



2024 LCA Fund Distribution Plan (2024-41)

Community Development Committee



January 16, 2024

metro council.org

Today's Discussion

Livable Communities Act (LCA) Fund Distribution Plan

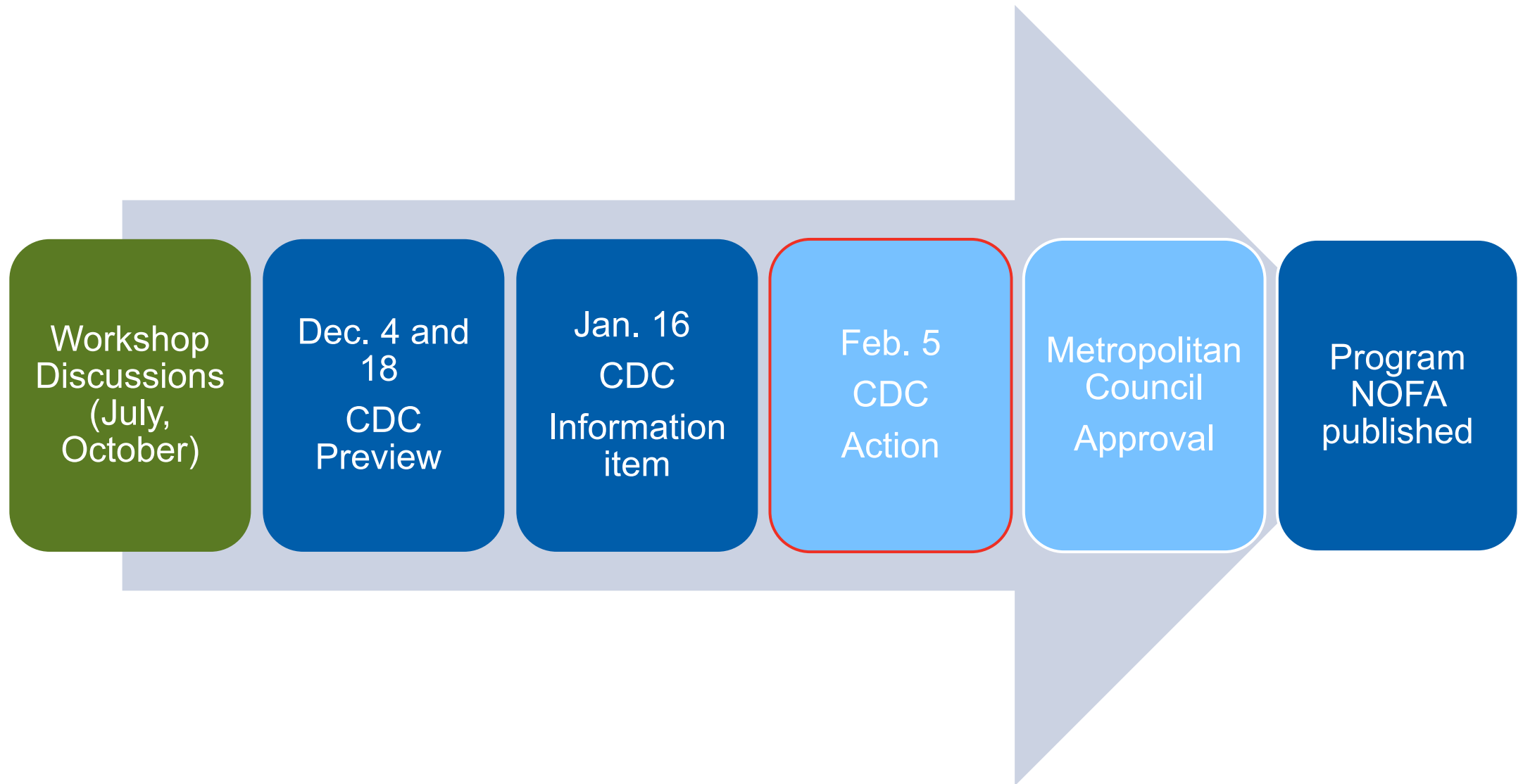
Review:

