

# Information Item

Community Development Committee



Meeting Date: June 2, 2025

## Topic

Livable Communities Act Policy Development Program 2025 Round 1

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	Minn. Stat. § 473.253
<b>Staff Prepared/Presented:</b>	Olivia Boerschinger, Senior Planner, 651-602-1327
<b>Division/Department:</b>	Community Development / Regional Planning

## Background

The Livable Communities Act (LCA) grant programs support Metropolitan Council priorities by making grants to projects that advance statutory and regional goals. Within this suite of programs, the LCA Policy Development program supports the development of locally adopted policies that further regional goals and have an impact on physical development in the applicant city. Since the program launched in 2022, the Council has awarded nine Policy Development grants, averaging three each year.

On February 12, 2025, the Council authorized two rounds of funding for the Policy Development program, with up to \$100,000 available per round, through the annual Livable Communities Act Fund Distribution Plan (FDP) ([Business Item 2025-46](#)).

Despite staff outreach and in-depth conversations with three cities considering this funding opportunity, the Council did not receive any applications for LCA Policy Development grants during the first round in 2025. Based on conversations with city partners, staff believe that there are two causes for the lack of applications:

1. The timeline between the FDP approval in February, launch of the 2025 program in early March, and application deadline on April 21<sup>st</sup> was too fast of a turnaround for cities to complete the application and have their city council pass a resolution in support of the application.
2. As cities prepare to begin the next comprehensive plan cycle locally, they are not currently planning significant policy change outside of that process.

The Council is currently accepting applications for the second round of LCA Policy Development grants, with all applications due July 21, 2025. Staff are undertaking a number of efforts to ensure usefulness of the program for city partners and to encourage applications:

- Conducting extensive outreach, including in-person visits, individual emails, and newsletters to promote the expanded round two offerings (details of expanded offerings described below). Staff are using the information provided by cities in the annual Housing Policy and Production Survey to help identify and connect with cities that are already considering or planning eligible work.
- Advertising Round Two of [Policy Development grants as an expanded opportunity](#) with up to \$800,000 available that also includes affordable housing program and partnership development as eligible projects. This expanded opportunity is achieved by offering the

existing LCA Policy Development program alongside up to \$600,000 in grant funding from the Met Council's FY23 HUD Pathways to Remove Obstacles to Housing (HUD PRO) grant. Using a single application, cities can apply for policy, program, or partnership development projects that may be funded by LCA and/or HUD PRO funding. For the LCA Policy Development funds specifically, available funds and scoring criteria remain unchanged from what Council approved in the FDP. To support this expanded opportunity, the application period will be open longer than is typical, for a full two months, providing more time for outreach and technical assistance for applicants. Staff will bring all grants recommended through this expanded round two opportunity to Council for approval.

With this approach, staff expect that the Council will receive applications in Round Two. After that round of funding recommendations is complete, any unallocated LCA funds will be made available for other LCA programming, including to help fund projects applying through the 2025 [Livable Communities Demonstration Account \(LCDA\) grant program](#). Any unallocated funds from the FY23 HUD PRO award will be used through future HUD PRO programming.

As part of the broader efforts to update and align LCA programs with [Imagine 2050](#), staff have heard repeated appreciation from cities for the Policy Development grant program. The program is viewed as a good fit for cities that are trying to set the conditions for development that advance regional goals, but where development activity may not be happening today. Staff are currently engaging with city staff and past LCA participants seeking feedback on application processes, including deadlines and requirements, and plan to bring a program design recommendation to Council in the fall that will address challenges related to application process.

