

**Community Development Committee**

For the Metropolitan Council meeting of February 26, 2020

**Subject:** 2020 Annual Livable Communities Act Fund Distribution Plan

**Proposed Action**

That the Metropolitan Council approve the attached 2020 Annual Livable Communities Fund Distribution Plan.

**Summary of Committee Discussion/Questions**

Livable Communities Manager Tara Beard summarized the contents of the 2020 Annual Livable Communities Fund Distribution Plan, focusing on funding levels, grant cycle schedules, and scoring criteria changes from the 2019 Plan. Committee members had questions about changes to Tax Base Revitalization Account scoring criteria, and how staff communicate and distribute the Fund Distribution Plan once it is adopted.

It was noted that the Local Housing Incentives Account award amount is significantly higher than in previous years, and that Livable Communities staff should work with Communications staff to highlight this notable increase in support for the construction and preservation of affordable housing.

The Committee voted unanimously to recommend the Council adopt the 2020 Annual Livable Communities Fund Distribution Plan.

## Community Development Committee

Meeting date: February 18, 2020

For the Metropolitan Council meeting of February 26, 2020

**Subject:** 2020 Annual Livable Communities Act Fund Distribution Plan

**District(s), Member(s):** All

**Policy/Legal Reference:** Livable Communities Act (Minn. Stat. § 473.25)

**Staff Prepared/Presented:** Tara Beard, Livable Communities Manager (651-602-1051)

**Division/Department:** Community Development / Regional Planning

### Proposed Action

That the Metropolitan Council approve the attached 2020 Annual Livable Communities Fund Distribution Plan.

### Background

The Livable Communities Act requires that the Council prepare an annual plan for distribution of the Livable Communities funds based on criteria developed by the Council. The annual Livable Communities Fund Distribution Plan establishes the amount of funding that will be available for grant awards from each of the Livable Communities accounts, sets the calendar for the grants making processes, and sets forth the criteria upon which applications are reviewed and grant awards are based.

Based on Committee member direction and with input from Metro Cities and individual communities, staff have developed the attached 2020 Annual Livable Communities Fund Distribution Plan (FDP). This report includes both a final copy of the FDP, as well as a redlined version reflecting revisions from the 2019 FDP.

Key policy changes from 2019 are:

1. The removal of Housing Performance Scores from application scoring.
2. The addition of scoring criteria that promotes social and human connections in the two Livable Communities Demonstration Accounts (LCDA): LCDA and LCDA-Transit Oriented Development (LCDA TOD).
3. The addition of scoring criteria that promotes the evaluation of potential displacement impacts and mitigation strategies if needed in the LCDA and LCDA- TOD programs.
4. The addition of scoring criteria that prioritizes projects that can and will share valuable information learned with the rest of the region in the LCDA and LCDA-TOD programs.
5. More scoring support for project readiness in the LCDA and LCDA-TOD programs.
6. Clearer description of transit-oriented development characteristics in the LCDA-TOD program
7. The addition of scoring criteria that prioritizes a project that provides a new housing type or serves a currently unserved population in the Local Housing Incentives Account (LHIA) program.
8. The removal of freight and green building criteria in the Tax Base Revitalization Account (TBRA) program.
9. The elimination of the Project Concept Review phase of the application process in the LCDA

and LCDA-TOD programs.

As shown in Table 1 below, investments above the base annual budget in 2020 include:

1. \$2.5M of reserves programmed to the Local Housing Incentives Account to support the State and Council’s affordable housing goals.
2. \$2.2M of reserves programmed to the Livable Communities Demonstration Account.
3. \$1M of reserves programmed to the Tax Base Revitalization Account.

Table 1. 2020 Proposed Funding Levels

Program	Funding
<b>Livable Communities Demonstration Account</b> regular category <i>Includes up to \$500,000 for pre-development grants</i>	<b>\$9M</b>
<b>Livable Communities Demonstration Account- TOD</b> category <i>Includes up to \$500,000 for pre-development grants</i>	<b>\$5M</b>
<b>Local Housing Incentives Account</b>	<b>\$4.5M</b>
<b>Tax Base Revitalization Account</b> regular category <i>Includes up to \$250,000 for site investigation grants</i>	<b>\$5.75M</b>
<b>TBRA Seeding Equitable Economic Development</b> category	<b>\$0.25M</b>
<b>TOTAL</b>	<b>\$24.5M</b>

### Rationale

Council staff have presented information items at two Community Development Committee meetings and have received input from Committee members, several communities, and Metro Cities over the last few months. The proposed changes reflect the input received and further the goals and objectives as outlined in the Livable Communities Act and in *Thrive MSP 2040*, as that Committee members have discussed.

### Thrive Lens Analysis

The Livable Communities Act programs represent one of the Council’s primary financial tools to advance and encourage development and redevelopment that advances Livability, Equity, and Prosperity. Additional funding above the baseline budget proposed for the LHIA account will further the Council’s goals of accelerating affordable housing production. Several criteria proposed for refinement further the Council’s Equity outcome by better accounting for local neighborhood impacts, such as displacement and filling unserved housing needs. Finally, the LCA programs are an important way we advance Stewardship by making strategic investments in our region’s future to ensure orderly and economical development.

### Funding

The Council 2020 Authorized Budget includes approximately \$18.8 million in Livable Communities pass-through funding. Reserve balances are available to fully fund the accounts proposed in the Fund

Distribution Plan. A future budget amendment will bring these reserves into the Council Authorized Budget.

**Known Support / Opposition**

One community expressed concern about removing the Housing Performance Scores from the application scoring.

## 2020 Livable Communities Act Fund Distribution Plan

This document establishes the annual plan for distributing funds under the state Livable Communities Act (LCA, [Minnesota Statutes 473.25](#)).

The plan:

- Establishes the amount of funding available for 2020 and the limits that apply to individual awards.
- Sets the schedule for submitting grant applications, reviewing them, and awarding the funds.
- Describes the criteria the Metropolitan Council uses in selecting projects for grants.
- Defines who is eligible to apply for the grants.

### *Livable Communities Grant Accounts and Categories*

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

The **LCDA** supports development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently. The LCDA is funded by a property tax levy that is distributed among the regular LCDA, the LCDA-TOD and the LHIA. Amounts for each account and category are listed below.

#### **Local Housing Incentives Account (LHIA)**

The **LHIA** helps expand and preserve lifecycle and affordable housing, both rented and owned. The LHIA annual base funding includes \$500,000 transferred from the LCDA tax levy plus \$1 million from the Council's general fund.

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

The **TBRA** helps clean up contaminated land and buildings for subsequent development. These grants are intended to provide the greatest public benefit for the money spent, strengthen the local tax base, and create and preserve jobs and/or affordable housing. The TBRA is funded by a property tax levy that is separate from the LCDA levy.

#### **Livable Communities Demonstration Account Transit Oriented Development (LCDA-TOD)**

Using targeted funds from the LCDA, this program is focused on high density, generally mixed-use projects that are located within TOD-eligible areas along light rail, commuter rail, bus rapid transit, and high frequency bus corridors.

### *Funds Available for Award in 2020*

The dollar amounts cited below are the base amounts for grants to be awarded during 2020.

