			25
Applications must score at least 32 of the total Step One points to move to Step Two with 12 of the 18 equity points (*) awarded			
Applications must score at least 33 47 of the total available 55 and 12 of the available 23 equity points to be eligible for funding			



Livable Communities Demonstration Account – Transit Oriented Development (LCDA-TOD)

Using targeted funds from LCDA, the LCDA-TOD program is focused on higher-density projects that contribute to a mix of uses in a TOD-eligible area. TOD-eligible areas can be along light rail, commuter rail, bus rapid transit, and high frequency bus corridors.

Program Criteria

- Local Match: None
- Grant Terms: 3 years from date of award
- Term extensions: Up to 2 years
- Award Limits: \$2 million per city
- Application Limit: No more than three per city ~~or county applicant~~
- Excess available funding: If funding applied for or awarded through LCDA or LCDA-TOD is less than the funding available, the remaining funds may be made available for award through whichever program has requests for more funding than is available.

LCDA-TOD Eligible Areas

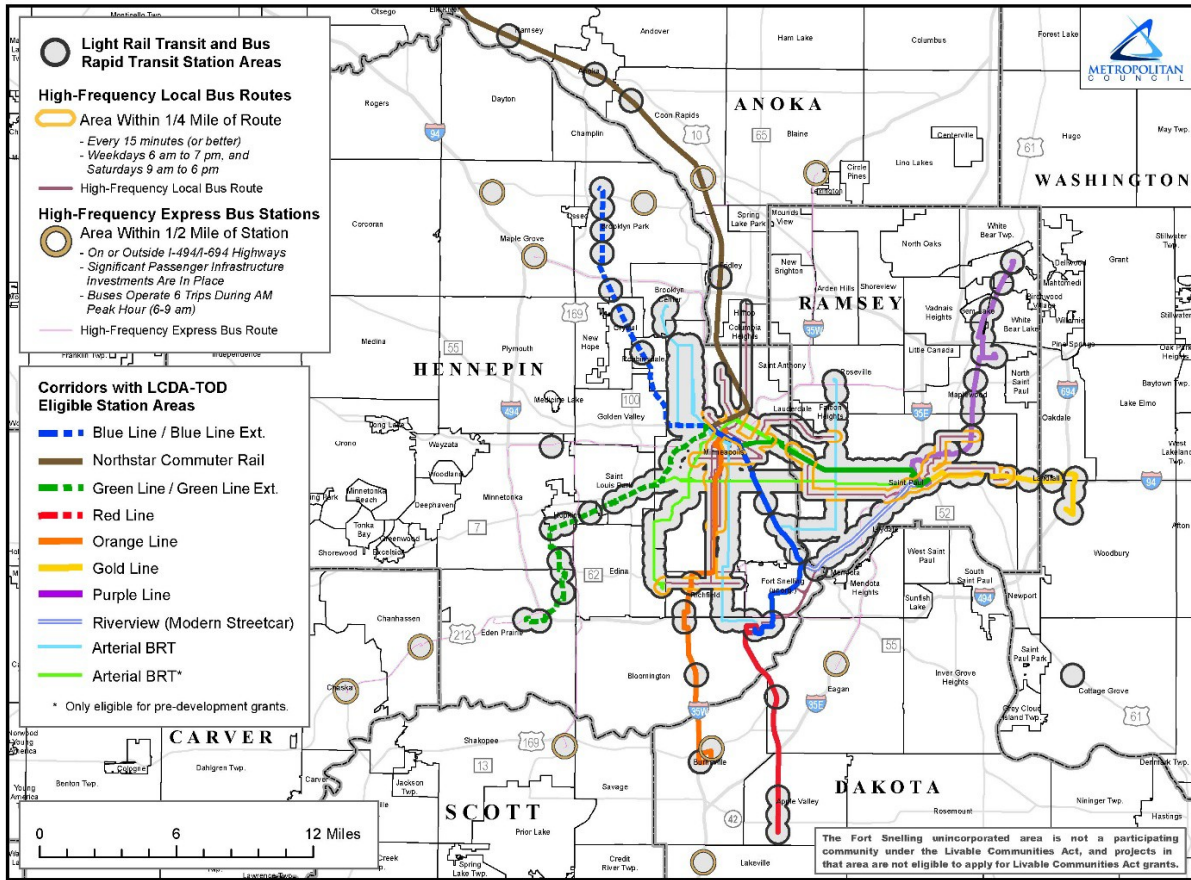
TOD-Eligible Areas are limited geographic areas eligible for LCDA-TOD Development grant funding based on levels of transit service and a transit project's stage of development. The criteria to determine areas eligible for TOD funding is as follows:

1. The transit project has completed environmental review or received a Record of Decision.
2. LCDA-TOD projects must be located within a Council-identified Developed Area, Developing Area, or a Rural Center. Regional park land is ineligible in all respects.
3. The project must also be within a TOD Eligible Area, described as within:
 - A ½-mile radius of an existing station on the following transit corridors:
 - LRT: METRO Blue Line and Green Line
 - BRT: METRO Orange Line, Red Line, A Line, C Line, and D Line
 - Northstar Commuter Rail Line
 - A ½-mile radius of a proposed station on the following planned transit corridors:
 - LRT: METRO Blue Line [Extension \(partial corridor\)](#) and Green Line Extensions
 - BRT: METRO Gold Line, Purple Line [\(partial corridor\)](#), ~~and~~ B Line, [E Line](#)
 - A ½-mile radius of a bus stop or station with significant infrastructure on high-frequency express routes. High-frequency express service is defined as bus service providing either six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM, or every 10 minutes during the peak morning hour.*
 - [A ¼-mile radius of a bus stop along high-frequency local bus lines, defined as those routes providing service at least every 15 minutes between 6:00 AM to 7:00 PM on weekdays and between 9:00 AM and 6:00 PM on Saturdays.*](#)
 - [Parts of routes 2, 3, 6, 10, 11, 18, 54, 64, and all of routes 21 and 63](#)
 -
- ~~4. Additionally, projects located within a ½ mile radius of proposed stations on the following planned transit corridors must consider their TOD potential when applying to LCA Pre-Development grants:~~
 - ~~○ Riverview Corridor and E Line BRT~~

