

# Business Item

Community Development Committee



**Committee Meeting Date:** February 3, 2025

**For the Metropolitan Council:** February 12, 2025

## Business Item: 2025-46

2025 Livable Communities Act Funding Availability and Scoring Criteria

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Minn. Stat. § 473.25
<b>Staff Prepared/Presented:</b>	Sarah Berke, Senior Manager, Livable Communities, 651-602-1198 Hannah Gary, Planning Analyst, 651-602-1633
<b>Division/Department:</b>	Community Development / Livable Communities

### Proposed Action

That the Metropolitan Council approve the 2025 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 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.

At the January 21, 2025, Committee meeting, Council staff reviewed funding availability and draft scoring criteria for the 2025 LCA Fund Distribution Plan (FDP) for the Committee's discussion. Staff reviewed 2024 program demand and consulted with Community Development Finance and Administration staff to determine recommendations for additional funding from reserves, beyond the statutorily determined base amounts.

At the request of the Committee during the 2024 FDP discussion, staff worked with consultants Mary Kay Bailey and Ellen Watters to evaluate and plan for program updates that encourage broad participation from communities in the region and reduce barriers to entry to the grant programs. The LCA program was discussed with the Community Development Committee on [March 18](#), [July 15](#), [September 3](#), [October 7](#), and a final report from the consultants was presented on [November 18](#). The final report noted that there was not enough time to make meaningful changes to the program in 2025 and suggested that staff use the year to assess recommendations and alignment with Imagine 2050.

### Overview of Proposed Scoring Criteria Changes

As previewed at the [December 16](#) Committee meeting, staff are following the consultants' recommendation and not proposing significant program changes for the 2025 grant program. Staff plan to analyze and pursue program changes aligned with the consultants' recommendations and Imagine 2050 goals through a community-engaged process in 2025.

The LCA scoring criteria is intended to align LCA program impact with the Council’s Thrive MSP 2040 outcomes of Livability, Sustainability, Equity, Prosperity, and Stewardship and upcoming Imagine 2050 goals. Staff have refined and adjusted the criteria each year since the last major restructure of the scoring criteria in 2021 to achieve the best balance of Council priorities and applicant access.

In response to conversations with Committee members, staff have been working in partnership with consultants Mary Kay Bailey and Ellen Waters to review LCA program data and understand needs of potential applicants to develop program changes. Staff are committed to making program changes through an engaged process with relevant stakeholders. Due to the upcoming adoption of Imagine 2050 and time-intensive nature of an engaged process, staff are proposing minor changes to LCA scoring criteria for 2025 and will dedicate time throughout 2025 to align 2026 grant programs with Imagine 2050 and develop improvements for potential applicants.

Notable scoring proposed changes for 2025 are summarized as follows.

### *Pre-Development*

1. Lowering Minimum Score: Program minimum scores are intended to ensure all funded projects meet a high standard set by the Metropolitan Council. In recent review of Pre-Development applications, staff have recognized that the current minimum score should be lowered to include more projects for consideration. Staff recommend lowering the minimum score to be eligible for funding from 20 to 15, out of 30 available points.

### *Policy Development*

2. Geographic Distribution: The Policy Development program was developed with the intent of supporting smaller cities with less staff capacity to update existing policies or to develop new policies. To maintain consistency with this goal, staff are proposing an additional 10-point scoring criterion focused on city capacity. Applications from cities whose net tax capacity falls within the top 25% of LCA participating cities will receive two points for this criterion. Applications from cities whose net tax capacity fall between the median and top 25% will receive six points, and applications from cities whose net tax capacity falls below the median will receive the full 10 points. The Council will publish the list of LCA participating cities with their respective tax capacities and the corresponding points, so applicants can easily determine how many points they will receive for this criterion.
3. Alignment: Eligible Policy Development applications can seek to impact housing, wealth building and economic opportunity, or climate goals. Housing has, by far, been the most common goal for Policy grants. Staff recommend a minor update to the housing goal language to ensure that the Council can align this program with direct subgrants from the HUD PRO Housing award. The new language ensures that applications submitted through the Policy program for this goal could be considered for funds through the PRO Housing program, if Policy grant requests exceed available funds again this year. The alignment will improve the applicant experience because they will only have to submit one application. PRO Housing grant awards will also come before the Committee and Council for approval as a separate business item.
4. Removing Match Language: In 2024, the program included a 25% reimbursable match requirement from the City. Because the match was reimbursable, it was not an indicator of the City’s commitment to the project. Rather, it served an administrative function to ensure that work was completed before the Council made the final grant reimbursement. The Council is able to provide this assurance through terms in its grant agreements rather than through the match language. Staff expect that removing the match language will encourage more applications and will also allow the Council to align this program with subgrants from the HUD PRO Housing grant.

