

Business Item

Community Development Committee



Committee Meeting Date: April 1, 2024

For the Metropolitan Council: NA*

*Per Livable Communities Act Grant Amendment Process (Business Item [2012-296](#) and [2014-182](#)), the Community Development Committee is the final authority on this item.

Business Item: 2024-93

Amend Grant Funded Activities of Keystone Community Services TOD Grant (SG-18088)

District(s), Member(s):	District 14, W. Toni Carter
Policy/Legal Reference:	Minn. Stat. § 473.253
Staff Prepared/Presented:	Samuel Johnson, Principal Grants Administrator (651-602-1757)
Division/Department:	Community Development / MTS Finance and Admin/Livable Communities

Proposed Action

That the Community Development Committee approve amending the Keystone Community Services (SG-18088) LCDA-TOD Development grant project summary (Attachment B) to update the budget.

Background

The Metropolitan Council awarded the City of Saint Paul a \$445,500 Livable Communities Demonstration Account Transit Oriented Development (LCDA-TOD) grant in December of 2022 (Business Item [2022-228](#)) for the Keystone Community Services project. The grant funds public infrastructure, stormwater management, public art, and placemaking spaces for a community food center that consolidates food shelf operations and mobile food distribution programs into a single transit-oriented location.

On January 28, 2024, the City of Saint Paul requested an amendment to reflect unforeseen changes in costs during construction of the project. They deferred to Keystone Community Services who explained that while the project has made substantial progress, the cost for grant funded activities changed due to utilities staying aboveground, improvements in expanded design and construction for stormwater management, decreased rehabilitation costs related to the public art, and an increase in lighting costs being offset by savings on bike racks.

The grantee reported no other changes to the project summary. They confirmed the project is progressing, grant-funded activities will be complete within the term of the grant, and the program deliverables will be accomplished.

Rationale

The request to shift \$150,254 of the grant award between budgeted activities constitutes a 33% change in the project budget. Committee approval is required for any budget shift above 20%.

After review, Council program staff determined the requested changes do not constitute a significant change to the project. Therefore, staff recommends that the amendment be approved, as requested.

Thrive Lens Analysis

LCDA-TOD funded projects respond to several Thrive outcomes:

- Projects that leverage regional infrastructure investments by helping increase densities and provide a mix of uses further the Thrive Stewardship Outcome.
- Projects that redevelop and increase density, especially near transit stations, further the Thrive Prosperity outcome of “[e]ncouraging redevelopment and infill development across the region.”
- Projects located near transit and that include a mix of housing and jobs further the Thrive Livability outcome of “[a]ligning resources to support transit-oriented development and walkable, urban places.”
- Projects that help produce jobs near transit further the Thrive Equity outcome of “using our influence and investments to build a more equitable region.”

Funding

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

Attachments

Attachment A. Grant Amendment Request

Attachment B. Revised Project Summary



Attachment A. Grant Amendment Request



SAINT PAUL
PLANNING & ECONOMIC
DEVELOPMENT

DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT
NICOLLE GOODMAN, DIRECTOR

City Hall Annex, 25 West 4th Street, Suite 1300
Saint Paul, MN 55102
Tel: 651-266-6565

Dear Sam,

Please see the included materials detailing a request for a budget amendment for the LCA TOD Development Grant SG-18088 for Keystone Community Services for their project at 1790-1800 University Ave W in Saint Paul.

The materials include a letter from Keystone and a memo from NTH, Keystone's real estate project manager, detailing the reasons for requesting budget changes in excess of 20%. The reasons were unforeseen changes in costs during the development project.

Overall, the project has made substantial progress, having drawn from other funding sources the City of Saint Paul has committed to the project and having passed building inspections and inspections from PED staff. Currently, no LCA grant extension requests are anticipated.

Please let me know if you have any questions or need any additional information regarding the request.

Sincerely,

A handwritten signature in blue ink that reads "Jonathan Reisetter".

Jonathan Reisetter
PED Principal Project Manager
651-266-9119



Metropolitan Council

CITY OF SAINT PAUL
MELVIN CARTER, MAYOR

AN AFFIRMATIVE ACTION &
EQUAL OPPORTUNITY EMPLOYER

STPAUL.GOV



2000 St. Anthony Ave.
St. Paul, MN 55104-5199
www.keystonecommunityservices.org

651.645.0349 TEL
651.645.8057 FAX

January 16, 2024

Grant No. SC-18088

Type: LCDA-TOD Development

Applicant: City of Saint Paul

Project Name: Keystone Community Services

Project Location: 1790 – 1800 University Avenue W. St Paul MN 55104

Council District: 14 – Fredson

Funding: \$445,500

Project Overview: Keystone Community Services is creating a 20K sq. ft. Community Food Center to Consolidate food shelf operations and mobile food distribution program into a single transit- oriented location. The project includes grocery-store style shopping for culturally specific foods, space for support services and community events, mobile food services, and warehousing. The site will increase efficiencies and streamline processes for annually receiving and distributing over 4 million pounds of food, doubling Keystone’s capacity to create economic opportunity and serve over 50,000 people.