** Due to changes in service frequency related to the impacts of the COVID-19 pandemic, 2020 service levels are used to determine TOD eligibility.*



Figure 1. 2023-2024 LCDA-TOD Eligible Areas



LCDA-TOD Development Scoring Table

LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Proposed Project Outcomes				
Step One			Step Two	
Step One – Scored by staff			Step Two – Scored by LCAG	
Criteria		Points	Criteria	Points
Housing	Build or preserve affordable housing; priority given for projects that serve residents who have barriers to finding safe, affordable housing; for projects with have the deepest affordability; and for those include ing supportive services or other needed services	8	Meet the needs of current and/or future residents through design, programming, or services	4
	Create Build new affordable housing that helps the City meet their its share of the region's need for affordable housing at needed affordability levels <u>needed most</u> ; OR preserve and rehabilitate affordable housing, prioritizing communities cities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or communities with more housing cost burdened households			
	Further equity outcomes in housing access*	2 3*		
Economic Opportunity	Create or preserve permanent jobs OR create workforce development and/or training opportunities; priority for projects with full-time living wage jobs	8	Support economic and/or growth for those experiencing the largest economic hardships through the business model, training programs, or project mission	4
	Create economic opportunity in health care, technology or environmental sustainability fields; <u>and/or</u> advance strategic city job growth priorities; and/or create or preserve industrial jobs with access to regional transit systems			
	Further equity outcomes in access to economic opportunity*	2 3*		

What: Proposed Project Outcomes

		Step One				Step Two	
		<i>Criteria</i>	<i>Points</i>			<i>Criteria</i>	<i>Points</i>
Compact, Connected Development		Increase the level of number of people contributing to station area activity through greater building density and/or land use intensity of land use on the site; OR Use preserve and rehabilitate an existing building in a way that brings key to the level of station area more activity to the project site	16 <u>20</u>			Provide design-led strategies, specific to the population the project is intending to serve, that support or expand infrastructure for people to safely and effectively walk, bike, roll or use other kinds of transportation in and around the project site; priority for projects that connect to walking, biking, or transit networks around the project site	9
		Provide uses that will diversify activities and amenities in the station area activity and , better meet residents' needs, and/or provide greater access to services and amenities; p Priority for projects implementing TOD design principles that support with a focus on complementary uses, active transportation , and fostering human-centered experiences					
		Generate greater transit ridership, a higher diversity of trip purposes viable via transit, and reduce the need to use and own a personal vehicle					
		Further the transit-oriented nature of the station area surrounding the transit station as a node and/or district of TOD given the specific context of its communities and transit corridor ; priority for projects that implement advance part of a broader adopted plan or vision for the transit station or corridor, and/or positions the station area for additional TOD in a way that leverages public infrastructure and avoids displacement of existing residents or businesses					
		Further equitable equity outcomes in access to transit multi modal transportation , services, and amenities, and green or open space *	23 <u>23*</u>				
Environment and Livability		Improve access to local and regional parks and trails and green space through outreach, site design, or programming	8			Mitigate negative environmental impacts on residents or workers in the area; priority for projects in areas most impacted by past environmental harms	4
		Minimize greenhouse gas emissions to the greatest extent possible					
		Conserve natural resources, include ing reuse/ preservation of an existing building and/or sustainable site design; priority for a focus on equitable development outcomes or address resilience needs, and/or advance climate adaption and mitigation strategies					



Further equitable <u>equity outcomes in access to local and regional parks and/or address environmental sustainability in locations where residents have been most impact and resilience</u> ed by environmental harms*	23 [*]		
Subtotal Outcomes	48 <u>56</u>	Subtotal Outcomes	24



How & Who: Proposed Project Process

Step One			Step Two	
<i>Criteria</i>		<i>Points</i>	<i>Criteria</i>	<i>Points</i>
Project Process	The project reflects the culture and needs of the community it is intending to serve The need for the project was determined by residents and/or workers most impacted by inequities*	58 *	Engagement is scaled to the project, meaningful, and efforts center those under-represented and most impacted by inequities	4
	The City is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices*	3*		
Subtotal Process		811	Subtotal Process	4
Who: Proposed Project Team				
Project Team	City efforts to contribute to the project financially, considering the city capacity	4	The project and the team use a strategic and integrated approach to addressing equity issues and the intended impacts of the project will result in more equitable outcomes	5
	Those with decision making power for the project are reflective of the community the project is intending to serve*	2*		
Subtotal Team		10	Subtotal Team	5
Step One Total		6267	Step Two Total	30
Applications must score at least 38 of the total 62 Step One points to move to Step Two with 12 of the 18 equity points (*) awarded				
Applications must score at least 5840 of the total 9267 points available and 12 of the available 23 equity points to be eligible for funding				



LHIA Scoring Criteria

The LHIA ~~helps~~ supports the ~~expansion~~ and preservation of lifecycle and affordable housing, both rented and owned. The LHIA annual base funding includes \$500,000 transferred from the LCDA tax levy plus \$1 million from the Council's general fund.