### *Homeownership*

5. Clarity of Intent: Staff recommends redistributing some of the points from the heavily weighted criterion, “Other efforts as described by applicant that further equitable access to homeownership,” to improve clarity. The criterion was worth 11 points in 2024, while no other criterion in that section was worth more than 3. By redistributing some 6 of the points to other



criteria in that scoring section, the Council can make it clearer how projects can earn points for furthering equitable access to homeownership.

### Funding Availability Proposal

The 2025 Fund Distribution Plan provides direction for up to \$29.4M in grants to be awarded in this solicitation cycle, as shown in Table 1.

Table 1. 2025 LCA Funding Availability Recommendations

Program	TBRA		LCDA					LHIA
Base Funding Allocation	\$5.0 M		\$14.6 M					\$1.5 M
Restricted Reserves Allocation Recommended	\$1.0 M		-					-
Unrestricted Reserves Allocation Recommended (of total \$13.0M available)	-		\$6.3M					\$1.0 M
<b>Total Recommended for 2025</b>	\$6.0 M		\$20.9 M					\$2.5 M
<b>Recommended Distribution by Program</b>	TBRA \$5.5M	SEED \$0.5M	LCDA \$10.0M	TOD \$5.7M	Pre-Dev \$2.0M	Policy \$0.2M	HO \$3.0M	LHIA \$2.5M
<i>Restricted reserve balance</i>	\$4.0M		-					-
<i>Unrestricted reserve balance</i>			\$5.7					

### Rationale

Council staff have gathered feedback from Council Members through discussions and workshops over the past two years. Staff will, through a community-engaged process, incorporate feedback, recommendations, and data analysis into program changes that will be proposed for the 2026 funding year. Adopting the 2025 FDP will allow staff to administer existing programs and distribute needed funds while concurrently developing program change recommendations to align programs with Imagine 2050.



## **Funding**

The 2025 Fund Distribution Plan provides direction for up to \$29.4M in grants to be awarded in this solicitation cycle. \$21.1M is available in the 2025 Authorized Budget and up to \$13.0M 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: 2025 Fund Distribution Plan for all LCA programs

Attachment 2: 2025 TOD Eligible Areas



**2025 Tax Base Revitalization Account (TBRA)**  
*Seeding Equitable Environmental Development (SEED)*

TBRA -Seeding Equitable Environmental Development

Description
Seeding Equitable Environmental Development (SEED) grants are intended for sites within equitable development areas, as determined by the Council. SEED grants are intended for sites with or without a specific development project underway, though they must show potential for future job growth or housing development. SEED grants can be used for site investigation or cleanup.