- \$9 million for the LCDA program, with up to \$500,000 of that available for Pre-Development awards
- \$4.5 million for the LHIA program
- \$5.75 million for the TBRA Contamination Cleanup program, with up to \$250,000 of that available for Site Investigation grants
- \$250,000 for the TBRA Seeding Equitable Environmental Development (SEED) program (in addition to the amount above)
- \$5 million for the LCDA-TOD grant category, with up to \$500,000 of that available for Pre-Development awards

If significant additional monies accrue to any account during 2020 due to relinquished funds or investment earnings, additional funds may be made available through an amendment to this Plan.

If funding applied for or awarded through the LCDA-TOD or TBRA SEED grant categories is less than the funding available, the remaining funds may be made available for award through the regular LCDA or TBRA categories, respectively, without an amendment to this Plan.

Conversely, if funding awarded through the regular LCDA or TBRA categories is less than the funding available, the remaining funds may be made available for award through the LCDA-TOD or TBRA SEED categories without an amendment to this Plan. If funding awarded through the regular TBRA program is less than the funding available, the remaining funds may be made available for award through the TBRA-SEED grant category without an amendment to this Plan.

### *Who Is Eligible to Apply?*

By [state statute](#), applicants must be a local governmental unit, which may be a:

- A. Municipality (a statutory or home rule charter city or township) currently participating in the Metropolitan Livable Communities Housing Incentives Program
- B. Metropolitan county
- C. Housing and Redevelopment Authority, Economic Development Authority, Community Development Authority or Port Authority

Projects proposed by categories (B) and (C) must be located in [participating municipalities](#).

Individuals and/or private or nonprofit developers are not eligible to apply.

### *More Information*

More detailed information and instructions on process, grant terms, eligible and ineligible uses of grant funds and schedules are provided in the program application guides and in the individual grant applications.

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# **LIVABLE COMMUNITIES GRANT PROGRAMS**

## **Livable Communities Demonstration Account**

**2020  
Funding Schedule  
Funding Criteria  
and Selection Process**

## Livable Communities Demonstration Account (LCDA) – Regular Categories Funding Schedule

**2020 Available Funding for LCDA Development Grants:**

**\$9 Million, including up to \$500,000 for Pre-Development Grants**

Application Type	Month	Activity
LCDA Pre-Development	March	Notice of Funding Availability
	May 1	Spring applications due
	June	Community Development Committee award recommendations
	July	Council awards spring LCDA pre-development grants
	September	Notice of Funding Availability
	November 2	Fall applications due
	December	Community Development Committee award recommendations
	December/January	Council awards fall LCDA pre-development grants
LCDA Development	February & April	Design Workshops
	March	Notice of funding availability
	July 1	Project Concept Plans due
	August 8	Full applications due
	September/October	Staff and Livable Communities Advisory Committee review and rank proposals
	November	Community Development Committee award recommendations
	December	Council awards



## Livable Communities Demonstration Account (LCDA)

### Section 1: Purpose, Program Profile, Award Limits

#### Purpose of Livable Communities Demonstration Account (LCDA) Grants

LCDA funding assists cities with the implementation of their community development objectives and comprehensive plans in ways that:

1. Interrelate two or more of the following: development or redevelopment, affordable housing, and employment growth;
2. Intensify land uses and lead to more compact development or redevelopment;
3. Achieve a mix of housing opportunities; and
4. Encourage public infrastructure that connects communities, attracts investment, and provides project area residents with expanded opportunities for employment.

These grants provide funds for public infrastructure and placemaking improvements that achieve one or more of these objectives in innovative ways that offer demonstration value for other potential projects.

#### LCDA Program Profile

##### Funding Profile:

- LCDA Development
  - No match requirement
  - 3-year grant term
  - No cap on individual grant request amount.
- LCDA Pre-Development
  - 25% match requirement
  - No cap on request amount
  - Award limit: \$100,000 per city, per round
  - 2-year grant term (no extensions)
  - Application limit: three per City

#### Award Limits

There are no award limits for individual LCDA Development grants or per city, except that:

Council-established guidelines state that up to 40% of the total LCDA funds available in a grant cycle are available to projects located in Minneapolis and/or Saint Paul. The Council reserves the right to consider awarding more than 40% and reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

### Section 2: LCDA Evaluation Process

**LCDA Development Application Process.** The Council evaluates LCDA development applications in a two-step process. A staff evaluation team reviews and scores eligible grant applications using the Step One evaluation criteria and guidelines (see below).

Step Two of the evaluation process is conducted by the 15-member Livable Communities Advisory Committee (LCAC), which makes funding recommendations to the Council. The LCAC includes members representing seven areas of expertise to provide the range of skills and experience necessary for evaluating the complex LCDA applications. Two members are selected for each of the areas of expertise: local government (planning, economic or community development); development finance (one member in private finance, one in public finance); development (one member in new development, one in redevelopment); transportation; environment; site design; and community-based organizations

representing or serving underserved communities. The LCAC chair, not representing a specific area of expertise, is the 15<sup>th</sup> member.

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Step One Evaluation Criteria for LCDA Development Grants	Possible Points
<b>Efficient Land Use and Site Design</b>	
<ul style="list-style-type: none"> <li>The project's ability to maximize the potential of the location through intensified land use and increased density</li> <li>The development introduces a diversity of uses to the project area</li> <li>The project includes internal pedestrian circulation that is convenient, efficient, and attractive throughout and around the project site</li> <li>The site is designed to facilitate pedestrian activity and considers first floor activity, parking location, and wayfinding</li> </ul>	15
<b>Connections</b>	
<ul style="list-style-type: none"> <li>The development project takes advantage of or maximizes connections between or among housing, centers of employment, education, retail, and recreation uses through location or design</li> <li>The development provides convenient, efficient, and attractive access from the project site to the neighborhood or the surrounding community through infrastructure that emphasizes pedestrian and/or bike mobility</li> <li>The development creates opportunities for social interaction, through location, programming or design, to increase community connections</li> </ul>	8
<b>Environmental Design</b>	
<ul style="list-style-type: none"> <li>The project conserves, protects, and enhances natural resources</li> <li>The project reduces greenhouse gas emissions and carbon use through the application of resilient energy infrastructure, green building design, energy efficiency standards, and/or the inclusion of renewable energy sources</li> <li>The project utilizes sustainable site design and conserves, restores, or protects the region's water resources through best management practices or innovative design</li> </ul>	7
<b>Jobs and Housing (Projects will be scored as Jobs or Housing projects, taking the highest score of either category)</b>	
<p><b>Jobs Projects</b></p> <ul style="list-style-type: none"> <li>The project's ability to expand employment opportunities through the creation or preservation of permanent employment opportunities with emphasis on including living wage jobs and increasing diversity of jobs type in the area</li> <li>The creation of jobs in or near Areas of Concentrated Poverty that will be accessible to existing area residents</li> <li>There is an established process to advance and promote the employment of local workers</li> <li>The development prioritizes the preservation of existing small businesses and/or the ability to occupy commercial space with small with local small businesses</li> <li>The applicant's policies, practices or programs that support Disadvantaged Business Enterprises</li> <li>The project's proximity and access to employment centers with high job densities and its ability to enhance the local tax base</li> </ul> <p><b>OR</b></p> <p><b>Housing Projects</b></p>	12