- 2024 FDP timeline
- LCA goals
- Funding availability
- Proposed program and scoring criteria

Discuss:

- Follow-up on 1/16 questions
- Action for 2024

Livable Communities Act Fund Distribution Plan Approval Timeline



LCA Programs: Current Goals

Policy Direction

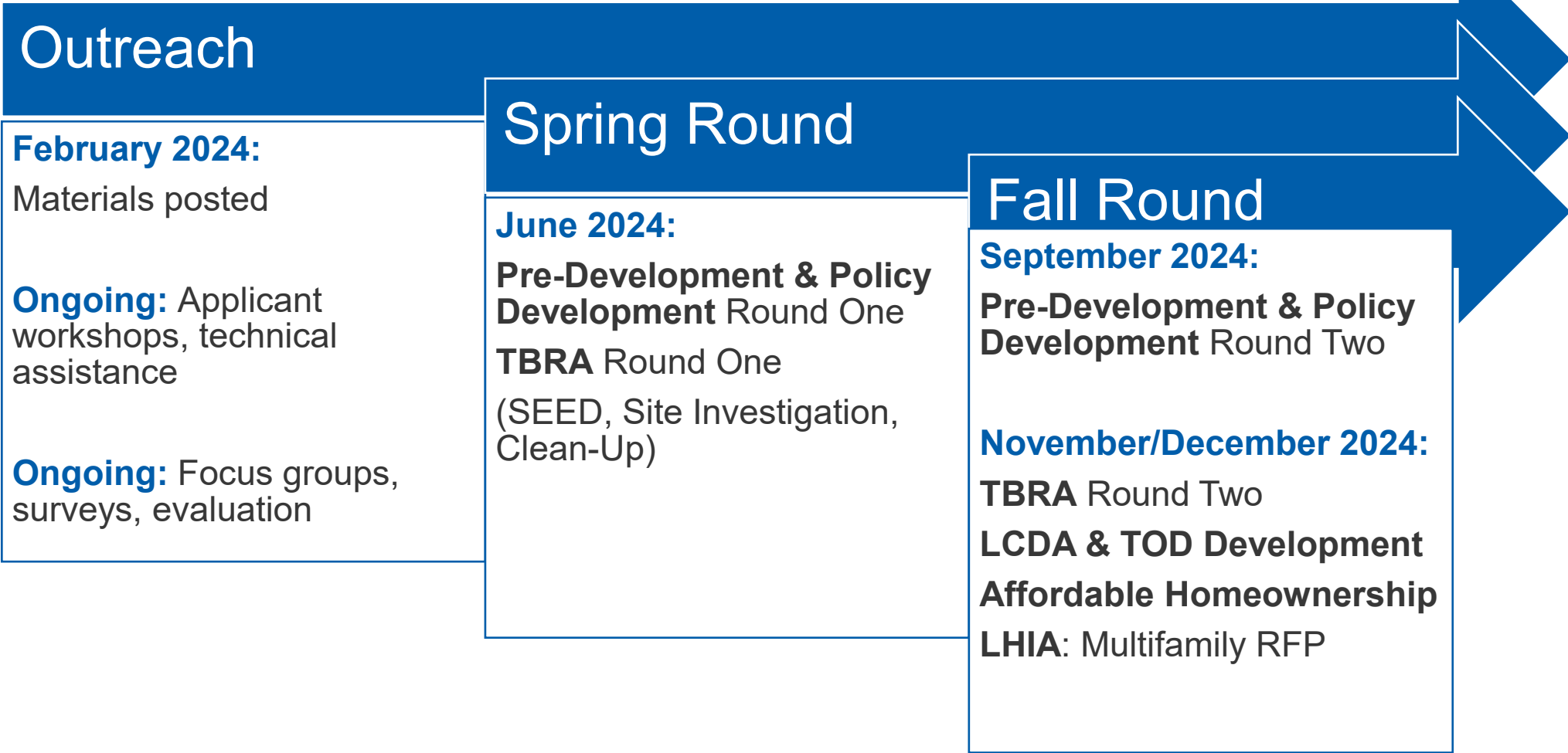
- [LCA Statute](#)
- [Thrive 2040](#)
- [Housing Policy Plan](#)
- [Transportation Policy Plan](#)
- Council Strategic Plan
- [Regional Economic Framework](#)