Program Criteria
<p><b>Grant Term:</b> 2 years from date of award</p> <p><b>Term extensions:</b> None</p> <p><b>Award Limit:</b> \$50,000 for investigation per project and up to 50% of total funding available for cleanup</p> <p><b>Application Limit:</b> None</p> <p><b>Geographic Restriction:</b> Sites within areas with low building permit activity, low-wage job concentrations, and concentrations of people of color and low-income households as determined by the Council.</p> <p><b>Match:</b> None</p>

Funding Considerations
<p>Applications may also be determined ineligible for funding if:</p> <ul style="list-style-type: none"> <li>• adequate cleanup funding is available from other public and private sources;</li> <li>• any part of a redevelopment site that will be funded by the State or Federal Superfund Program in the current or following fiscal year</li> <li>• the redevelopment requires extensive new regional infrastructure beyond that which is already planned</li> <li>• the redevelopment is not consistent with the municipality’s comprehensive plan.</li> </ul> <p>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)</p>

Scoring Criteria		
What: Proposed Project Outcomes		
<b>Tax Base</b>	Increase to the tax base <b>OR</b> 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
<b>Jobs and Housing</b>	Potential to add or preserve living-wage jobs or affordable housing based on the proposed redevelopment <b>OR</b> existing land use designation and proximity to existing employment centers	5

**2025 Tax Base Revitalization Account (TBRA)**  
*Seeding Equitable Environmental Development (SEED)*

<b>Compact, Connected Development</b>	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 <b>OR</b> future redevelopment proposals	
	Potential to increase the density or intensity of land use based on the proposed development <b>OR</b> changes to existing site conditions, if any, and existing zoning designation	
<b>Environmental Impact</b>	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
<i>Subtotal Outcomes</i>		<b>51</b>

<b>How: Proposed Project Process</b>		
<b>Process</b>	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
<i>Subtotal Process</i>		<b>7</b>

<b>Who: Proposed Project Team</b>		
<b>Capacity</b>	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	
<i>Subtotal Team</i>		<b>12</b>
<b>TOTAL</b>		<b>70</b>
Applicants must score at least 35 of the 70 available points		

## 2025 Tax Base Revitalization Account (TBRA)

### Site Investigation

#### TBRA-Site Investigation

Description
Site Investigation grants are intended for redevelopment sites suspected or known to include contamination. They can help determine if contamination exists, what type of contamination is there, how much, and where it is located. They can also help inform how the contamination could affect redevelopment plans and the potential costs of cleanup.

Program Criteria
<p><b>Grant Term:</b> 1 year (single site) or 3 years (multi-site) from date of award</p> <p><b>Term extensions:</b> None</p> <p><b>Award Limit:</b> \$50,000 per project; up to \$250,000 per applicant for multiple sites within a Target Area.</p> <p><b>Application Limit:</b> Applicants with an open grant for multi-site investigations with less than 80% of the funds awarded expended are ineligible to apply</p> <p><b>Geographic restriction:</b> None</p> <p><b>Site Eligibility:</b> 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.</p> <p><b>Local Match:</b> 25% per site</p>

Funding Considerations
<p>Applications may also be determined ineligible for funding if:</p> <ul style="list-style-type: none"> <li>• Individual project sites are not 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 for grant funds</li> <li>• adequate investigation funding is available from other public and private sources;</li> <li>• any part of a redevelopment site that will be funded by the State or Federal Superfund Program in the current or following fiscal year</li> <li>• the redevelopment requires extensive new regional infrastructure beyond that which is already planned</li> <li>• the redevelopment is not consistent with the redevelopment component of the municipality's comprehensive plan</li> </ul> <p>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.</p>

Scoring Criteria		
What: Proposed Project Outcomes		
Tax Base	Increase to the city tax base	5

**2025 Tax Base Revitalization Account (TBRA)**

*Site Investigation*

<b>Jobs and Housing</b>	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	
<b>Compact, Connected Development</b>	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
<b>Environmental Impact</b>	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
<i>Subtotal Outcomes</i>		<b>48</b>

<b>How: Proposed Project Process</b>		
<b>Process</b>	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
<i>Subtotal Process</i>		<b>7</b>

<b>Who: Proposed Project Team</b>		
<b>Capacity</b>	Project team’s capacity to begin an environmental investigation or cleanup and commit sources for the required matching fund contribution	15
	The team can demonstrate 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 a public applicant’s capacity to oversee environmental investigations	
<i>Subtotal Team</i>		<b>15</b>
<b>TOTAL</b>		<b>70</b>
Applicants must score at least 35 of the 70 available points		



## 2025 Tax Base Revitalization Account (TBRA)

### Cleanup

#### TBRA-Cleanup

Description
Cleanup grants are intended for applicants with projects that have recently completed their environmental site investigation and are seeking public funding to assist with the cost of implementing a cleanup plan for eligible activities and beginning construction on a specific redevelopment project.