<ul style="list-style-type: none"> <li>• The project provides or preserves housing types that contribute to a full range of housing choices</li> <li>• The addition of affordable housing, or preservation of affordable units</li> <li>• The acceptance of Housing Choice Vouchers</li> <li>• Housing affordability requirements (i.e. mixed income housing policies implemented by applicant) for development projects assisted with city funds or other fiscal devices</li> </ul>	
<b>Partnerships and Processes</b>	
<ul style="list-style-type: none"> <li>• The project team involves partnerships among government, private for-profit and nonprofit sectors, and the local community</li> <li>• The project fills an identified and specific community need</li> <li>• Community engagement efforts are authentic, initiated early in the planning process, and plan to be maintained throughout the project's duration, especially if project changes occur</li> <li>• The planning process is inclusive of and responsive to community participation, vision, and leadership</li> <li>• The project's ability to work with community partners to assess displacement risk and implement a displacement prevention strategy if needed</li> </ul>	8
<b>Total</b>	<b>50</b>
<b>Applications must score 25 or more points to advance to the Step Two evaluation process.</b>	

<b>Step Two Evaluation Criteria for LCDA Development Grants</b>	<b>Possible Points</b>
<b>Innovation and Demonstration</b>	
<p>The development project provides demonstration value for the community and for the region through:</p> <ul style="list-style-type: none"> <li>• New development concepts, strategies, elements, or partnerships in one or more of the scoring areas covered in the Step One evaluation process</li> <li>• Serving as a model of LCDA goals as defined in statute or described in Step One criteria</li> <li>• Incorporating equitable development strategies when planning and/or designing the proposed project</li> <li>• Ability to glean and share demonstration and/or innovation findings to other communities/projects in the</li> </ul>	25
<b>Catalyst</b>	
<ul style="list-style-type: none"> <li>• The proposed development project will catalyze additional efforts to further community development goals</li> <li>• The inclusion of strategies to support wealth building for residents within the community where the project is located</li> </ul>	10
<b>Readiness Assessment</b>	
The development project is ready and able to use awarded grant funds within the 36-month grant term, based on an assessment including:	15

<ul style="list-style-type: none"> <li>• The status of implementation tools – for example, zoning codes and other official controls, design standards, or development standards</li> <li>• The status of funding commitments and other indicators of readiness</li> <li>• Partnerships have been formalized and committed to and roles and contributions have been agreed to</li> <li>• The applicant’s capacity to manage the grant partnership</li> </ul>	
<b>Step Two Total</b>	<b>50</b>
<b>Combined Step One and Step Two Total</b>	<b>100</b>
<b>Combined Step One and Step Two scores must total 60 to be considered for funding.</b>	

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**LCDA Pre-Development Application Evaluation Process** Applicants seeking funding for LCDA Pre-Development activities may apply for funds in either the Spring or Fall funding rounds. The process for evaluating applications for these grants is conducted by the staff evaluation team in a single step.

<b>Evaluation Criteria for LCDA Pre-Development Project Grants</b>	<b>Possible Points</b>
<b>Livable Communities Act Goals</b>	
<p>The proposed project’s ability to or assess the potential of the project to:</p> <ul style="list-style-type: none"> <li>• Intensify land use, increase diversity of land uses, improve the pedestrian/bicycle environment and encourage community interaction at the site</li> <li>• Connect proposed and exiting land uses and increase connections between housing, jobs, services and amenities</li> <li>• Conserve natural resources when feasible and follow sustainable site design practices</li> <li>• Increase housing choice and further City’s ability to meet their affordable housing goals</li> </ul>	11
<b>Readiness</b>	
<ul style="list-style-type: none"> <li>• The project’s or proposal’s alignment with the City’s comprehensive or other local plans</li> <li>• The proposed project is ready and able to use the grant, if awarded, within the 24-month grant term</li> </ul>	17
<b>Demonstration Value</b>	
<ul style="list-style-type: none"> <li>• Project or proposal includes process to share demonstration or innovation findings to other communities in the region</li> <li>• Extent to which the project incorporates or assesses feasibility to incorporate new development strategies to support identified community needs</li> </ul>	10
<b>Catalytic Value</b>	
<ul style="list-style-type: none"> <li>• Extent to which pre-development activities will catalyze the LCA goals described above in the project of which it’s a part, or in the project area</li> <li>• Extent to which the project will support meeting identified community needs</li> </ul>	10
<b>Partnerships and Process</b>	
<ul style="list-style-type: none"> <li>• Proposal provides for meaningful and appropriate public engagement during the pre-development phase and beyond</li> <li>• Proposal works with community partners to implement a displacement prevention strategy if needed</li> <li>• Engagement includes a variety of stakeholders</li> </ul>	12
<b>Total (Applications must score 30 or more points to receive funding consideration)</b>	<b>60</b>

# LIVABLE COMMUNITIES GRANT PROGRAMS

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## Local Housing Incentives Account

**2020  
Funding Schedule  
Funding Criteria  
and Selection Process**

## Local Housing Incentives Account (LHIA) Funding Schedule

### 2020 Available Funding for LHIA: \$4.5 Million

Application Type	Month	Activity
Ownership and Rental Programs	April 2	Minnesota Housing/Funding partners issue notice of funding availability
	May 14	Multifamily Intent to Apply form due
	June 4	Application deadline
	July/August	Minnesota Housing staff review applications
	September/October	Minnesota Housing/Funding partner application evaluation and selection meetings
	November	Minnesota Housing board acts on funding recommendations
	December	Community Development Committee recommendations
	December	Council awards

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## Local Housing Incentives Account (LHIA)

### Section 1: Purpose, Program Profile, Award Limits

#### Purpose of the Local Housing Incentives Account Grants

The Local Housing Incentives Account funding assists cities in meeting their affordable and lifecycle housing goals. Grants provide funds to construct, rehabilitate, maintain, and/or preserve affordable housing opportunities.

#### LHIA Program Profile

- Funding Profile:**
- A dollar-for-dollar match is required from the grantee
  - 3-year grant term
  - Eligible uses:
    - Gap financing for acquisition, rehabilitation, new construction, and preservation of affordable housing

#### Award Limits

- The LHIA contribution to fill the gap in homeownership applications will be limited to no more than one-half of the difference between the purchase price of the home and the total per-unit hard costs. This limit does not apply if a project maintains the homes affordability level for a minimum of 15 years.
- The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

### Section 2: Evaluation Process

The Metropolitan Council partners with Minnesota Housing, the Greater Minnesota Housing Fund and others to implement the LHIA program. Applicants apply for LHIA funds through the Consolidated RFP process administered by Minnesota Housing, or directly to a sub-allocator. All applications are reviewed and evaluated by the funding partners, with Council staff applying the Metropolitan Council project eligibility criteria. The criteria set forth in this Fund Distribution Plan are specific to the LHIA program. See the Minnesota Housing web pages for detailed information ([Application Resources](#)).

#### LHIA Threshold and Competitive Criteria

- A significant component of the project must serve households with incomes at or below 60% of Area Median Income (AMI) with a minimum affordability term of 15 years, for rental projects.
- Grantees must have an adopted Fair Housing Policy in order to receive Livable Communities Act Funding.
- Projects must have affirmative fair housing marketing plans.
- The Council will give priority to:
  - rental proposals creating or preserving affordability for persons at or below 30% of AMI;
  - proposals that serve large families by providing two or more-bedroom units; and
  - proposals meeting the needs of individuals and households experiencing long-term homelessness;
  - proposals that consider displacement impact and mitigation strategies; and
  - proposals that provide a housing type not currently available or serve a population not currently served in or near the project area.