Threshold Criteria	Competitive Criteria
<ul style="list-style-type: none"> • A significant component of rental projects must serve households with incomes at or below 60% of Area Median Income (AMI) with a minimum affordability term of 15 years. • Grantees must have an adopted Fair Housing Policy in order to receive Livable Communities Act funding. • Projects must have affirmative fair housing marketing plans. 	<ul style="list-style-type: none"> • Rental proposals creating or preserving affordability for persons at or below 30% of AMI; • New affordable housing that furthers the City's ability to meet their share of the region's need for affordable housing, considering what the need is across affordability bands OR • Preserved/rehabilitated affordable housing, prioritizing communities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or communities with higher rates of housing cost burdened households. • Proposals that serve large families by providing three or more-bedroom units; • Proposals meeting the needs of individuals and households experiencing long-term homelessness; • Proposals that provide a housing type not currently available or serve a population not currently served in or near the project area.



Affordable LHIA-Homeo-Ownership Pilot

The LHIA-Affordable Homeownership ~~Pilot~~ program will provide grants to support affordable homeownership development, including acquisition and rehabilitation, for projects that best meet the following two priorities:

- Racial Equity Priority: create homeownership opportunities for Black, Indigenous, and other ethnic or racial groups that own homes at disproportionately lower rates than white households in the region.
- Geographic Choice Priority: create affordable homeownership opportunities in parts of the region where it is most challenging to do so.

Program Criteria:

~~Local Match: Dollar for dollar~~

- Grant Terms: 3 years from date of award
- Term extensions: Up to 2 years
- Award Limits: ~~None~~ 50% of eligible project gap costs
- Application Limit: None

Excess available funding: If funding applied for or awarded through the LHIA-Affordable Homeownership ~~Pilot~~ program is less than the funding available, the remaining funds may be made available for award through the regular LCDA account or the LHIA category program.

- If more funding than available is requested by eligible applicants, the Council will make awards first to maximize the number of communities/applicants receiving funding and second to maximize the number of units supported. The Council may make partial awards based on scoring and these additional considerations.

Affordable Homeownership Scoring Table

Program Priorities

Racial Equity		Points
Criteria		Points
<u>City-level racial disparities:</u> Project is in a city with higher racial disparities in homeownership than the regional average		5
OR	<u>Census tract-level racial disparities:</u> Project is in a census tract with higher racial disparities in homeownership than the regional average	3
<u>City-level BIPOC population:</u> Project is in a city with a higher share of Black, Indigenous, and other residents of color than the regional average		3
OR	<u>Census tract-level BIPOC population:</u> Project is in a census tract with a higher share of Black, Indigenous, and other residents of color than the regional average	2
Highest possible subtotal for racial equity		8
Geographic Choice		Points
Criteria		Points
<u>Unaffordable homes (at 80% AMI):</u> Project is in a city with an average home sale price higher than what is affordable to a household earning 80% AMI		5
OR	<u>Unaffordable homes (at 60% AMI):</u> Project is in a city with an average home sale price higher than what is affordable to a household earning 60% AMI	3
<u>Opportunity for single-family development:</u> Project is in a city where the share of single-family housing stock is higher than the regional average		2

<u>Affordable homeownership development addresses City's housing needs:</u> Project is in a city with an affordable housing need less than 20 units OR more than 50% of their need is in the 51- 80% affordability level.	2
<u>City contributes to the region's fiscal disparity:</u> Project is located in a city with a net fiscal disparity of \$200 or more per household	<u>1</u>
Highest possible subtotal for geographic choice	<u>109</u>
Highest possible subtotal for both pilot-<u>program</u> priorities	<u>1887</u>
<i>A minimum of 5 points would be required to ensure the project sufficiently addresses one or both pilot priorities</i>	



LHIA Affordable Home Ownership Pilot

Equitable Access

Criteria	Points
Record of serving BIPOC homebuyers: Developer or program partner has a demonstrated record of serving Black, Indigenous, and/or other households of color in homeownership at rates equal to or greater than the city and or region’s homeownership rates for those same groups	3
Waitlist of BIPOC homebuyers: Developer or program partner has current waiting list consisting of Black, Indigenous, or other households of color at levels equal or greater to the regional and/or city population	3
BIPOC team member(s): Project team includes a lender, realtor, or other homebuyer-facing team member that is reflective of the Black, Indigenous, or other households of color that have disparate homeownership rates in the region	2
First-generation homebuyers: Project will prioritize first-generation homebuyers	2
Addresses unique community need: Project addresses a need specific to the community in which the project is located, through financing, marketing, design, size or other unique need.	3
Furtheres fair housing: Project incorporates marketing efforts to affirmatively further fair housing	1
Other efforts as described by applicant that further equitable access to homeownership	Up to 11
Total for Equitable Access	25

~~Unique Needs and~~ Affordability

Criteria	Points
Project addresses a need specific to the community in which the project is located, through financing, marketing, design, size or other unique need	3
Depth of affordability: Project will be affordable to homebuyers earning less than 80% AMI	3
Length of affordability: Project will remain affordable upon resale for more than 15 years	3
Project is located in a city with a net fiscal disparity of \$200 or more per household	4
Total for Unique Needs and Affordability	6
Total possible points	49

Attachment 2: (Clean) 2024 Fund Distribution Plan for all LCA programs

Tax Base Revitalization Account (TBRA)

The TBRA helps clean up contaminated land and buildings for subsequent development. These grants are intended to provide the greatest public benefit for the money spent, strengthen the local tax base, and create and preserve jobs and/or affordable housing.