Project Update Category Cost Changes.

Keystone’s Community Food Center renovation is nearing completion. During the process of construction, categories of funding request amounts have changed within our established categories. Paul Johnson from NTH, Inc., our **Real Estate Project Manager(s)**, has been **with Keystone throughout the project** and has provided an LCA TOD Cost Change Memo with a summary/explanation of changes made after the grant application was submitted and another document showing the cost change amount in each category.

For example, utilities Xcel Energy found they could not bury the electrical/power lines, and the design was changed, rerouting the electrical lines overhead. There was a significant price difference between burying powerlines and rerouting them overhead.

We are requesting to be allowed to adjust cost amounts within the categories to reflect work done and cost changes.

If I can be of further assistance, don't hesitate to contact me at Acobb@Keystoneservices.org or directly at 651-603-6644.

Adero Riser Cobb
President/CEO



Keystone Community Services – LCA TOD Cost Change Memo 1/8/24

The following design and construction changes occurred after the grant application was submitted:

- Exterior Site Lighting – Modest changes to the lighting design enhanced the light levels at the exterior resulting in an increase in the electrical cost.
- Stormwater Management – The original design for the site did not modify the parking area. When that was added, significant improvements to the stormwater design, landscaping, and paving incurred additional costs.
- Rear Canopy – The original canopy estimate was conceptual and excluded some additional foundation work that was required and lacked complete estimates for the full structural and architectural systems associated with the canopy.
- Mural Prep – The original estimate included a larger area for the stucco rehabilitation and significant cost savings was realized when limiting it to the final mural area.
- Bike Racks – The original cost estimate for the bike racks assumed a most costly rack and a more cost-effective design was utilized.
- Utilities – The original cost estimate assumed the electrical lines would be buried underground at a relatively high cost. Xcel Energy’s final design limited the changes to relocation of the overhead electrical lines only.

If there are any questions or concerns with the descriptions above, please contact Paul Johnson at pjohnson@nth-inc.com or at 612-747-5077.



LCA TOD Grant Summary - Keystone Community Services

Funding Request		Final Cost		
\$	107,000	Public Infrastructure	\$	9,966
		Deliverable: Public Utilities		
\$	77,040	Stormwater Management - Landscaping	\$	99,352
		Stormwater Management - Canopy and Solar	\$	127,671
		Deliverable: Rooftop Stormwater Collection		
\$	240,060	Public Art - Community Engagement	\$	15,600
		Public Art - Wall Prep/Stucco	\$	64,240
		Public Art - Mural Labor and Materials	\$	107,000
		Deliverable: Mural		
\$	21,400	Placemaking Spaces - Lighting	\$	17,171
		Placemaking Spaces - Bike Racks	\$	4,500
		Deliverable: Lighting and Bike Racks		
\$	445,500	TOTAL	\$	445,500



Attachment B. Revised Project Summary

Amended TOD Project Summary

Grant # SG-18088
Type: LCDA-TOD Development
Applicant: City of Saint Paul
Project Name: Keystone Community Services
Project Location: 1790-1800 University Avenue W, St. Paul, MN 55104
Council District: 14 – Carter

Project Detail		
Project Overview	Keystone Community Services is creating a 20K sq. ft. Community Food Center to consolidate food shelf operations and mobile food distribution program into a single transit-oriented location. The project includes grocery-store style shopping for culturally specific foods, space for support services and community events, mobile food services, and warehousing. The site will increase efficiencies and streamline processes for annually receiving and distributing over 4 million pounds of food, doubling Keystone's capacity to create economic opportunity and serve over 50,000 people.	
Living Wage Jobs	2	
Total housing units	0	
Affordable units	0	
Anticipated # bedrooms	0	
TOD metrics	Floor-area ratio: 0.59 Dwelling units per acre: 0 Distance to station/stop: 675 ft Green Line - Fairview Avenue Station Parking stalls/unit: 0	
Support for Award	<ul style="list-style-type: none"> The renovation makes more efficient use of an underutilized structure and creates a dynamic destination that supports economic stability and opportunity in the community Project is a result of community engagement and includes new community spaces 	
Previous LCA Funds	None	
Funding Request		
\$445,500		TOTAL
Original	Amended	
\$107,000	\$9,966	Public Infrastructure Deliverable: Public Utilities
\$77,040	\$227,023	Stormwater Management Deliverable: Rooftop Stormwater Collection and Landscaping
\$240,060	\$186,840	Public Art Deliverable: Mural
\$21,400	\$21,671	Placemaking Spaces Deliverable: Lighting and Bike Racks