## Other Considerations

The Council will give preference if:

- A municipality currently has a net fiscal disparities contribution of \$200 or more per household;
- A municipality does not use its expenditure from the Affordable and Lifecycle Housing Opportunity Amount (ALHOA) as the source for its matching funds; or
- A development project exceeds the current building code requirement which states a minimum of 5% of the total units in a development be designed and constructed to meet accessibility requirements, and an additional 2% of the dwelling units must be adaptable for the vision/hearing impaired. If any applications are received for projects exceeding these minimums, any other applications for affordable housing projects outside the Metro Mobility service area will receive the same preference, even if they do not propose to exceed those minimums.

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# LIVABLE COMMUNITIES GRANT PROGRAMS

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## Tax Base Revitalization Account

2020  
Funding Schedule  
Funding Criteria  
and Selection Process

## Tax Base Revitalization Account (TBRA) Funding Schedule

**2020 Available Funding for TBRA Grants:**

**\$5.75 Million, including up to \$250,000 for Site Investigation Grants**

**\$250,000 for Seeding Equitable Environmental Development Program Grants**

Application Type	Month	Activity
Round 1: Investigation, Cleanup and Seeding Equitable Environmental Development program	March	Notice of funding availability
	May	Applications due
	June	Community Development Committee recommendations
	July	Council awards
Round 2: Investigation, Cleanup and Seeding Equitable Environmental Development program	August	Notice of funding availability
	November	Applications due
	December	Community Development Committee recommendations
	January 2020	Council awards

# Tax Base Revitalization Account (TBRA)

## Section 1: Purpose, Program Profile, Award Limits

### Purpose of the Tax Base Revitalization Account (TBRA) Grants

TBRA funding helps make areas that have lost commercial/industrial activity available for economic redevelopment. The grants provide funds for environmental site investigation and cleanup for redevelopments that enhance the city tax base, promote job retention or job growth and/or create or preserve affordable housing.

### TBRA Program Profile

Successful TBRA applications support redevelopments that eliminate or reduce the risk from contamination, increase the tax base and, create or preserve jobs or affordable housing. Applicants will choose one of the following grant categories for each proposal submitted for funding:

- *Site Investigation* grants are intended for applicants that have a redevelopment site with suspected or perceived contamination and are seeking public funding to determine the scope and severity of the contamination and to develop a cleanup plan.
- *Contamination 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 redevelopment on a specific project.
- *TBRA Seeding Equitable Environmental Development (TBRA SEED)* grants are intended for sites within an area of concentrated poverty that do not have a planned or identified redevelopment project. Activities may include site investigation, cleanup, or both.

### Funding Profile:

- Site Investigation
  - 25% match requirement
  - 1-year grant term (no extensions)
  - \$50,000 cap on request amount
  - Eligible uses:
    - Phase I environmental site assessment, Phase II environmental site assessment, hazardous materials building assessments, development of response action plans
- Contamination Cleanup
  - No match requirement
  - 3-year grant term (2-year extension possible)
  - No cap on request amount
  - Eligible uses: contaminated soil remediation, groundwater remediation, soil vapor mitigation, hazardous building materials abatements
- TBRA SEED
  - Site within areas of concentrated poverty (ACPs) and in areas previously defined as ACPs, and parcels within 150 feet of a current or former ACP
  - No identified redevelopment project associated with the investigation and/or cleanup
  - 25% match requirement for investigation and/or abatement
  - \$50,000 cap on request amount for investigation
  - 2-year grant term (no extensions);
  - Eligible uses:
    - Phase I environmental site assessment

- Phase II environmental site assessment
- Hazardous materials building assessments
- Hazardous building materials abatements for all sites within an ACP and
- Contaminated soil remediation, groundwater remediation, or soil vapor mitigation for sites with an approved cleanup plan and developer site control

### Award Limits

The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle. By [statute](#), total award amounts by funding cycle are limited to 50% within a single city or 75% within Minneapolis and Saint Paul.

### Section 2: Evaluation Process

#### Site Investigation Applications

The Council will rank the investigation applications according to the extent they demonstrate the following:

Site Investigation Evaluation Criteria	Possible Points
<b>Increase to the Tax Base</b>	
Increase to the tax base of the recipient municipality based on a redevelopment proposal.	5
<b>Access to jobs and/or affordable housing (and economic competitiveness)</b>	
<ul style="list-style-type: none"> <li>• Potential to increase or retain the number of new full-time equivalent jobs for the region through adaptive reuse, infill development or redevelopment</li> <li>• Potential to add affordable rental or ownership housing units for households with incomes at or below 80% of Area Median Income (AMI) OR</li> <li>• Preserve existing affordable housing if               <ul style="list-style-type: none"> <li>○ the building undergoes substantial rehabilitation</li> <li>○ ensures the extension of long-term affordability with income restrictions on tenants with incomes at or below 80% of Area Median Income (AMI) AND</li> <li>○ includes federal subsidy (e.g., project-based Section 8) as part of the redevelopment financing</li> </ul> </li> </ul>	5

Site Investigation Evaluation Criteria	Possible Points
<b>Brownfield clean up/environmental health improvements</b>	
<ul style="list-style-type: none"> <li>Investigation of the most contaminated sites to provide the greatest improvement in the environment and the greatest reduction in human health risk</li> <li>The applicant's capacity to oversee environmental investigations and successfully complete site cleanup with prior Council-funded environmental investigations</li> </ul>	15
<b>Orderly and Efficient Land Use</b>	
<p>Show how the investigation supports the Council's <i>Thrive MSP 2040</i> goals by:</p> <ul style="list-style-type: none"> <li>Likelihood of potential development to increase the use of transit, and/or</li> <li>Supporting growth in the region through adaptive reuse, infill development or redevelopment</li> <li>The Council will give priority to the re-use of vacant or abandoned sites</li> </ul>	15
<b>Readiness/Market demand</b>	
<ul style="list-style-type: none"> <li>Demonstrate readiness to proceed with cleanup-site investigation</li> <li>Demonstrate readiness to proceed with site cleanup</li> <li>Demonstrate market demand for proposed redevelopment elements in the project area and demonstrate readiness to implement the proposed project if/when TBRA funding is provided, including identifying a developer and commitments by occupants. or future owners</li> </ul>	15
<b>Partnership</b>	
Demonstrate established financial partnerships. Points are awarded for committing matching funds beyond the required minimum 25% match.	5
<b>TOTAL</b>	
<b>60</b>	
<b>Applications must score 30 points or more out of 60 points to be considered for funding.</b>	

## Contamination Cleanup Applications

The Council will rank cleanup applications according to the extent they demonstrate the following:

Contamination Cleanup Evaluation Criteria	Possible Points
<b>Increase to the tax base</b>	
<ul style="list-style-type: none"> <li>• Increase the tax base of the recipient municipality</li> <li>• Add tax revenue in the near term. (Projects not in or not expected to be in a Tax Increment Finance district earn 5 points because all the affected tax jurisdictions benefit immediately)</li> </ul>	25
<b>Access to Jobs and/or affordable housing and economic competitiveness</b>	
<ul style="list-style-type: none"> <li>• Increase or retain the number of permanent jobs in the region</li> <li>• Increase job opportunities within micro-enterprises or new small businesses</li> <li>• Preserve and/or increase the number of permanent living wage jobs in the region</li> <li>• Increase permanent living wage jobs within and near areas of concentrated poverty</li> <li>• Add affordable rental or ownership housing units for households with incomes at or below 80% of Area Median Income (AMI)</li> </ul> <p style="text-align: center;">OR</p> <ul style="list-style-type: none"> <li>• Preserve existing affordable housing if               <ul style="list-style-type: none"> <li>○ the building undergoes substantial rehabilitation:</li> <li>○ doing so ensures the extension of long-term affordability with income restrictions on tenants with incomes at or below 80% of Area Median Income (AMI) AND</li> <li>○ includes federal subsidy (e.g., project-based Section 8) as part of the redevelopment financing</li> </ul> </li> </ul> <p>(A minimum of 20% of the total housing units proposed must be affordable for a project to be considered for affordable housing points, and the minimum term of affordability is 15 years.)</p>	25
<b>Brownfield cleanup/environmental health improvements</b>	
Clean-up of the most contaminated sites to provide the greatest improvement in the environment and the greatest reduction in human health risk	25



Contamination Cleanup Evaluation Criteria	Possible Points
<b>Orderly and efficient land use</b>	
<p>Show how the cleanup and redevelopment project supports <i>Thrive MSP 2040</i> goals by:</p> <ul style="list-style-type: none"> <li>• Supporting growth in the region and around regional transit through adaptive reuse, infill development or redevelopment to make the best use of public and private investment</li> <li>• Support for private investment in Areas of Concentrated Poverty particularly investment related to wealth-building strategies such as new micro-enterprise or new small business</li> <li>• Accommodating growth through increased redevelopment density</li> <li>• Providing or preserving housing choices to give people in all life stages and of all economic means viable choices for safe, stable and affordable homes including the willingness to accept Housing Choice Vouchers</li> <li>• Conserving vital regional natural resources features and functions</li> <li>• Conserving, restoring or protecting the region’s water resources through environmentally sound opportunities for recharging groundwater with best management practices for stormwater</li> <li>• Commitment to resilient energy infrastructure through the use of renewable energy sources</li> <li>• Providing access to regional parks and trails and the transit network using a variety of modes of travel</li> <li>• Showing consistency of proposed use with regional highway system and investments in the regional transit system and showing potential for growth in transit service</li> </ul>	35
<b>Readiness and market demand</b>	
<ul style="list-style-type: none"> <li>• Demonstrate readiness to proceed with project site cleanup</li> <li>• Demonstrate market demand for proposed redevelopment elements in the project area and demonstrate readiness to promptly implement the proposed project if/when TBRA funding is provided, including identifying an end-stage developer and commitments by occupants</li> </ul>	25
<b>Partnership</b>	
Represent innovative partnerships among various levels of government and private for-profit and nonprofit sectors	5
<b>TOTAL</b>	
<b>Applications must score 70 points or more out of 140 points to be considered for funding.</b>	

## TBRA Seeding Equitable Environmental Development Program Applications

The Council will rank applications for the TBRA Seeding Equitable Environmental Development program category for sites within current and formerly identified area of concentrated poverty and properties directly adjacent to identified areas that do not have a specific redevelopment project according to the extent they demonstrate the following:

<b>TBRA Seeding Equitable Environmental Development Evaluation Criteria</b>		<b>Possible Points</b>
<b>Increase to the tax base</b>		
Potential to increase the tax base of the recipient municipality based on the current tax base of the subject property and changes to the property classification OR based on the desired land use per a current request for proposals for redevelopment		5
<b>Access to jobs and/or affordable housing (and economic competitiveness)</b>		
Potential for adding or retaining new jobs based or adding or preserving housing choices through adaptive reuse, infill development or mixed-use redevelopment based on existing land use designation and proximity to existing employment centers		5
<b>Reducing contamination risk and making health improvements</b>		
Suspected or known environmental contaminants, pollutants, hazardous substances or hazardous building materials and characterization 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
<b>Orderly and efficient land use</b>		
<ul style="list-style-type: none"> <li>• Re-use of vacant lots or buildings</li> <li>• Potential for new construction that will increase the intensity of land use comparing existing improvements, if any, and existing zoning designation</li> <li>• Potential for increases in regional transit use</li> <li>• Potential for construction of distribution facilities and commercial-industrial space for freight-generating industries near regional intermodal freight terminals</li> <li>• Plan for interim use that increases visibility or improves marketability of the redevelopment opportunity</li> </ul>		15
<b>Partnership</b>		
<ul style="list-style-type: none"> <li>• Demonstrate public, not-for-profit or private commitment of financial resources and coordination of technical expertise to advance redevelopment opportunities</li> <li>• Located within an active business improvement district</li> </ul>		10
<b>Readiness</b>		
<ul style="list-style-type: none"> <li>• Readiness to proceed with cleanup site investigation OR readiness to proceed with site asbestos and lead-based paint abatement</li> <li>• Market demand for redevelopment</li> </ul>		10
<b>TOTAL</b>		<b>60</b>
<b>Applications must score 30 points or more out of 60 points to be considered for funding.</b>		

# LIVABLE COMMUNITIES GRANT PROGRAMS

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## Livable Communities Demonstration Account Transit-Oriented Development

**2020  
Funding Schedule  
Funding Criteria  
and Selection Process**

## Livable Communities Demonstration Account (LCDA) Transit-Oriented Development (TOD) Funding Schedule

**2020 Available Funding for LCDA-TOD Grants:**

**\$5 Million, including up to  
\$500,000 for Pre-Development Grants**

Application Type	Month	Activity
LCDA-TOD Pre-Development	March	Notice of Round 1 funding availability
	May 1	Round 1 applications due
	June	Community Development Committee recommends Round 1 grant awards
	June/July	Council awards Round 1 grants
	September	Notice of Round 2 funding availability
	November 2	Round 2 applications due
	December	Community Development Committee recommends Round 2 grant awards
	December/January	Council awards Round 2 grants
LCDA-TOD Development	March	Notice of funding availability
	March	Design Workshops
	July 1	Applications due
	July/August	Staff and Livable Communities Advisory Committee review and rank proposals
	September	Community Development Committee recommends TOD Development grant awards
	September/October	Council awards TOD Development grants

## Transit-Oriented Development Grants

### Section 1: Purpose, Program Profile, Award Limits

#### Purpose of Transit Oriented Development

Transit Oriented Development, or TOD, refers to moderate- to higher-density development located within easy walking distance of a major transit stop, that typically include a mix of uses such as housing, jobs, businesses, and retail choices oriented to the transit stop. TOD projects are expected to diversify uses and provide a higher concentration of amenities in a compact built environment in transit station areas, contributing to high-quality, pedestrian-oriented streets and public spaces encouraging the use of transit service. Through a focus on TOD, the Council aims to integrate transportation, jobs, and housing, leverage private investment, advance equity, and increase transit ridership.

#### TOD Program Profile

LCA-TOD grants are a category within the LCDA account intended to catalyze transit-oriented development along transit corridors throughout the metropolitan area. (See introduction section for definition of the [LCDA](#) account.) Limited geographic areas are eligible for TOD funding based on levels of transit service and a transit project's stage of development. The criteria to determine areas eligible for TOD funding is as follows:

LCDA-TOD Pre-Development – the transit project is in environmental review and in the Transportation Policy Plan Current Revenue Scenario or the lead agency has adopted the Final Corridor Plan for arterial bus rapid transit.