Program Criteria
<p><b>Grant Term:</b> 3 years from date of award</p> <p><b>Term extensions:</b> up to 2 years</p> <p><b>Award Limit:</b> 50% of total available funding per city and no more than 75% of total available funding within Minneapolis and St. Paul (Limits apply to the sum total of all requests from a single geography which may include one or more projects.)</p> <p><b>Application Limit:</b> None</p> <p><b>Geographic Restriction:</b> None</p> <p><b>Local Match:</b> None</p>

Funding Considerations
<p>Applications may also be determined ineligible for funding if:</p> <ul style="list-style-type: none"> <li>adequate cleanup funding is available from other public and private sources;</li> <li>any part of a redevelopment site that will be funded by the State or Federal Superfund Program in the current or following fiscal year</li> <li>the redevelopment requires extensive new regional infrastructure beyond that which is already planned</li> <li>the redevelopment is not consistent with the municipality's comprehensive plan</li> </ul> <p>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.</p>

Scoring Criteria		
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.)	

**2025 Tax Base Revitalization Account (TBRA)**

*Cleanup*

<b>Jobs and Housing</b>	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%. <b>OR</b>	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,	
	<b>AND</b> 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		
<b>Compact, Connected Development</b>	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

**2025 Tax Base Revitalization Account (TBRA)**

*Cleanup*

<b>Environmental and Livability</b>	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	
<i>Subtotal Outcomes</i>		<b>120</b>

<b>How: Proposed Project Process</b>		
<b>Process</b>	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
<i>Subtotal Process</i>		<b>14</b>

<b>Who: Proposed Project Team</b>		
<b>Capacity</b>	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	
<i>Subtotal Team</i>		<b>16</b>
<b>TOTAL</b>		<b>150</b>
Applications must score at least 75 of the total 150 available points		

## 2025 Livable Communities Demonstration Account (LCDA)

### Development

#### LCDA-Development

Description		
<p>The Livable Communities Demonstration Account (LCDA) provides funding for projects that increase access to housing, jobs, services and transit in an effort to support more equitable, livable communities in the region.</p> <p>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.</p>		
Program Criteria		
<p><b>Grant Term:</b> 3 years from date of award  <b>Term extensions:</b> up to 2 years  <b>Award Limit:</b> 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.  <b>Application Limit:</b> 3 per city  <b>Geographic Restriction:</b> None  <b>Local Match:</b> None</p>		
Funding Considerations		
<p>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.</p>		
Scoring Criteria		
What: Proposed Project Outcomes		
Housing	Build or preserve affordable housing; priority for projects that serve residents who have barriers to finding safe, affordable housing with 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; <b>OR</b> 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*

**2025 Livable Communities Demonstration Account (LCDA)**

*Development*

<b>Economic Opportunity</b>	Create or preserve permanent jobs; <b>OR</b> 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*
<b>Compact, Connected Development</b>	Increase density or intensity of land use in the project area; <b>OR</b> 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; <b>OR</b> Preserve existing connections to transportation options if project is preservation or rehab	
	Further equity outcomes in access to services and amenities*	3*
<b>Environmental and Livability</b>	Minimize greenhouse gas emissions to the greatest extent possible	8
	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*
<i>Subtotal Outcomes</i>		<b>44</b>

<b>How: Proposed Project Process</b>		
<b>Project Process</b>	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*
<i>Subtotal Process</i>		<b>11</b>
<b>TOTAL</b>		<b>55</b>
Applications must score at least 33 of the total available 55 points and 12 of the available 23 equity points (marked with *) to be eligible for funding		