SEED (Seeding Equitable Economic Development)

Program Criteria:

- Local Match: None
- Grant Terms: 2 years from date of award
- Term extensions: None
- Award Limits: \$50,000 for investigation; 50% of funding available for cleanup
- Application Limit: None

Geographic restriction: Sites that meet specific place-based equity criteria, as determined by the Council considering: concentrated areas of poverty, low-wage jobs, Black, Indigenous, and other populations of color; and low-income households with little recent redevelopment activity (as measured by building permits). Excess available funding: If funding applied for or awarded through TBRA SEED is less than the funding available, the remaining funds may be made available for award through the regular TBRA categories (Investigation, Cleanup).

TBRA SEED Scoring Table

What: Proposed Project Outcomes		
Tax Base	Increase to the tax base OR potential to increase the city tax base from expected changes to the property classification or the preferred land use in a current Request For Proposals for redevelopment	5
Jobs and Housing	Potential to add or preserve living-wage jobs or affordable housing based on the proposed redevelopment OR existing land use designation and proximity to existing employment centers	5
Compact, Connected Development	Develop vacant lots or re-use vacant buildings	20
	Potential to increase the use of transit and alternatives such as walking or biking	
	Interim use that increases visibility or improves market potential of the redevelopment proposals	
	Demonstrate a market demand for the proposed redevelopment OR future redevelopment proposals	
	Potential to increase the density or intensity of land use based on the proposed development OR changes to existing site conditions, if any, and existing zoning designation	
Environmental Impact	Identify or reduce risk to human health from suspected or known environmental contaminants, pollutants, hazardous substances or hazardous building materials and likely impact of risks particularly to vulnerable populations (e.g., infants, children and elderly) based on the current property use at or adjacent to the subject property	15
	Potential to support equitable environmental protection based on project location and potential impact of exposure from existing environmental risks	6

Subtotal Outcomes		51
How: Proposed Project Process		
Process	Address a residential and/or workforce need that was identified by or with residents or workers most impacted by inequities	4
	The city is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices	3
Subtotal Process		7
Who: Proposed Project Team		
Capacity	Project team's capacity to begin an environmental investigation or cleanup	12
	The team can demonstrate a need for public financing	
	The project team, including partners, represents the community the project; will serve or the predevelopment activities will build a representative team.	
	Public applicant's capacity to oversee environmental investigations or cleanup	
Subtotal Team		12
TOTAL		70
Applicants must score at least 35 of the 70 available points		



Site Investigation

Program Criteria

- Local Match: 25% per site
- Grant Terms: 1 year for single site; 3 years from date of award for multiple sites. Term extensions: None
- Award Limits: Up to \$50,000 per project; and up to \$250,000 per applicant for multiple sites within a Target Area.
- Application Limit: Applicants with an open grant for multi-site investigation with less than 80% of the awarded funds expended are ineligible to apply.
- Site Eligibility: Individual project sites must be approved by the Council staff prior to incurring eligible costs. Changes to the eligible Target Area will require a grant amendment prior to incurring costs to be reimbursed using grant funds.
- Excess available funding: If funding applied for or awarded through TBRA Site Investigation is less than the funding available, the remaining funds may be made available for award through the TBRA Cleanup and/or SEED category.

TBRA Site Investigation Scoring Table

What: Proposed Project Outcomes		
Tax Base	Increase to the city tax base	5
Jobs and Housing	Build or preserve affordable housing with priority given to projects that serve residents who have barriers finding safe, affordable housing or new housing units affordable to households with income at or below 30% of the median income	5
	Create or preserve long-term job opportunities with priority given to projects with living-wage jobs	
Compact, Connected Development	Develop vacant lots or re-use vacant buildings	15
	Increase the use of transit and alternatives such as walking or biking	
	Support efficient growth in the region by increasing density and intensity through redevelopment	
	Demonstrate a market demand for future redevelopment proposals	5
Environmental Impact	Investigate contaminated sites with the greatest potential to improve the environment and reduce risk to human health	12
	Potential to support equitable environmental protection based on project location and potential impact of exposure	6
Subtotal Outcomes		48
How: Proposed Project Process		
Process	Address a residential and/or workforce need that was identified by or with residents or workers most impacted by inequities	4
	The city is taking steps toward addressing racial and other inequities at the local level, especially efforts to implement equitable development practices	3

Subtotal Process	7
-------------------------	----------

Who: Proposed Project Team



Capacity	Project team’s capacity to begin an environmental investigation and commit sources for required matching fund contribution	15
	The team demonstrates a need for public financing	
	The project team, including partners, is designed to reflect and be responsive to those under-represented and most impacted by the project; or the predevelopment activities will seek to build such partnerships in a meaningful way	
	Demonstrate public applicant’s capacity to oversee environmental investigations	
Subtotal Team		15
Total		70
Applicants must score at least 35 of the 70 available points		



TBRA Contamination Cleanup

Program Criteria:

- Local Match: None
- Grant Terms: 3 years from date of award
- Term extensions: up to 2 years
- Award Limits: 50% of total available funding per city and no more than 75% of total available funding within Minneapolis and St. Paul (this is inclusive of all TBRA programs)
- Application Limit: None
- Excess available funding: If funding applied for or awarded through TBRA is less than the funding available, the remaining funds may be made available for award through the TBRA SEED category.