LCDA-TOD Development – The transit project has completed environmental review or received a Record of Decision.

Projects requesting LCDA-TOD Development funding must be located in one of the following TOD Eligible Areas, described as within:

- A ½-mile radius of an existing station on the following transit corridors:
  - LRT: METRO Blue Line and Green Line
  - BRT: METRO Red Line, A Line, and C Line
  - Northstar Commuter Rail Line
- A ½-mile radius of a proposed station on the following planned transit corridors:
  - LRT: METRO Blue Line and Green Line Extensions
  - BRT: METRO Orange and Gold Line, and D Line
- A ½-mile radius of a bus stop or station with significant infrastructure on high-frequency express routes. High-frequency express service is defined as bus service providing either six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM, or every 10 minutes during the peak morning hour.
- A ¼-mile radius of a bus stop along high frequency local bus lines, defined as those routes providing service at least every 15 minutes and running between 6:00 AM to 7:00 PM on week days and between 9:00 AM and 6:00 PM on Saturdays.

Projects requesting LCDA-TOD Pre-Development funding must be located within any one of the TOD Eligible Areas described above, or within:

- A ½-mile radius of a proposed station on the following planned transit corridors:
  - Rush Line
  - Riverview

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**Funding Profile:**

- LCDA-TOD Development
  - No match requirement
  - No cap on request amount
  - Award limits: \$2,000,000 per city
  - Application limit: three per City
  - 3-year grant term (2-year extension possible)
  - Eligible uses are the same as the [LCDA Development grant category](#)
- LCDA-TOD Pre-Development for Future Project
  - 25% match requirement
  - No cap on request amount
  - Award limit: \$100,000 per city, per round
  - 2-year grant term (no extensions)
  - Application limit: three per City
  - Eligible uses: site plan development, market studies, project-specific stormwater management plans, geotechnical analysis, development staging plans
- LCDA-TOD Pre-Development for Zoning Implementation
  - 25% match requirement
  - No cap on request amount
  - Award limit: \$100,000 per city, per round
  - 2-year grant term (no extensions)
  - Eligible uses: development of TOD zoning ordinances

**Award Limits**

The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

**Section 2: Evaluation Process**

**LCDA-TOD Development Application Evaluation Process**

The evaluation of TOD Development applications is a two-step ranking process. First, an interdivisional Council staff evaluation team reviews and scores eligible applications using the Step One evaluation criteria (see table below). Step Two of the evaluation process is conducted by members of the Livable Communities Advisory Committee (LCAC) using the Step Two evaluation criteria (see table below).

The Council will rank LCDA-TOD Development applications according to the extent they demonstrate the following criteria above and beyond conventional or standard development types:

<b>Step One Evaluation Criteria for LCDA-TOD Development</b>		<b>Possible Points</b>
<b>TOD Design:</b>		
<ul style="list-style-type: none"> <li>● The intensity of the site’s future land use, increased density, and consistency with the Council’s Housing Policy Plan and Transportation Policy Plan</li> <li>● The type and diversity of uses within the development project and/or TOD area, how the project fits into the area’s context, and its potential impact on transit service levels</li> </ul>	20	

<b>Step One Evaluation Criteria for LCDA-TOD Development</b>	<b>Possible Points</b>
<ul style="list-style-type: none"> <li>• The innovative application of TOD principles and best practices in architecture, urban design, mobility, and equitable development</li> <li>• The use of strategies to create an enhanced human-scale physical environment and street life that establishes a sense of place, fosters social interaction, and connects to the surrounding neighborhood, its public realm space, and its amenities</li> <li>• The use of strategies that promote convenient pedestrian, bicycle, and micro mobility options to access daily needs and essential services between housing, employment, education, retail and recreation</li> <li>• The use of strategies to increase the viability of transit use, car share and other alternative modes of transportation, as well as reducing the need for automobile ownership, vehicular traffic, and parking requirements</li> <li>• The use of strategies to create equitable outcomes in the TOD area and the region</li> <li>• The degree to which proposed development project advances city TOD guidelines, area plans, and/or otherwise identified TOD goals</li> </ul>	
<b>Transit Accessibility, Walkability, &amp; Ridership</b>	
<ul style="list-style-type: none"> <li>• The degree to which the development project makes the TOD Area more transit-oriented OR the degree to which the existing area is already supportive of transit users</li> <li>• The extent and quality of connections from the development project to transit service and other uses in the TOD area</li> <li>• An increase in transit ridership beyond what would be expected from a conventional development</li> </ul>	15
<b>Environmental Design</b>	
<ul style="list-style-type: none"> <li>• Conserving, restoring, or protecting the region’s water resources through best management practices or innovative design</li> <li>• Commitment to reducing greenhouse gas emissions and carbon use through the application of resilient energy infrastructure, green building design, energy efficiency standards, and/or the inclusion of renewable energy sources</li> <li>• The conservation, protection, or enhancement of natural resources</li> </ul>	12
<b>Jobs and Housing: (Projects will be scored as Jobs or Housing projects, taking the highest score of either category)</b>	



<b>Step One Evaluation Criteria for LCDA-TOD Development</b>		<b>Possible Points</b>
<p><b>Jobs Projects</b></p> <ul style="list-style-type: none"> <li>• The expansion of employment opportunities, emphasizing permanent living wage jobs and diversity of jobs in the area</li> <li>• The creation of jobs within or near Areas of Concentrated Poverty that will be accessible to existing area residents</li> <li>• The use of strategies to advance and promote the employment of local workers</li> <li>• The use of strategies to preserve existing small businesses or provide space for local small businesses</li> <li>• The applicant’s policies, practices or programs that support Disadvantaged Business Enterprises</li> <li>• The project’s proximity and access to employment centers with high job densities and its ability to enhance the local tax base</li> </ul> <p><b>OR</b></p> <p><b>Housing Criteria:</b></p> <ul style="list-style-type: none"> <li>• The creation or preservation of housing types that contribute to a full range of housing choices</li> <li>• The addition of affordable housing, or preservation of affordable units within the station area</li> <li>• The acceptance of Housing Choice Vouchers</li> <li>• Housing affordability requirements for development projects assisted with city funds or other fiscal devices applicable in the TOD Area</li> </ul>	20	
<b>Process and Partnerships:</b>		
<ul style="list-style-type: none"> <li>• Partnerships have been established among various levels of government, private for-profit and non-profit sectors, and the local community</li> <li>• The project fills an identified and specific community need</li> <li>• Community engagement efforts are authentic, initiated early in the planning process, and plan to be maintained throughout the project’s duration, especially if project changes occur</li> <li>• The planning process is inclusive of and responsive to community participation, vision, and leadership</li> <li>• The use of strategies to assess displacement risk and implement displacement prevention if needed</li> </ul>	8	
<b>TOTAL</b>	<b>75</b>	
<b>Applications must score 45 or more points to advance to the Step Two evaluation process.</b>		

