

Business Item

Community Development Committee



Committee Meeting Date: February 5, 2024

For the Metropolitan Council: February 14, 2024

Business Item: 2024-41

Adoption of 2024 Livable Communities Act Fund Distribution Plan

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. § 473.25

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Division/Department: Community Development / Livable Communities

Proposed Action

That the Metropolitan Council approve the 2024 Livable Communities Act Fund Distribution Plan as shown in Attachment 1.

Background

The Livable Communities Act (LCA) requires that the Council prepare an annual plan for distribution of the Livable Communities funds that includes funding availability, program guidelines, and scoring criteria. Building on Committee workshop discussions on [July 17](#), [August 21](#), and [October 2](#), and following discussions on [December 4](#), [December 18](#), and [January 18](#), staff recommends approval of the Fund Distribution Plan for 2024 LCA programs as shown in Attachment 1. Staff is proposing minor process and scoring criteria changes to programs for the 2024 cycle, given the Committee's ongoing interest in making programs accessible to more applicants and ensuring good stewardship of resources. Approval of the 2024 Plan will allow staff to begin outreach and open the first rounds of applications for the 2024 program year.

Beyond the 2024 Plan, staff will continue to work with Council Members and community stakeholders to develop proposed program changes for the 2025 program cycle, continuing from the working sessions held in the summer and fall of 2023. Staff is committed to an engaged program development process and intends to spend 2024 developing proposed program changes in partnership with Council Members, city staff, developers, and other identified stakeholders. Committee Members requested more information about a range of LCA program topics for both 2024 and 2025 consideration at the January 18 Committee meeting and in subsequent correspondence; responses to these questions are summarized separately.

Incorporating Feedback

The proposed 2024 changes respond to feedback from applicants and reviewers and represent changes to administrative process and reduction of duplicative scoring criteria. The proposed changes are part of a commitment to continuous improvement, but not intended to change program goals or outcomes this year.

Scoring Criteria

In response to feedback that the **LCDA & TOD Development** process is slower than other funders', that our application is complex, and that the role of LCAC members is too subjective:

- A single step scoring process is being proposed for the LCDA and LCDA-TOD programs to ensure that all applications are seen by reviewers external to the Council as well as to reduce the review time by several weeks. The intended impact of this administrative change is to have a more objective and streamlined scoring process while providing applicants with funding recommendations in a timelier manner.
- The Project Team and Project Process scoring criteria are being combined into a single Projects Process section for the LCDA and LCDA-TOD programs. Through application response and review analysis, staff found that the scoring criteria in those two categories was redundant. Combining the sections will reduce duplication of scoring criteria and will make both the application and review process clearer.
- To reflect these scoring changes, overall scoring points have been adjusted. In the new rubric, a minimum equity score (22% of total points, vs. 24% in 2023) and a minimum overall score (59% of total points, vs. 60% in 2023) are still required.

Program Changes

For the **Affordable Homeownership** program, in response to feedback that a 1:1 match requirement was confusing and administratively burdensome for applicants, and also in response to comments from Committee members who wanted to better understand how funding award recommendations are prioritized:

- In lieu of the existing 1:1 match requirement, but with similar effect, staff propose capping per-unit support at no more than 50% of eligible project gap.
- Additionally, staff propose guidance for maximizing the number of awards and the number of homes funded if demand continues to exceed available funds. This recognizes the fact that homeownership projects are often scalable with partial awards.

For the **TBRA Site Investigation** program, staff has heard that our process is time-intensive and too inflexible to adequately support smaller, time-sensitive Site Investigation projects, likely explaining the low demand for this longstanding program. To encourage more applicant interest and support more time-sensitive projects:

- Staff proposes to pilot a scattered-site TBRA Site Investigation 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.
- To encourage active use of the funds, applicants would be required to expend 80% or more of awarded funds before being eligible to reapply.

Funding Availability Proposal

The 2024 Fund Distribution Plan provides direction for up to \$29.0M in grants to be awarded in this solicitation cycle, as shown in Table 1.



Table 1. 2024 LCA Proposed Funding Availability, by Program

Program	2024 Funding
Tax Base Revitalization Account (TBRA)	
• Contamination Clean-Up and Site Investigation	\$5.5 M
• Seeding Equitable Economic Development	\$0.5 M
Livable Communities Demonstration Account (LCDA)	
• Pre-Development	\$2.0 M
• Policy Development	\$0.2 M
• LCDA Development	\$9.8 M
• Transit-Oriented Development	\$5.5 M
• Affordable Homeownership	\$3.0 M
Local Housing Incentives Account (LHIA)	
• Multifamily / Consolidated RFP	\$2.5 M
TOTAL	\$29.0 M

Table 2. 2024 LCA Funding Availability Sources, by program

Program	TBRA		LCDA					LHIA
Base Funding Allocation	\$5.0 M		\$14.3 M					\$1.5 M
Restricted Reserves Allocation	\$0.5 M		\$2.0 M					\$0
Unrestricted Reserves Allocation	\$0.5 M		\$4.2 M					\$1.0 M
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
TOTAL	\$29.0M							
<i>Anticipated restricted reserve balance</i>	\$1.5M		\$0.4M					\$0
<i>Anticipated unrestricted reserve balance</i>	\$8.3M							

Rationale

As described in the above report, Council staff have gathered feedback from Council Members over the course of workshops and discussions during Committee meetings. Additionally, staff has received extensive input from Committee members, applicants, and program partners throughout the year in the form of both formal surveys and ongoing conversations. The proposed Plan reflects input received and will further the goals and objectives outlined in the Livable Communities Act, in *Thrive MSP 2040*, and by the Committee members. Approval of the 2024 Plan will allow staff to continue offering grant programs this year. In 2024 and 2025, through continued conversations and research, staff will work to incorporate more feedback and develop programs that reflect updated policy goals outlined in *Imagine 2050*.

