

Minutes

Community Development Committee



Meeting Date: March 4, 2024

Time: 4:00 PM

Location: 390 Robert Steet

Members Present:

- Chair, Robert Lilligren, D7
- Vice Chair, Susan Vento, D11
- Judy Johnson, District 1
- Reva Chamblis, District 2

- Peter Lindstrom, District 10
- Chai Lee, District 13
- Toni Carter, District 14

- Tenzin Dolkar, District 15
- Wendy Wulff, District 16

Call to Order

A quorum being present, Chair Lilligren called the regular meeting of the Community Development Committee to order at 4:00 p.m.

Approval of Minutes

It was moved by Lindstrom, seconded by Wulff, to approve the minutes of the February 20, 2024, regular meeting of the Community Development Committee. **Motion carried.**

Public Hearing

2024-71 Public Hearing on City of North Oaks Red Forest Way South Comprehensive Plan Amendment Plan Modification (Angela Torres 651-602-1166)

Kendra Lindahl, city planner, presented testimony via comments and a PowerPoint presentation. Mark Houge provided comments and will submit a letter of comments.

Consent Business

2023-291 (Amended) Funding Recommendations for 2023 Livable Communities Demonstration Account Development Grants (Hannah Gary 651-602-1633)

It was moved by Vento, seconded by Carter that the Metropolitan Council approve approve the amended 2023 Livable Communities Funding Recommendation with the amended funding amount as shown in the table below.

1. Award eight Livable Communities Demonstration Account grants as shown in Table 1, totaling \$9,736,250 and;
2. Authorize the Executive Director of Community Development to execute the grant agreements on behalf of the Council.

Table 1. Recommended Grant Projects and Funding Amounts

Applicant	Recommended Project	Award Amount
City of Brooklyn Center	New Generations LLC- 1500 69th Ave	\$1,000,000

City of Minneapolis	Little Earth of United Tribes	\$2,000,000
City of Minneapolis	Sabathani Family Housing	\$1,145,000
City of Saint Paul	2260 Bohland Avenue (Common Bond Ford Site II)	\$575,000
City of Edina	5780 Lincoln	\$1,500,000
City of Maplewood	Maplewood – Gladstone Village 1	\$1,150,000
City of Brooklyn Center	Innovation and Catalyst Center	\$600,000
City of Bloomington	700 American	\$1,766,250

Motion carried.

Funding Recommendations for the 2023 Livable Communities Demonstration Account grants were approved by the Metropolitan Council on December 13, 2023. Subsequent to approval an accounting error of \$27,000 was discovered. The error was corrected prior to grant agreements being signed and was communicated to the grantee.

The original business item with redlines noting the accounting error was attached.

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

Non-Consent Business

2024-36 Scott County’s Sand Creek Township Valley View Drive Corridor Comprehensive Plan Amendment, Review File 21936-5 (Raya Esmaeili 651-602-1616)

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

- Authorize the Scott County to place its comprehensive plan amendment into effect.
- Revise the County’s employment forecasts upward as shown in Table 1 of the attached Review Record.
- Advise the County to implement the advisory comments in the Review Record for regional parks and trails and transportation.

Motion carried.

Brad Davis, Scott County Planning Manager, was present, along with City of Jordan’s Mayor, Mike Franklin, City Administrator, Tom Nikunen, and Planner, T.J. Hofer. Council member Wulff highlighted the conflict between the proposed project for the site and the City of Jordan’s long-range service plans. Specifically, she expressed concerns about a lack of regional policies to help protect growth areas around rural centers, emphasizing the need for regional planning to safeguard investments in infrastructure and sustainable development. Mayor Franklin suggested that the project is incompatible with *Thrive MSP 2040* policies regarding preservation of natural areas and protection from premature development. He advocated for rejecting the amendment to allow continued orderly annexation discussions and prevent setting a precedent for future cooperation within the County. Council member Johnson inquired about the County’s ability to impose a moratorium to allow time for evaluation. Brad Davis responded that while the County has the authority to enact a moratorium on comprehensive plan amendments, it did not pursue this option for the case in question, as it was not discussed or proposed by the County Board, and instead processed it



similar to other amendments. Council member Johnson further inquired about the Council's response timeline to evaluate other potential options to convene a meeting the parties, emphasizing the significance of being specific about dates and authority to ensure clarity on what actions the Council can legally take. Council member Vento recommended a potential mediation session. Council member Barber acknowledged the complexity of the situation, expressed doubt in effectiveness of additional time for mediation, and suggested that existing policies might not sufficiently support the kind of growth the region seeks, especially for rural centers. She emphasized the need for the Council to reevaluate its policies to better include and support rural centers.

2024-15 JT: 2024 Budget Amendment – Carryforward / 1st Quarter (Heather Giesel 651-602-1715)

It was moved by Carter, seconded by Vento that the Metropolitan Council authorize the 2024 Unified Budget amendment as indicated, and in accordance with, the attached tables.