Program Goals

- Create more housing choice and support affordable housing
- Create living wage jobs and more economic opportunity
- Connect housing, jobs, and regional amenities
- Realize more equitable development outcomes
- Improve environmental sustainability

LCA Program Cycle



Note: Dates are approximate and subject to change.

2024 Funding Availability

**Base
revenue***

+

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

**Reserves
to allocate**

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

*Statutory base revenues are fixed in dollars for TBRA and LHIA since 1995; revenue is defined as a formula for LCDA.

Funding Availability Recommendations

Program	TBRA		LCDA					LHIA
Base Funding Allocation	\$5.0 M		\$14.3 M					\$1.5 M
Restricted Reserves Allocation Recommended	\$0.5 M		\$2.0 M					-
Unrestricted Reserves Allocation Recommended (of total \$14.0 M available)	\$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	SEED	LCDA	TOD	Pre-Dev	Policy	H.O.	RFP
	\$5.5 M	\$0.5 M	\$9.8 M	\$5.5 M	\$2.0 M	\$0.2 M	\$3.0 M	\$2.5 M
TOTAL	\$29.0 M							
<i>Restricted reserve balance</i>	\$1.5 M		\$0.4 M					-
<i>Unrestricted reserve balance</i>	\$8.3 M							

Proposed Process Updates – 2024 FDP



“Minor” changes =

- Change to process
- Incorporates feedback about experience of applicants

No change to intended outcomes

Proposed Program Updates



TBRA Site Investigation

Incorporating feedback:

- Site Investigation is needed for small, time-sensitive projects
- Our process is time-intensive and inflexible
- Demand has been low

Proposal for 2024:

- Applicant may request up to \$250,000 to investigate up to 5 sites over a 2-year period
- Reduce barriers to application, ensure dollars serve public purpose and program goals

Proposed Process & Scoring Updates



LCDA & TOD Development

Incorporating feedback:

- LCAC members' role in scoring is too subjective
- Process is slower than other funders'
- Application is complex

Proposal for 2024:

- Single step scoring process, external & internal reviewers contribute concurrently
- Streamline some scoring criteria to eliminate duplication and reduce applicant burden

Proposed Program & Process Updates

Affordable Homeownership

Incorporating feedback:

- Match is burdensome to document, confusing for applicants
- CMs want to understand how funding selections are prioritized

Proposal for 2024:

- 50% cap on total development gap, in lieu of match
- Selection priorities for number of recipients, number of homes supported



2024 Fund Distribution Plan

Committee Options

1

Incorporate staff's proposed process improvements, as proposed in Scoring Criteria redlines:

- TBRA-Site Investigation Pilot
- LCDA & TOD Development one-step review
- Affordable Homeownership updates

2

Keep all LCDA/TOD process the same, but:

- Implement proposed updates to:
 - TBRA-Site Investigation
 - Affordable Homeownership

3

Keep all programs the same in 2024; use 2023 criteria

4

Pause programs for 2024 and resume in 2025

Proposed Action



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

Beyond 2024



Looking ahead to 2025:

- Prioritize many, potentially competing goals
- Seek Council Members' direction
- Align with Imagine 2050 goals
- Establish ongoing evaluation processes based on prioritized goals
- Participant and stakeholder involvement in program changes
- Continued outreach and technical assistance for potential applicants



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