

Livable Communities Act

Program Update & Alignment with Imagine 2050 Update



Imagine 2050 Alignment Project Timeline

approval

May & June March & April 2025 April & May July Develop LCA Stakeholder input Stakeholder input Refine LCA Program Program alignment alignment proposal proposal based on (40% Draft) 2nd round of input October - February August September February 2026 Staff finalize Staff recommend Council approves Outreach and 2026 LCA funding recommendations LCA program technical assistance for LCA program alignment with allocation to potential applicants alignment with Imagine 2050 to on updated program Imagine 2050 (80% Council for draft)

What We've Heard Alignment with Imagine 2050

How can LCA programs affect livability?





Safety

- Physical: Safely cross streets or ride a bike
- Psychological: Being welcome, community support





- Ability to Stay in Community
 Recreation, community gathering options
 - Keep community spending power in the community
 - Limit risk of displacement



Choice in Housing and Transportation

- Variety of types of housing, options to rent or own, different affordability bands
- Choice to drive, bike, walk, or roll to destinations
- Backup transportation options, even if it is not your preferred method

Process Design Goals

Overcoming known challenges and perceptions

- Simplify the process
- Suburban projects and projects not located near transit that are aligned with Imagine 2050 goals are competitive
 - Projects near transit or trails must have meaningful connections
- Smaller projects that are aligned with Imagine 2050 goals are competitive



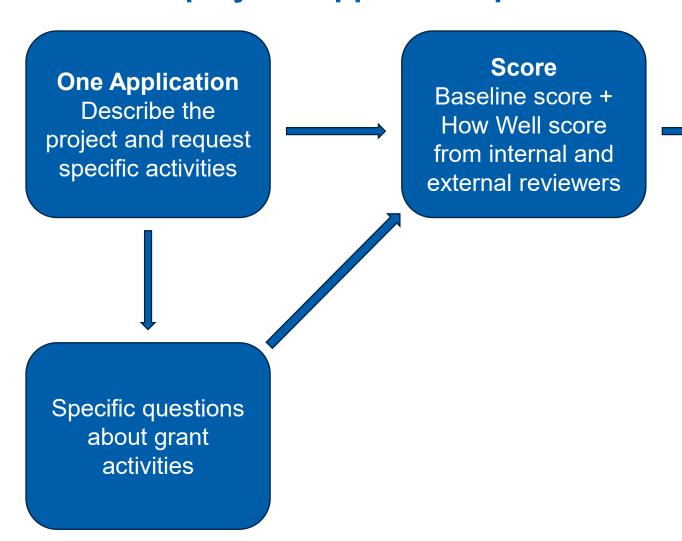
50% Draft Responding to Grantee Needs



- Continue to fund activities across the development continuum, from policy to construction and rehab
- Expand eligible projects to include small area development plans that align with regional goals
- Simplify structure to enable development projects to submit one application for all activities for which they are seeking funding
- Streamline and make scoring more transparent to ensure a variety of project types are competitive

Proposed Application Process

Goal: Simplify the application process



Funding

Fund projects from one of the LCA accounts based on requested activities

Example

A project that needs predevelopment and cleanup funding could submit a single application.
Staff will recommend funding allocation based on activity.

Grant Admin

Grant agreements
based on
account(s) used
for funding;
consolidated
reporting when
possible

Proposed Scoring Structure (50% Draft)

Baseline Score

Column A

Weighted more heavily than Column B

Project meets 1 – 3 priorities

Earn # points

Project meets 4 or more priorities

Earn # points

Column B (Development Projects Only)