Motion carried.

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

2024-73 Application to the Environmental Protection Agency's Climate Pollution Reduction Grants Program Phase 2 Implementation Grants (Lisa Barajas, 651-602-1895)

It was moved by Lindstrom, seconded by Carter that the Metropolitan Council authorize the Executive Director of the Community Development Division to:

Develop grant application and related materials as a partner agency with the State of Minnesota as the lead agency for the Equitable Residential Decarbonization project to be submitted for Phase 2 Implementation Grants of the Environmental Protection Agency's Climate Pollution Reduction Grants Program.

Develop and submit a Letter of Intent to participate in the proposal as a part of the application process.

Negotiate and execute the memorandum of agreement with the State of Minnesota for participation in the coalition grant.

Negotiate and execute the any required agreements with the Environmental Protection Agency.

Motion carried.

The Committee discussed and asked questions about how the jurisdictions in the state are working together on this grant proposal, about household eligibility for the program with low income and disadvantaged communities, ensuring that costs for this work are reasonable, providing technical assistance to local governments with small staff teams, and methods for expanding interest in the program. Wojchik noted that a lot of details would be refined in the program development phase if we are awarded the funds, and that technical assistance is a key part of the project proposal to simplify the application process and make the program as accessible as possible.

Information

1. Housing Policy Plan Draft Objectives Review (Hilary Lovelace 651-602-1555; Sarah Berke 651-602-1198)

The Metropolitan Council is developing the next Regional Development Guide, *Imagine 2050*. The current Regional Development Guide, *Thrive MSP 2040*, along with the Council's metropolitan



system and policy plans, are the governing documents that help guide the orderly growth and development of the region. System and policy plans include the 2040 Regional Parks Policy Plan, the 2040 Transportation Policy Plan, the 2040 Water Resources Policy Plan, and the 2040 Housing Policy Plan.

This presentation will invoke a discussion on Draft Objectives for the Housing Policy Plan. Following this meeting, Council staff will continue drafting the Housing Policy Plan, with a draft available for public comment prepared in early May alongside other policy areas. Completion of the housing policy plan is expected in early 2025, aligned with the timelines for the other components of the 2050 regional development guide.

Minn. Stat. § 473.859, subd. 2(c) requires that a local government's land use plan include a "housing element containing standards, plans and programs for providing adequate housing opportunities to meet existing and projected local and regional housing needs, including but not limited to the use of official controls and land use planning to promote the availability of land for the development of low- and moderate-income housing." Additionally, Minn. Stat. § 473.859, subd. 4(3) requires that land use plans include specific steps "to implement" housing plans and "provide sufficient existing and new housing to meet the local unit's share of the metropolitan area need for low- and moderate-income housing."

Minn. Stat. § 473.145 requires that the Council's Regional Development Guide address physical, social, and economic needs of the Region.

Affordability Limits

In the past, the Affordability Limits the Council has used in setting policy, tracking development, and funding awards have been based on the standard Minnesota Housing calculates for LIHTC, using federal HUD data, on an annual basis. In Thrive 2040, Council housing policy shifted from only considering 60% of Area Median Income (AMI) to considering bands of affordability at and below 30%, 50%, and 80% AMI. In October 2022, Housing staff received support from the Committee to explore an Affordability Standard that better reflects the realities of low- and moderate-income households in our region.

Allocation of Affordable Housing Need

As stated in Minn. Stat. § 473.859, subd. 2(c), local governments must address in their local comprehensive plans their response to future regional needs for housing. The Council calculates an affordable housing need allocation for each city and township with sewer-serviced household growth in the first decade of each regional development guide. The history of calculating regional housing need at the Metropolitan Council predates the Metropolitan Land Planning Act, though adjusting the formula and allocating at the local jurisdiction level came later.

Housing Consistency for Local Comprehensive Plans

As stated in Minn. Stat. § 473.859, subd. 2(c), local governments must include a housing element in their comprehensive plans. The Council may set standards for consistency with regional housing policy, ranging from guiding enough land to support the development of communities' allocations of regional affordable housing need, to what programs and policies they will use to meet their local housing needs. Recent analysis of affordable housing development in the region suggests that mixed use land uses are frequently used to build affordable housing, and affordable housing is frequently developed at much higher densities than the minimum densities set in policy.

Council Members and staff discussed the objectives. Council Members suggested combining objectives to achieve more of the goals of stable housing, economic prosperity, and living wages. Changes in zero-income language were suggested to provide a better definition.

Adjournment

Business completed; the meeting adjourned at 6:20 p.m.



Certification

I hereby certify that the foregoing narrative and exhibits constitute a true and accurate record of the Community Development Committee meeting of March 4, 2024.

Council Contact:

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