TBRA Cleanup Scoring Table

What: Proposed Project Outcomes		
Tax Base	Increase to the city tax base	25
	Add tax revenue in the near term. (Projects not in or not expected to be in a Tax Increment Finance districts earn 5 points because all the affected tax jurisdictions benefit after construction is complete.)	
Jobs and Housing	Build new affordable housing that helps the city meet their share of the region's need for affordable housing built between 2020-2030. Priority will be given to new housing units affordable to household with incomes at or below 30% of the area median income (AMI) in census tracts with the most households spending more than a third of their income on housing costs before considering units affordable at other levels of AMI up to 60%. OR	25
	Preserve and rehabilitate affordable housing, prioritizing cities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or cities with higher rates of housing cost burdened households,	
	AND build or preserve affordable housing opportunities with priority given to projects that serve populations not currently served by the local housing market with priority given to housing for previously unhoused individuals, individuals with disabilities and housing developed with on-site supportive social services.	
	Add or preserve long-term job opportunities with priority given to projects with living wage jobs	
	Add jobs in priority high-growth and high-opportunity sectors of the region's economy for industry sectors that have demonstrated significant growth in recent years compared with the nation as a whole; and/or advance city job growth priorities identified in a public economic development strategy.	
	Increase long-term living wage jobs in a qualified Seeding Equitable Environmental Development (SEED) eligible area	
Compact, Connected Development	Support efficient growth in the region through adaptive reuse, infill development or redevelopment	20
	Increase the use of transit and alternatives such as walking or biking	
	Demonstrate a market demand for future redevelopment proposals	5



Environment and Livability	Cleanup contaminated sites with the greatest potential to improve the environment and reduce risk to human health	25
	Improve access to local and regional parks and trails through outreach, site design, or programming	20
	Conserve vital existing regional natural resources features and functions	
	Conserve, restore or protect the region's water resources through environmentally sound opportunities for recharging groundwater with best management practices for stormwater	
	Commitment to resilient energy infrastructure using renewable and/or district energy sources	
	Increase job opportunities within micro-enterprises, worker-owned businesses, or other business models that support wealth creation	
	Support equitable environmental protection for projects in areas most impacted by prior contaminants, pollutants, or hazardous substances that reduce potential impact of exposure	
Subtotal Outcomes		120
How: Proposed Project Process		
Process	Address a residential and/or workforce need that was identified by or with residents or workers most impacted by racial or other disparities	10
	The city is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices	4
Subtotal Process		14
Who: Proposed Project Team		
Capacity	Demonstrate public applicant's capacity to oversee environmental cleanup grants	16
	The team can demonstrate a need for public financing	
	The project team, including partners, represents the community the project will serve; or predevelopment activities will build a representative team	
	Project team's readiness to proceed with project site cleanup and construction	
Subtotal Team		16
TOTAL		150
Applications must score at least 75 of the total 150 available points		



Pre-Development

LCA supports pre-development activities that further development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently.

Program Criteria:

- Local Match: None
- Grant Terms: 2 years from date of award
- Term extensions: Up to 1 year
- Award Limits: \$300,000 per city per round
- Application Limit: No more than six per city
- Excess available funding: If funding applied for or awarded through Pre-Development is less than the funding available, the remaining funds may be made available for award through the Policy Development Program or the regular LCDA or LCDA – TOD Development categories

Pre-Development Scoring Table

While we recognize there are different types of inequities based on identity and circumstance, LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Pre-Development Project Outcomes		
<i>Criteria:</i>		<i>Points</i>
The goals and vision of the proposed project would meet one or more of the following LCA and/or Thrive goals:		
LCA and Thrive Goals	Add new housing types and create or preserve affordable housing. Priority for projects with deep affordability and/or serving populations who have barriers to finding housing	16
	Create or preserve long-term living wage jobs or support economic opportunity for communities of historic wealth extraction	
	Increase or preserve (for preservation and rehab projects) density on the site and make it easier for people with mobility barriers to easily access housing, jobs, services, and amenities	
	Minimize climate change and/or environmental pollution impacts, reduce greenhouse gas emissions, and/or conserve natural resources in areas most negatively impacted by environmental harms.	
How: Pre-Development Project Process		
Process	Show an understanding of who will benefit most from the project and in what ways, and use this understanding to shape equitable development strategies and outcomes	14
	The project reflects the culture and needs of the community it is intending to serve.	
	The strength of the partnership between the applicant (City/County/HRA/EDA) and development partner(s), including the level of support and engagement the applicant has with the project	

Total		30
Applications must score at least 20 of the 30 points available		



Policy Development

Program Criteria:

- Local Match: 25% reimbursable match
- Grant Terms: 2 years from date of award
- Term extensions: Up to 1 year
- Award Limits: \$50,000 per city per round
- Application Limit: One per city
- Excess available funding: If funding applied for or awarded through Policy Development is less than the funding available, the remaining funds may be made available for award through Pre-Development or the regular LCDA or LCDA – TOD Development categories

Policy Development Scoring Table

While we recognize there are different types of inequities based on identity and circumstance, LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Policy Development Outcomes		
Criteria:		Points:
The goals and vision of the proposed policy would meet one or more of the following LCA and/or Thrive goals associated with physical development:		30
LCA and Thrive Goals	<ul style="list-style-type: none"> • Support affordable housing by allowing for more development of new affordable housing or preservation of existing affordable housing • Support wealth building and economic opportunity for communities of historic wealth extraction • Minimizing climate impact by reducing greenhouse gas emissions and conserving natural resources • Support more equitable development outcomes in physical developments and/or through city process to approve physical developments • 	
How: Policy Development Process		
Process	The process will include analysis of who will benefit most from the policy and in what ways, and use findings to shape equitable development strategies and outcomes	10
Who: Policy Development Team		
Who Is Involved	The project team has a defined scope of work with tangible goals	10
Total		50
Applications must score at least 25 of the possible 50 points		

Livable Communities Demonstration Account (LCDA) Development

LCDA supports development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently.