Project meets 1 – 3 priorities

Earn # points

Project meets 4 or more priorities

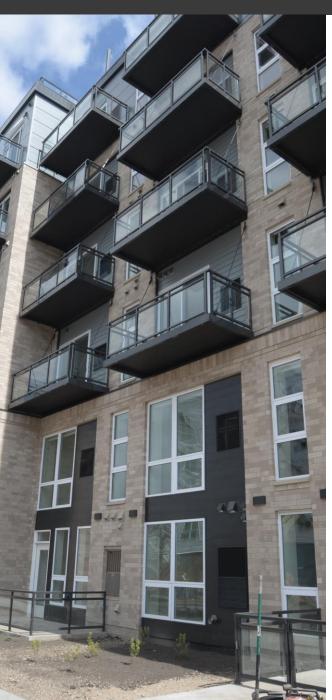
Earn __# points

How Well Score





Development Projects Proposed Scoring Structure (50% Draft)



Column A Priorities

All priorities are weighted equally. Projects are competitive if they meet at least one priority in Column A or B. Column A is more heavily weighted than Column B

- Build new homes with at least 10% of units in the project affordable to households living on 30% AMI or less, <u>OR</u> the project meets 10% of the city's need for units affordable to households living on 30% AMI
- Create new affordable homeownership opportunities for households earning 80% AMI or less
- Rehab or preserve existing homes affordable to households living at 60% AMI or below for rental projects or 80% AMI or below for ownership projects
- Reduce vacant or underutilized land through infill or redevelopment, OR project is located in an eligible transit area (1/2 mile of a station area or ¼ mile of high frequency local bus route)
- Support asset building through commercial ownership and/or business incubators/small business development spaces
- Add at least 10 living wage jobs and/or job training for residents in cities with lower household income than the regional median
- Environmental cleanup in Environmental Justice areas

Development Projects Proposed Scoring Structure (50% Draft)



Column B Priorities

All priorities are weighted equally. Projects are competitive if they meet at least one priority in Column A or B. Column A is more heavily weighted than Column B

- Build new homes with at least 75% of the units in a project affordable to households living at or below 60% AMI, **OR** the income of residents in all units in the project averages 60% AMI or less
- Bring new retail or service options to the area
- Add new housing types or tenures to the area
- Project includes 3+ bedroom units for families, affordable to households living at 60%
 AMI or below for rental projects or 80% AMI or below for ownership projects
- Project includes public, community gathering space
- Energy-saving activities that result in decarbonization, water efficiency, or reduced energy costs for cost-burdened residents
- Create senior or youth-serving (aged 16-24) housing affordable to households living at 60% AMI or below
- Build or rehab housing that serves people who have experienced homelessness
- Use universal design principles and/or create more accessible housing units than required by Minnesota Housing

Example Application: Baseline Score

	Example A Urban	Example B Suburban
Column A	30% AMI unitsInfill developmentLiving wage jobs	• 30% AMI units
Column A Total	8 Points*	8 Points*
Column B	Affordable unitsNew housing typeYouth focusHomelessnessEnergy Saving	Affordable unitsNew housing typeSenior housingHomelessnessEnergy Saving
Column B Total	12 Points*	12 Points*
Outcomes Total Score	20 Points*	20 Points*

Both projects meet 1-3 priorities

Both projects meet 4+ priorities

^{*}Points in the example reflect proposed weighting, but the exact number of points possible may change

Development Projects Scoring Priorities (50% Draft)



How Well Criteria

- How is the project helping the city to meet its identified development needs that are aligned with regional goals?
- How is the project benefiting people who live on the lowest incomes, are Black,
 American Indian, or part of another community of color?
- If near existing or planned transit or trails, how is the project connecting housing, jobs, and/or job training to transit and/or trails?
- Whose perspective is represented in the project through community engagement and/or as part of the development team? And how are their perspectives represented?
- How does the project preserve the ability for residents and businesses to stay in the community and preserve cultural and social community connections?
- Are the team and funding sources identified? Does the project have site control for development activities (cleanup—construction)?