## 2025 Livable Communities Demonstration Account (LCDA)

### Transit Oriented Development

#### LCDA-TOD

Description
<p>The Transit-Oriented Development Account (TOD) provides funding for moderate- to higher-density projects located within easy walking distance of a major transit stop which typically include a mix of uses.</p> <p>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.</p>

Program Criteria
<p><b>Grant Term:</b> 3 years from date of award  <b>Term extensions:</b> up to 2 years  <b>Award Limits:</b> \$2 million per City  <b>Application Limit:</b> 3 per applicant  <b>Geographic restriction:</b> Must be located within a TOD Eligible Area  <b>Local Match:</b> None</p>

Funding Considerations
<p>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.</p>

Scoring Criteria		
What: Proposed Project Outcomes		
Housing	Build or preserve affordable housing; priority for projects that serve residents who have barriers to finding safe, affordable housing with 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 needed affordability levels needed most; <b>OR</b> 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*

## 2025 Livable Communities Demonstration Account (LCDA)

### Transit Oriented Development

<b>Economic</b>	Create or preserve permanent jobs; <b>OR</b> 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 transportation systems	
	Further equity outcomes in access to economic opportunity*	3*
<b>Compact, Connected Development</b>	Increase the number of people contributing to station area activity through greater building density and/or land use intensity on the site; <b>OR</b> Preserve or rehabilitate an existing building key to the level of station area activity	20
	Provide uses that will diversify the activities and amenities in the station area better meet residents' needs and/or provide greater access to services and amenities; 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 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*
<b>Environmental and Livability</b>	Minimize greenhouse gas emissions	8
	Conserve natural resources, include or address resilience needs, and/or advance climate adaptation and mitigation strategies	
	Further equity outcomes in environmental sustainability impact and resilience*	3*
<b>Subtotal Outcomes</b>		<b>56</b>

**2025 Livable Communities Demonstration Account (LCDA)**

*Transit Oriented Development*

<b>How: Proposed Project Process</b>		
<b>Process</b>	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*
<i>Subtotal Process</i>		<i>11</i>
<b>TOTAL</b>		<b>67</b>
Applications must score at least 40 of the total 67 total points available and 12 of the 23 available equity points (marked with an *) to be eligible for funding		



## 2025 Livable Communities Demonstration Account (LCDA)

### Pre-Development

#### Pre-Development

Description
<p>Pre-development grants are for teams who are defining or redefining a project that will support Livable Communities and Imagine 2050 goals. Eligible costs are for early-stage activities like design workshops, financial studies, project impact analyses, and community engagement. Reach out to the program officer for more information on the program and eligible costs.</p> <p>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.</p>

Program Criteria
<p><b>Grant Term:</b> 2 years from date of award <b>Term extensions:</b> up to 1 years <b>Award Limit:</b> \$300,000 per City per Round <b>Application Limit:</b> Six per applicant per round <b>Geographic Restriction:</b> None <b>Local Match:</b> None</p>

Funding Considerations
<p>There is an option to have 50% of the award distributed upfront when an agreement is signed by the City and project team then reviewed by Council staff.</p> <p>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.</p>

## 2025 Livable Communities Demonstration Account (LCDA)

### Pre-Development

<b>Scoring Criteria</b>		
The goals and vision of the proposed project would meet one or more of the following LCA and/or Imagine 2050 goals:		
<b>LCA and Imagine Goals</b>	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/rehab projects) density on the site and make it easier for people with mobility barriers to easily access housing, jobs, services, and amenities; <b>OR</b> Preserve existing density (for preservation/rehab projects) and connections for people to access housing, services, jobs, and amenities.	
	Minimize climate change and/or environmental impact for residents in areas most negatively impacted by environmental justice	
<b>How: Pre-Development Project Process</b>		
<b>Process</b>	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	
<b>TOTAL</b>		<b>30</b>
Applications must score at least 15 of the 30 points available		