Step Two Evaluation Criteria for LCDA-TOD Development	Possible Points
<b>TOD Innovation and Demonstration</b>	
<ul style="list-style-type: none"> <li>• The project’s demonstration value provided through:               <ul style="list-style-type: none"> <li>○ New development concepts, strategies, or partnership in one or more Step One scoring area</li> <li>○ Modeling LCDA goals as defined in statute or described in Step One criteria</li> <li>○ Using equitable development strategies when planning and/or designing project</li> <li>○ Ability to glean and share demonstration and/or innovation findings to other communities in the region</li> <li>○ The degree to which the development plan demonstrates TOD design principles beyond a conventional project</li> </ul> </li> </ul>	20
<b>Catalyst</b>	
<ul style="list-style-type: none"> <li>• The extent to which the proposed project will position the TOD area for further intensification and additional transit-oriented development</li> <li>• The extent to which the proposed project will support wealth building for residents within the community where the project is located</li> </ul>	15
<b>Readiness</b>	
<ul style="list-style-type: none"> <li>• Development can use fund within 3 years, based on:               <ul style="list-style-type: none"> <li>○ Status of regulatory approvals</li> <li>○ Status of other funding commitments</li> <li>○ Partnership are formal and committed</li> <li>○ Applicant capacity to manage grant partnership</li> </ul> </li> </ul>	15
<b>Step Two Total</b>	<b>50</b>
<b>Combined Step One and Step Two Total</b>	<b>125</b>
<b>Applications must score 75 or more points of the total 125 available points from Step One and Step Two combined to be considered for funding.</b>	

**LCDA-TOD Pre-Development Application Evaluation Process**

Applicants seeking funding for LCDA-TOD Pre-Development of an identified future development project or LCDA-TOD Pre-Development of TOD Zoning may apply for funds in two funding rounds. The process for evaluating applications for these grants is conducted by a staff evaluation team in a single step.

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<b>Evaluation Criteria for LCDA-TOD Pre-Development of Identified Future Development Project</b>	<b>Possible Points</b>
Applications will be evaluated on the degree to which the proposed activities will enhance the potential for their associated development or redevelopment project to:	
<b>Transit Accessibility, Walkability, and Ridership</b>	
<ul style="list-style-type: none"> <li>• Make or assess potential of the TOD Area to be more transit-oriented OR the degree to which the existing area is already supportive of transit users, considering factors such as: diversity of uses, quality of the pedestrian environment and connections to transit</li> <li>• An increase in transit ridership beyond what would be expected from a more conventional development</li> </ul>	10
<b>TOD Design and Demonstration</b>	
<ul style="list-style-type: none"> <li>• Exemplify TOD design principles and best practices or assess ability of project to do so</li> <li>• Intensify future use of the site or assess ability of project to do so</li> <li>• Incorporate or assess feasibility to incorporate new development strategies to support identified community needs</li> <li>• Project or proposal includes a plan to share findings when applicable and valuable</li> </ul>	15
<b>Housing</b>	
<ul style="list-style-type: none"> <li>• Produce affordable and/or lifecycle housing or assess the ability of the project to do so</li> <li>• Assist the city in meeting its affordable and life-cycle housing goals or assess the ability of the project to do so</li> <li>• Create or preserve a mix of housing types within the station area or assess the ability of the project to do so</li> </ul>	10
<b>Jobs</b>	
<ul style="list-style-type: none"> <li>• Create or preserve, or assesses the project's ability to create or preserve employment opportunities, particularly focusing on retaining or attracting locally owned businesses and providing opportunities to the local community</li> </ul>	5
<b>Catalyst</b>	
<ul style="list-style-type: none"> <li>• Catalyze the implementation of the associated development or redevelopment</li> <li>• Lead to a development project that provides demonstration value and design above and beyond conventional development types</li> <li>• Position the TOD area for further intensification, catalyze additional transit-oriented development in a way that limits or mitigates displacement of existing residents or businesses, and /or further community development goals in the immediate area as well as throughout the region</li> </ul>	15
<b>Partnerships and Readiness</b>	
<ul style="list-style-type: none"> <li>• Pre-development activities provide for meaningful and appropriate engagement with communities most impacted by the project</li> <li>• The city has identified and secured financial commitments to move the pre-development activities forward</li> </ul>	10

<ul style="list-style-type: none"> <li>The proposed project is ready and able to use the grant within two years</li> </ul>	
<b>Total</b>	
<b>Applications must score at least 39 of the total 65 available points</b>	

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<b>Evaluation Criteria for Pre-Development of TOD Zoning</b>		<b>Possible Points</b>
Applications will be evaluated on the degree to which the proposed activities will enhance the potential for zoning changes that:		
<b>Transit Accessibility, Walkability, and Ridership</b>		
<ul style="list-style-type: none"> <li>Improve the pedestrian and bike environment within the station area by addressing such elements as: enhanced circulation networks for all modes of transportation, increased connections and intersection density, public realm requirements, and enhanced public spaces.</li> </ul>		20
<b>TOD Design and Demonstration</b>		
<ul style="list-style-type: none"> <li>Exemplify TOD design by addressing elements such as: land use and built form, design standards, building articulation and orientation, environmental design, pedestrian zones, parking management, and reduced parking requirements</li> <li>Diversification of uses and intensification of future development within the TOD area</li> <li>Potential to lead to a regulatory change that has demonstration value and includes how change will be evaluated and findings shared throughout the region</li> </ul>		25
<b>Catalyst</b>		
<ul style="list-style-type: none"> <li>Position the TOD area for further intensification, catalyze additional transit-oriented development in a way that limits or mitigates displacement of existing residents or businesses, and /or further community development goals in the immediate area as well as throughout the region</li> <li>Lead to development projects that provide demonstration value and design above and beyond conventional development types</li> </ul>		10
<b>Partnerships and Readiness</b>		
Applications will also be evaluated on the degree to which:		
<ul style="list-style-type: none"> <li>Pre-development activities provide for meaningful and appropriate engagement with communities most impacted by the zoning change</li> <li>The city has identified and secured financial commitments to move the project forward</li> <li>Proposed project is ready and able to use the grant within 2 years</li> </ul>		15
<b>Total</b>		<b>70</b>
<b>Applications must score at least 42 of the 70 available points</b>		

## Appendix A. Definitions

- **Affordable housing, for all Livable Communities Act programs except Tax Base Revitalization Account (TBRA)**, is ownership or rental housing affordable to households with incomes of 60% or less of Area Median Income (AMI). For TBRA, that threshold is 80% AMI. Units indicated as affordable must have a minimum 15-year affordability term, and a mechanism to ensure the affordability for that period of time.
- **Fair Housing Policy** A written statement regarding the local municipality's commitment to fair housing, typically including the policy's purpose, procedures for complaint identification and referral, designating a fair housing officer, and outlining internal and external actions the municipality will undertake to advance fair housing. A best practices guide, as well as a copy of a model local fair housing policy can be found here: <https://metro council.org/Handbook/Files/Resources/Best-Practices/Fair-Housing-Policy-Guide.aspx>
- A **Living Wage** is 130% of the poverty guideline for a family of four within the 48 contiguous states established annually by the U.S. Department of Health and Human Services.
- **Micro-Enterprise** is a business with 5 or fewer employees including the owner.
- **Small Business** is a business that have been operating for at least 1 year with more than 5 employees and less than 50 employees, less than \$10 million in revenue, and faces barriers to survival and growth.
- **Transit-Oriented Development (TOD)** is moderate to higher-density development located within easy walking distance of a major transit stop, generally with a mix of residential, employment and shopping opportunities designed for pedestrians. (Additional information about transit-oriented development can be found in the Council's online handbook, the Guide for Transit-Oriented Development.)
- The **criteria to determine areas eligible for TOD funding** is as follows:
  - LCDA-TOD Development – The transit project has completed environmental review or received a Record of Decision.
  - LCDA Pre-Development – a project is in environmental review and included in the Transportation Policy Plan Current Revenue Scenario or the lead agency has adopted the Final Station Plan for bus rapid transit corridor.