Thrive Lens Analysis

The Livable Communities Act programs represent one of the Council's primary financial tools to advance and encourage development and redevelopment that advances the Thrive principles of Livability, Sustainability, Equity, and Prosperity. Several criteria further the Council's Equity outcome by better accounting for measurable equity impacts. Finally, the LCA programs are an important way we advance Stewardship by making strategic investments in our region's future to ensure orderly and economical development.

Funding

The 2024 Fund Distribution Plan provides direction for up to \$29M in grants to be awarded in this solicitation cycle. Approximately \$21M is available in the 2024 Authorized Budget and \$8.0M is available in reserve accounts to add to the balance. This business item provides the policy direction for future budget actions required to meet annual cashflow needs of multi-year grants. Future Council annual budgets and budget amendments will program reserves into the Council Authorized Budget to meet annual cashflow needs.

Attachments

Attachment 1: 2024 Fund Distribution Plan for all LCA programs



Attachment 1: 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
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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
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Total	70
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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 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.	25
	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>
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>
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
	Total	55
Applications must score at least 33 of the 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
- 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.

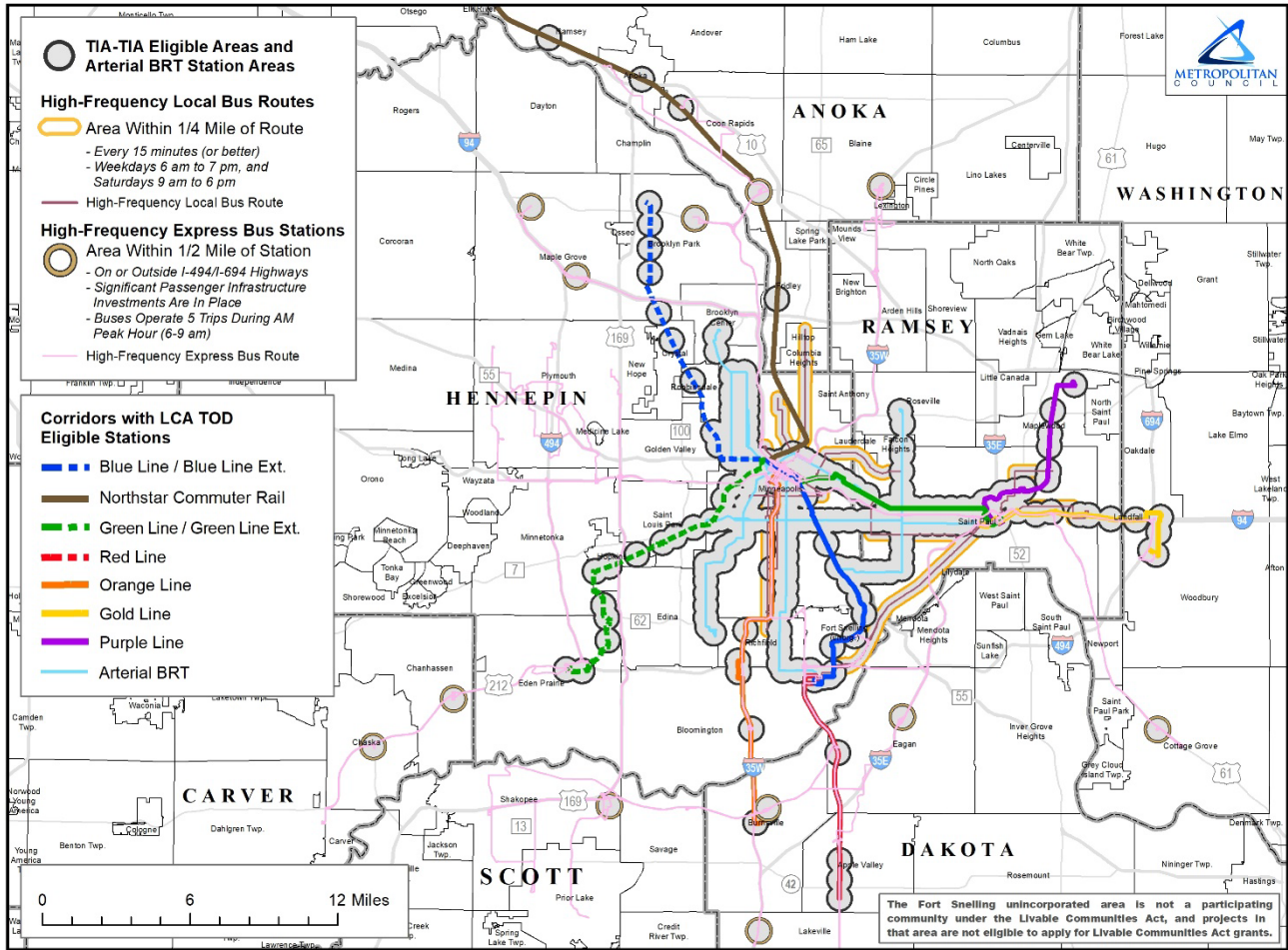
LCDA-TOD Eligible Areas

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
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	

	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	8	
	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		8
	Minimize greenhouse gas emissions	
	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
<p>Applications must score at least 40 of the 67 points available and 12 of the available 23 equity points to be eligible for funding</p>		



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