Program Criteria

- Local Match: None
- Grant Terms: 3 years from date of award
- Term extensions: Up to 2 years
- Award Limits: If eligible applications from suburban communities exceed 60% of available funds, it is recommended that no more than 40% of the funds be granted to projects in Minneapolis and St. Paul.
- Application Limit: No more than three per city
- Excess available funding: If funding applied for or awarded through LCDA or LCDA-TOD Development is less than the funding available, the remaining funds may be made available for award through whichever program has requests for more funding than is available.

Scoring Criteria:

The LCDA program has in the past been scored in two steps; Step One was an internal review completed by a review committee from different divisions in the Council. Step Two was an external review conducted by the Livable Communities Advisory Committee (LCAC), a 15-member committee of subject area experts. In order to reduce the timeline for applicants, align more with State and other Council grant review processes, and ensure all applications are reviewed by external reviewers, the LCDA applications will be scored in a single step. The review committee will continue to include external reviewers who will score alongside Council staff.



LCDA Development Scoring Table

While we recognize there are different types of inequities based on identity and circumstance, LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Proposed Project Outcomes			
Criteria		Points	
Housing	Build or preserve affordable housing; priority for projects that serve residents who have barriers to finding safe, affordable housing, have the deepest affordability, include supportive services or other needed services	8	
	Build new affordable housing that helps the City meet their share of the region's need for affordable housing at affordability levels needed most; OR Preserve and rehabilitate affordable housing, prioritizing cities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or with more housing cost burdened households		
	Further equity outcomes in housing access*	3*	
Economic Opportunity	Create or preserve permanent jobs OR Create workforce development and/or training opportunities; priority for projects with full-time living wage jobs	8	
	Create economic opportunity in health care, technology or environmental sustainability fields; advance strategic city job growth priorities; and/or create or preserve industrial jobs with access to regional transit systems		
	Further equity outcomes in access to economic opportunity*	3*	

What: Proposed Project Outcomes

<i>Criteria</i>		<i>Points</i>	<i>Criteria</i>		<i>Points</i>
Compact, Connected Development	Increase density or intensity of land use in the project area; OR Preserve an existing building that newly activates or preserves activity in the area	8			
	Make it easier and more comfortable for people to access their daily needs and desired amenities. OR Preserve existing access if project is preservation or rehab				
	Further equitable access transit, services, and amenities*	3*			
Environment and Livability		8			
	Minimize greenhouse gas emissions				
	Conserve natural resources, include or address resilience needs, and/or advance climate adaptation and mitigation strategies.				
	Further equity outcomes in environmental impact and resilience *	3*			
Subtotal Outcomes		44			

How: Proposed Project Process

<i>Criteria</i>		<i>Points</i>	<i>Criteria</i>	<i>Points</i>
Project Process	The project reflects the culture and needs of the community it is intending to serve *	8*		
	The City is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices*	3*		
		11		
				5
Total		54		
<p>Applications must score at least 33 of the available 55 and 12 of the available 23 equity points to be eligible for funding</p>				



Livable Communities Demonstration Account – Transit Oriented Development (LCDA-TOD)

Using targeted funds from LCDA, the LCDA-TOD program is focused on higher-density projects that contribute to a mix of uses in a TOD-eligible area. TOD-eligible areas can be along light rail, commuter rail, bus rapid transit, and high frequency bus corridors.

Program Criteria

- Local Match: None
- Grant Terms: 3 years from date of award
- Term extensions: Up to 2 years
- Award Limits: \$2 million per city
- Application Limit: No more than three per city
- Excess available funding: If funding applied for or awarded through LCDA or LCDA-TOD is less than the funding available, the remaining funds may be made available for award through whichever program has requests for more funding than is available.