## 2025 Livable Communities Demonstration Account (LCDA)

### Policy Development

#### Policy Development

Description
<p>The Policy Development program provides funding to participating cities to support locally adopted policies that influence physical development and further both LCA and Imagine 2050 goals with an emphasis on equitable development.</p> <p>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.</p>

Program Criteria
<p><b>Grant Term:</b> 2 years from date of award  <b>Term extensions:</b> up to 1 year  <b>Award Limit:</b> \$50,000 per City  <b>Application Limit:</b> One per City  <b>Geographic Restriction:</b> None  <b>Local Match:</b> None</p>

Funding Considerations
<p>Excess available funding: If not all the funding is awarded, the remaining funds may be added to the regular LCDA or TOD Development categories.</p>

Scoring Criteria		
What: Policy Development Project Outcomes		
<p>The goals and vision of the proposed policy would meet one or more of the following LCA and/or Imagine 2050 goals associated with physical development:</p>		
<p><b>LCA and Imagine Goals</b></p>	<p>Remove barriers to producing or preserving affordable housing, with priority given to efforts that focus on housing affordable to households living at 30% of the area median income and/or prevent displacement in areas receiving new investment.</p>	<p>30</p>
	<p>Support wealth building and economic opportunity for communities of historic wealth extraction</p>	
	<p>Minimizing climate impact by reducing greenhouse gas emissions and conserving natural resources</p>	
	<p>Support more equitable development outcomes in physical developments and/or through city process to approve physical developments</p>	

**2025 Livable Communities Demonstration Account (LCDA)**

*Policy Development*

<b>How: Policy Development Process</b>		
<b>Process</b>	The process will include analysis of who will benefit most from the policy and in what ways, and use findings to influence equitable development strategies and outcomes	10
<b>Who: Policy Development Team</b>		
<b>Who Is Involved</b>	The project team has a defined scope of work with tangible goals	10
<b>City Capacity</b>	Of LCA Participating Cities, if net tax capacity falls within the: <ul style="list-style-type: none"> <li>• Top 25%: 2 points</li> <li>• 50%-75% Percentile: 6 points</li> <li>• Below 50% Percentile: 10 points</li> </ul>	10
<i>Subtotal Team</i>		<i>20</i>
<b>TOTAL</b>		<b>60</b>
Applications must score at least 25 of the possible 60 points		

## 2025 Livable Communities Demonstration Account (LCDA)

### Affordable Homeownership

#### Affordable Homeownership

Description
<p>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:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Geographic Choice Priority: create affordable homeownership opportunities in parts of the region where it is most challenging to do so.</li> </ul>

Program Criteria
<p><b>Grant Term:</b> 3 years from date of award  <b>Term extensions:</b> up to 2 years  <b>Award Limit:</b> 50% of eligible project gap costs  <b>Application Limit:</b> None  <b>Geographic Restriction:</b> None  <b>Local Match:</b> None</p>

Funding Considerations
<p>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.</p> <p>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.</p>

Scoring Criteria	
<b>Racial Equity</b>	
<b>City-level racial disparities:</b> Project is in a city with higher racial disparities in homeownership than the regional average	5
<b>OR</b> <b>Census tract-level racial disparities:</b> Project is in a census tract with higher racial disparities in homeownership than the regional average	3
<b>City-level BIPOC population:</b> Project is in a city with a higher share of Black, Indigenous, and other residents of color than the regional average	3
<b>OR</b> <b>Census tract-level BIPOC population:</b> Project is in a census tract with a higher share of Black, Indigenous, and other residents of color than the regional average	2
<i>Highest Possible Subtotal for Racial Equity</i>	8