For Cleanup Projects Only

- What is the severity of environmental contamination?*
- What is the risk of exposure to environmental contamination?*
- What is the impact on the property tax base?*

Policy Projects Proposed Scoring Structure (50% Draft)

Baseline Score

Projects are competitive if they meet at least one priority

- Encourage more development or preservation of affordable housing, both rental and ownership
- Incentivize environmentally sustainable development and green infrastructure
- Mitigate or prevent future displacement of residents and businesses
- Increase housing choice through type, tenure, and/or accessibility

How Well Score

- How does the policy benefit people needing or living in housing affordable to people living on 30% AMI or less?
- What is the plan for addressing potential unintended consequences?
- What is the clearly defined workplan/scope?
- What is the net tax capacity of the city?

Small Area Planning Projects Proposed Scoring Structure (50% Draft)

Baseline Score

Projects are competitive if they meet at least one priority

- Situate affordable housing near transportation options and amenities
- Plan for mixed-use areas on infill or redevelopment sites
- Plan for commercial districts and corridors that include spaces for small-scale and emerging businesses
- Establish or improve multi-modal transportation options by connecting trails and bike infrastructure with housing, jobs, and transit
- Establish or improve a cultural corridor
- Protect areas of ecological significance within planned development areas and/or incorporate strategies to promote public and ecosystem health
- Plan for public gathering space as part of a small area plan, corridor plan, or station area plan

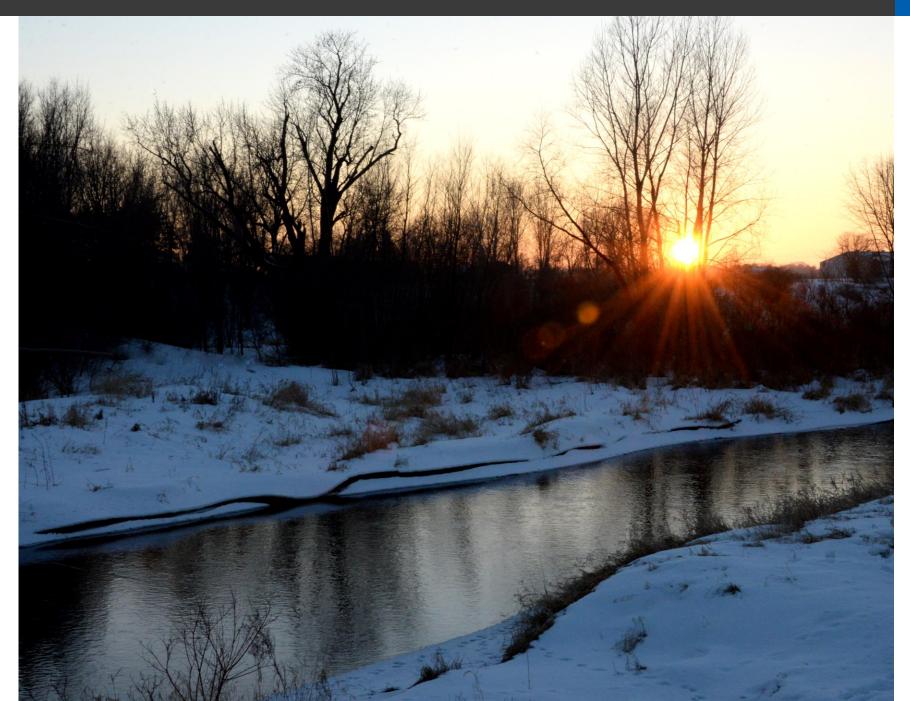
How Well Score

- How will the community and diverse perspectives be represented in engagement through the process to develop the small area plan?
- What is the displacement mitigation strategy?
- How will amenities and connectivity prioritize residents?
- What is the clearly defined workplan/scope?
- What is the net tax capacity of the city?

Proposal for Continuous Improvement

Monitoring and Evaluation

- Assessing both project outcomes and internal processes
- Integrating more data collection into the grant process without burdening the grantee
- Collecting data at different points, from annually to every 10 years
- Allowing enough time to see impact of program update changes.



Discussion

- What do you support in this proposal? What excites you?
- How well does this proposal meet the key Imagine 2050 outcomes prioritized in the program?
- What would you like more information on?



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