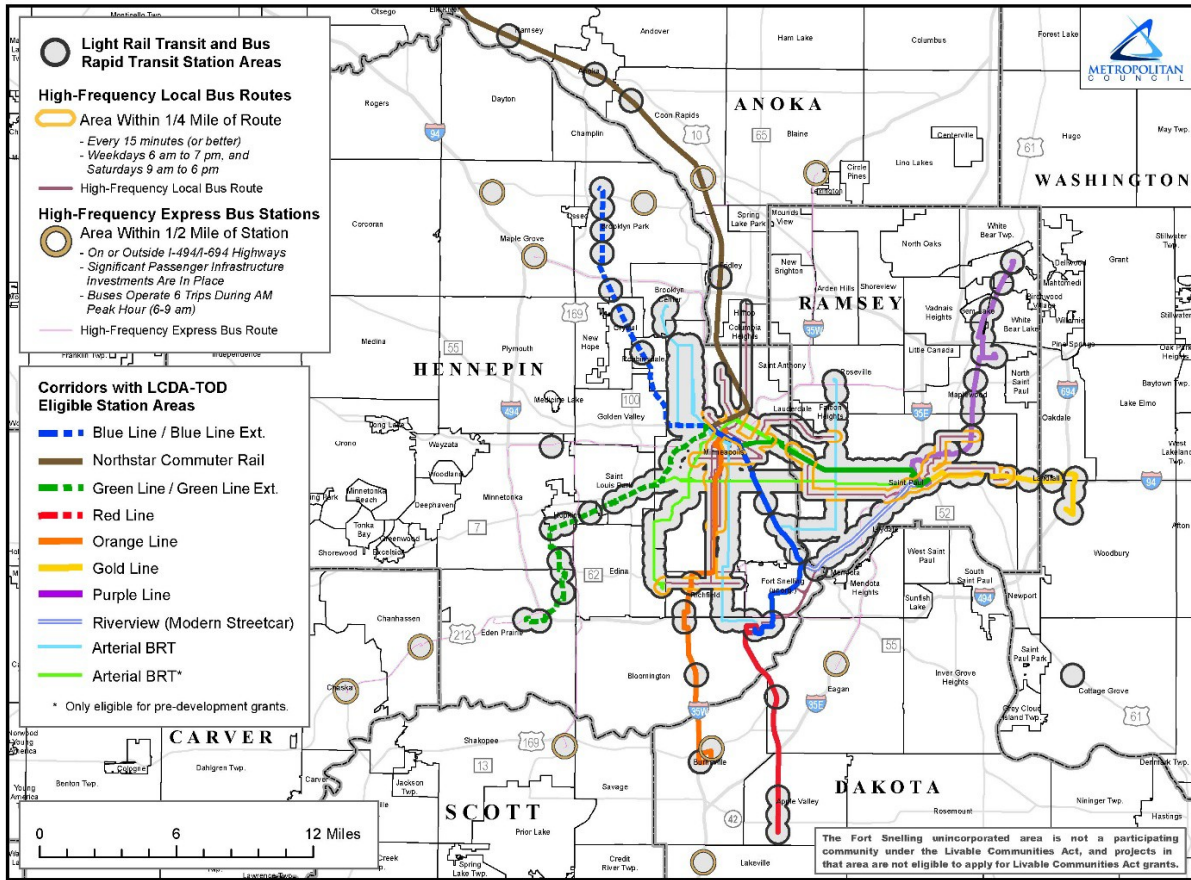
LCDA-TOD Eligible Areas

TOD-Eligible Areas are limited geographic areas eligible for LCDA-TOD Development grant funding based on levels of transit service and a transit project's stage of development. The criteria to determine areas eligible for TOD funding is as follows:

1. The transit project has completed environmental review or received a Record of Decision.
2. LCDA-TOD projects must be located within a Council-identified Developed Area, Developing Area, or a Rural Center. Regional park land is ineligible in all respects.
3. The project must also be within a TOD Eligible Area, described as within:
 - A ½-mile radius of an existing station on the following transit corridors:
 - LRT: METRO Blue Line and Green Line
 - BRT: METRO Orange Line, Red Line, A Line, C Line, and D Line
 - Northstar Commuter Rail Line
 - A ½-mile radius of a proposed station on the following planned transit corridors:
 - LRT: METRO Blue Line Extension (partial corridor) and Green Line Extensions
 - BRT: METRO Gold Line, Purple Line (partial corridor), B Line, E Line
 - A ½-mile radius of a bus stop or station with significant infrastructure on high-frequency express routes. High-frequency express service is defined as bus service providing either six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM, or every 10 minutes during the peak morning hour.*
 - A ¼-mile radius of a bus stop along high-frequency local bus lines, defined as those routes providing service at least every 15 minutes between 6:00 AM to 7:00 PM on weekdays and between 9:00 AM and 6:00 PM on Saturdays.*
 - Parts of routes 2, 3, 6, 10, 11, 18, 54, 64, and all of routes 21 and 63

** Due to changes in service frequency related to the impacts of the COVID-19 pandemic, 2020 service levels are used to determine TOD eligibility.*

Figure 1. 2024 LCDA-TOD Eligible Areas



LCDA-TOD Development Scoring Table

LCA is focused on addressing racial inequity in the region given race is the largest predictor of inequitable outcomes in jobs, housing, and other LCA goals. Projects addressing racial equity will be prioritized in scoring. Projects addressing other inequities will earn points towards how they address those inequities but will not receive full points unless they also consider the intersection of racial inequity.

What: Proposed Project Outcomes			
Criteria		Points	
Housing	Build or preserve affordable housing; priority for projects that serve residents who have barriers to finding safe, affordable housing; have the deepest affordability; and include supportive services or other needed services	8	
	Build new affordable housing that helps the City meet its share of the region's need for affordable housing at affordability levels needed most; OR preserve and rehabilitate affordable housing, prioritizing cities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or with more housing cost burdened households		
	Further equity outcomes in housing access*	3*	
Economic Opportunity	Create or preserve permanent jobs OR create workforce development and/or training opportunities; priority for projects with full-time living wage jobs	8	
	Create economic opportunity in health care, technology or environmental sustainability fields; and/or advance strategic city job growth priorities; and/or create or preserve industrial jobs with access to regional transit systems		
	Further equity outcomes in access to economic opportunity*	3*	



What: Proposed Project Outcomes

<i>Criteria</i>		<i>Points</i>		
Compact, Connected Development	Increase the number of people contributing to station area activity through greater building density and/or land use intensity of the site; OR preserve and rehabilitate an existing building key to the level of station area activity	20		
	Provide uses that will diversify activities and amenities in the station area, better meet residents' needs, and/or provide greater access to services and amenities; priority for projects implementing TOD design principles that support complementary uses, active transportation, and human-centered experiences			
	Generate greater transit ridership, a higher diversity of trip purposes viable via transit, and reduce the need to use and own a personal vehicle			
	Further the transit-oriented nature of the area surrounding the transit station as a node and/or district of TOD; priority for projects that advance a broader adopted plan or vision for the transit station or corridor, and/or positions the station area for additional TOD in a way that leverages public infrastructure and avoids displacement of existing residents or businesses			
	Further equity outcomes in access to multi modal transportation, services, amenities, and green or open space*	3*		
Environment and Livability	Minimize greenhouse gas emissions	8		
	Conserve natural resources, include or address resilience needs, and/or advance climate adaption and mitigation strategies			
	Further equity outcomes in environmental sustainability impact and resilience *	3*		
Subtotal Outcomes		56		