**2025 Livable Communities Demonstration Account (LCDA)**

*Affordable Homeownership*

<b>Geographic Choice</b>		
	<b>Unaffordable homes (at 80% AMI):</b> Project is in a city with an average home sale price higher than what is affordable to a household earning 80% AMI	5
<b>OR</b>	<b>Unaffordable homes (at 60% AMI):</b> Project is in a city with an average home sale price higher than what is affordable to a household earning 60% AMI	3
	<b>Opportunity for single-family development:</b> Project is in a city where the share of single-family housing stock is higher than the regional average	2
	<b>Affordable homeownership development addresses City's housing needs:</b> Project is in a city with an affordable housing need less than 20 units <b>OR</b> more than 50% of their need is in the 51- 80% affordability level.	2
	<b>City contributes to the region's fiscal disparity:</b> Project is located in a city with a net fiscal disparity of \$200 or more per household	1
<i>Highest Possible Subtotal for Geographic Choice</i>		<i>10</i>

<b>Equitable Access</b>		
	<b>Record of serving BIPOC homebuyers:</b> 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	5
	<b>Waitlist of BIPOC homebuyers:</b> 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
	<b>BIPOC team member(s):</b> 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
	<b>First-generation homebuyers:</b> Project will prioritize first-generation homebuyers	3
	<b>Addresses unique community need:</b> Project addresses a need specific to the community in which the project is located, through financing, marketing, design, size or other unique need.	6
	<b>Furtherers fair housing:</b> Project incorporates marketing efforts to affirmatively further fair housing	1
	Other efforts as described by applicant that further equitable access to homeownership	5
<i>Subtotal for Equitable Access</i>		<i>25</i>

## 2025 Livable Communities Demonstration Account (LCDA)

### *Affordable Homeownership*

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<b>Affordability</b>	
<b>Depth of affordability:</b> Project will be affordable to homebuyers earning less than 80% AMI	3
<b>Length of affordability:</b> Project will remain affordable upon resale for more than 15 years	3
<i>Subtotal for Affordability</i>	6
<b>TOTAL</b>	<b>57</b>
A minimum of 5 points in the Racial Equity and Geographic Choice Criteria is required	

## 2025 Local Housing Incentives Account (LHIA)

### Local Housing Incentives Account

<b>Description</b>	
The LHIA supports the expansion and preservation of lifecycle and affordable housing, both rented and owned.	
<b>Threshold Criteria</b>	<b>Competitive Criteria</b>
<ul style="list-style-type: none"> <li>• 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.</li> <li>• Grantees must have an adopted Fair Housing Policy in order to receive Livable Communities Act funding.</li> <li>• Projects must have affirmative fair housing marketing plans.</li> </ul>	<ul style="list-style-type: none"> <li>• Rental proposals creating or preserving affordability for persons at or below 30% of AMI;</li> <li>• 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 <b>OR</b> 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.</li> <li>• Proposals that serve large families by providing three or more-bed room units;</li> <li>• Proposals meeting the needs of individuals and households experiencing long-term homelessness;</li> <li>• Proposals that provide a housing type not currently available or serve a population not currently served in or near the project area.</li> </ul>





**Eligible Transitway**  
**1/2 Mile Station Areas**

**High-Frequency Local Bus Routes**

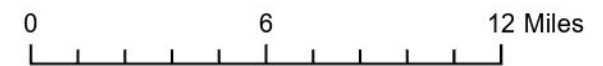
- Area Within 1/4 Mile of Route
- Every 15 minutes (or better)
- Weekdays 6 am to 7 pm, and Saturdays 9 am to 6 pm
- High-Frequency Local Bus Route

**High-Frequency Express Bus Stations**

- Area Within 1/2 Mile of Station
- On or Outside I-494/I-694 Highways
- Significant Passenger Infrastructure Investments Are In Place
- Buses Operate 5 Trips During AM Peak Hour (6-9 am)
- High-Frequency Express Bus Route

**Corridors with LCA TOD Eligible Stations**

- Blue Line / Blue Line Ext.
- Northstar Commuter Rail
- Green Line / Green Line Ext.
- Red Line
- Orange Line
- Gold Line
- Purple Line
- Arterial BRT



The Fort Snelling unincorporated area is not a participating community under the Livable Communities Act, and projects in that area are not eligible to apply for Livable Communities Act grants.