**How & Who: Proposed Project
Process**

<i>Criteria</i>		<i>Points</i>		
Project Process	The project reflects the culture and needs of the community it is intending to serve*	8*		
	The City is taking steps toward addressing inequities at the local level, especially efforts to implement equitable development practices*	3*		
Subtotal Process		11		
Total		67		

Applications must score at least 40 of the 67 points available and 12 of the available 23 equity points to be eligible for funding



LHIA Scoring Criteria

The LHIA supports the expansion and preservation of lifecycle and affordable housing, both rented and owned. The LHIA annual base funding includes \$500,000 transferred from the LCDA tax levy plus \$1 million from the Council's general fund.

Threshold Criteria	Competitive Criteria
<ul style="list-style-type: none"> • A significant component of rental projects must serve households with incomes at or below 60% of Area Median Income (AMI) with a minimum affordability term of 15 years. • Grantees must have an adopted Fair Housing Policy in order to receive Livable Communities Act funding. • Projects must have affirmative fair housing marketing plans. 	<ul style="list-style-type: none"> • Rental proposals creating or preserving affordability for persons at or below 30% of AMI; • New affordable housing that furthers the City's ability to meet their share of the region's need for affordable housing, considering what the need is across affordability bands OR • Preserved/rehabilitated affordable housing, prioritizing communities at highest risk of losing Naturally Occurring Affordable Housing (NOAH) and/or communities with higher rates of housing cost burdened households. • Proposals that serve large families by providing three or more-bedroom units; • Proposals meeting the needs of individuals and households experiencing long-term homelessness; • Proposals that provide a housing type not currently available or serve a population not currently served in or near the project area.



Affordable Homeownership

The Affordable Homeownership program will provide grants to support affordable homeownership development, including acquisition and rehabilitation, for projects that best meet the following two priorities:

- **Racial Equity Priority:** create homeownership opportunities for Black, Indigenous, and other ethnic or racial groups that own homes at disproportionately lower rates than white households in the region.
- **Geographic Choice Priority:** create affordable homeownership opportunities in parts of the region where it is most challenging to do so.

Program Criteria:

Grant Terms: 3 years from date of award

Term extensions: Up to 2 years

Award Limits: 50% of eligible project gap costs

Application Limit: None

Excess available funding: If funding applied for or awarded through the Affordable Homeownership program is less than the funding available, the remaining funds may be made available for award through the regular LCDA account or the LHIA program.

If more funding than available is requested by eligible applicants, the Council will make awards first to maximize the number of communities/applicants receiving funding and second to maximize the number of units supported. The Council may make partial awards based on scoring and these additional considerations.

Affordable Homeownership Scoring Table

Program Priorities

Racial Equity		
<i>Criteria</i>		<i>Points</i>
City-level racial disparities: Project is in a city with higher racial disparities in homeownership than the regional average		5
OR	Census tract-level racial disparities: Project is in a census tract with higher racial disparities in homeownership than the regional average	3
City-level BIPOC population: Project is in a city with a higher share of Black, Indigenous, and other residents of color than the regional average		3
OR	Census tract-level BIPOC population: Project is in a census tract with a higher share of Black, Indigenous, and other residents of color than the regional average	2
Highest possible subtotal for racial equity		8
Geographic Choice		
<i>Criteria</i>		<i>Points</i>
Unaffordable homes (at 80% AMI): Project is in a city with an average home sale price higher than what is affordable to a household earning 80% AMI		5
OR	Unaffordable homes (at 60% AMI): Project is in a city with an average home sale price higher than what is affordable to a household earning 60% AMI	3
Opportunity for single-family development: Project is in a city where the share of single-family housing stock is higher than the regional average		2
Affordable homeownership development addresses City's housing needs: Project is in a city with an affordable housing need less than 20 units OR more than 50% of their need is in the 51- 80% affordability level.		2

City contributes to the region's fiscal disparity: Project is located in a city with a net fiscal disparity of \$200 or more per household	1
Highest possible subtotal for geographic choice	10
Highest possible subtotal for both program priorities	18
<i>A minimum of 5 points would be required to ensure the project sufficiently addresses one or both pilot priorities</i>	

Equitable Access

<i>Criteria</i>	<i>Points</i>
Record of serving BIPOC homebuyers: Developer or program partner has a demonstrated record of serving Black, Indigenous, and/or other households of color in homeownership at rates equal to or greater than the city and or region's homeownership rates for those same groups	3
Waitlist of BIPOC homebuyers: Developer or program partner has current waiting list consisting of Black, Indigenous, or other households of color at levels equal or greater to the regional and/or city population	3
BIPOC team member(s): Project team includes a lender, realtor, or other homebuyer-facing team member that is reflective of the Black, Indigenous, or other households of color that have disparate homeownership rates in the region	2
First-generation homebuyers: Project will prioritize first-generation homebuyers	2
Addresses unique community need: Project addresses a need specific to the community in which the project is located, through financing, marketing, design, size or other unique need.	3
Further fair housing: Project incorporates marketing efforts to affirmatively further fair housing	1
Other efforts as described by applicant that further equitable access to homeownership	Up to 11
Total for Equitable Access	25

Affordability

<i>Criteria</i>	<i>Points</i>
Depth of affordability: Project will be affordable to homebuyers earning less than 80% AMI	3
Length of affordability: Project will remain affordable upon resale for more than 15 years	3
Total for Affordability	6
Total possible points	57