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## 202019 Livable Communities Act Fund Distribution Plan

This document establishes the annual plan for distributing funds under the state Livable Communities Act (LCA, [Minnesota Statutes 473.25](#)).

The plan:

- Establishes the amount of funding available for 202019 and the limits that apply to individual awards.
- Sets the schedule for submitting grant applications, reviewing them, and awarding the funds.
- Describes the criteria the Metropolitan Council uses in selecting projects for grants.
- Defines who is eligible to apply for the grants.

~~More detailed information and instructions on process, grant terms, eligible and ineligible uses of grant funds and schedules will be contained in the individual grant applications and application guides.~~

### ~~Grants Strengthen Communities and Region~~

~~Livable Communities grants strengthen communities and the Twin Cities region. The funding helps cities foster economic development and job growth, expands housing choices and affordability, strengthens travel connections to where people want to go and promotes optimum use of existing public infrastructure.~~

~~By demonstrating commitment to local projects, the Council's investment of regional dollars helps leverage investment of additional public and private dollars. Communities and their residents benefit from improvements that enhance the quality of life. The region benefits from attracting talent and business opportunities that help it compete on a global scale.~~

~~The Metropolitan Council's mission is to foster efficient and economic growth for a prosperous metropolitan region. The Council's regional development plan — *Thrive MSP 2040* — advances that mission through its outcomes and in its principles, policies, and strategies. The Livable Communities Grant Program is an important investment that supports *Thrive MSP 2040* and helps the Council carry out its regional mission (see Appendix B).~~

### ~~Livable Communities Grant Accounts and Categories~~

#### ~~Livable Communities Demonstration Account (LCDA)~~

~~The LCDA supports development and redevelopment projects that link housing, jobs and services and use community and regional infrastructure efficiently. The LCDA is funded by a property tax levy that of approximately \$11.3 million (this amount is distributed among the regular LCDA, the LCDA-TOD and the LHIA. Amounts for each account and category are listed below).~~

#### ~~Local Housing Incentives Account (LHIA)~~

~~The LHIA helps expand and preserve lifecycle and affordable housing, both rented and owned. The LHIA annual base funding includes \$500,000 transferred from the LCDA tax levy plus \$1 million from the Council's general fund.~~

#### ~~Tax Base Revitalization Account (TBRA)~~

~~The TBRA helps clean up contaminated land and buildings for subsequent development. These grants are intended to provide the greatest public benefit for the money spent, strengthen the local tax base, and create and preserve jobs and/or affordable housing. The TBRA is funded by a property tax levy that is separate from the LCDA levy, established in statute that may not exceed \$5,000,000 annually.~~

## Livable Communities Demonstration Account Transit Oriented Development (LCDA-TOD) Grant Category

Using targeted funds from the LCDA, this program is focused on high density, generally mixed-use projects that are located within TOD-eligible areas along light rail, commuter rail, bus rapid transit, and high frequency bus corridors.

### *Points of Interest for 2019*

- ~~Account balances and investment earnings from the Livable Communities Fund are available to increase the amount available for LCDA, LCDA-TOD, LHIA, TBRA, and TBRA SEED funding categories for 2019. Fund balances are available to fully fund the accounts proposed in the Fund Distribution Plan. A future budget amendment will bring these fund balances into the Council Authorized Budget.~~
- ~~There is expanded eligibility for Local Housing Incentives Account (LHIA) applications that receive Low Income Housing Tax Credits through sub-allocator jurisdictions in addition to those requesting tax credits or deferred funding through the Minnesota Housing Request for Proposals process;~~

### *Funds Available for Award in 202019*

The dollar amounts cited below are the base amounts for grants to be awarded during 202019.

- ~~\$97.5~~ million for the LCDA program, with up to \$500,000 of that available for Pre-Development awards
- ~~\$42.5~~ million for the LHIA program
- ~~\$5.759~~ million for the TBRA Contamination Cleanup program, with up to \$250,000 of that available for Site Investigation grants
- ~~\$250500,000~~ for the TBRA Seeding Equitable Environmental Development (SEED) program (in addition to the amount above)
- \$5 million for the LCDA-TOD grant category, with up to \$500,000 of that available for Pre-Development awards

If significant additional monies accrue to any account during 202019 due to relinquished funds or investment earnings, additional funds may be made available through an amendment to this Plan.

If funding applied for or awarded through the LCDA-TOD or TBRA SEED grant categories is less than the funding available, the remaining funds may be made available for award through the regular LCDA or TBRA categories, respectively, without an amendment to this Plan.

Conversely, if funding awarded through the regular LCDA or TBRA categories is less than the funding available, the remaining funds may be made available for award through the LCDA-TOD or TBRA SEED categories without an amendment to this Plan. If funding awarded through the regular TBRA program is less than the funding available, the remaining funds may be made available for award through the TBRA-SEED grant category without an amendment to this Plan.

### *Who Is Eligible to Apply?*

By state statute, applicants must be a local governmental unit, which may be a:

- A. Municipality (a statutory or home rule charter city or township) currently participating in the Metropolitan Livable Communities Housing Incentives Program
- B. Metropolitan county
- C. Housing and Redevelopment Authority, Economic Development Authority, Community Development Authority or Port Authority

Projects proposed by categories (B) and (C) must be located in [participating municipalities](#).

Individuals and/or private or nonprofit developers are not eligible to apply.

**Eligible and Ineligible Uses** **More Information**

~~Details on eligible and ineligible uses for each grant category are included in the application guides for each grant category. More detailed information and instructions on process, grant terms, eligible and ineligible uses of grant funds and schedules are provided will be contained in the program application guides and in the individual grant applications and application guides.~~

**LIVABLE COMMUNITIES GRANT  
PROGRAMS**

# Livable Communities Demonstration Account

**202019**  
**Funding Schedule**  
**Funding Criteria**  
**and Selection Process**

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## Livable Communities Demonstration Account (LCDA) – Regular Categories Funding Schedule

**202019 Available Funding for LCDA Development Grants:**

**\$97.5 Million, including up to \$500,000 for Pre-Development Grants**

Application Type	Month	Activity
LCDA Pre-Development	March	Notice of Funding Availability
	May 1	Spring applications due
	June	Community Development Committee <u>award</u> recommends <del>grant awards</del> <u>sations</u>
	July	Council awards spring LCDA pre-development grants
	September	Notice of Funding Availability
	November <u>24</u>	Fall applications due
	December	Community Development Committee <u>award</u> recommends <del>grant awards</del> <u>sations</u>
	December-January	Council awards fall LCDA pre-development grants
LCDA Development	February & April	Design Workshops
	March	Notice of funding availability
	July 1	Project Concept Plans due
	August 8	Full applications due
	September / October	Staff and Livable Communities Advisory Committee review and rank proposals
	November	Community Development Committee <u>award</u> recomme <del>ndations</del> <u>nds grant awards</u>
	December	Council awards <u>grants</u>

# Livable Communities Demonstration Account (LCDA)

## Section 1: Purpose, Program Profile, Award Limits

### Purpose of Livable Communities Demonstration Account (LCDA) Grants

LCDA funding assists cities with the implementation of their community development objectives and comprehensive plans in ways that:

1. Interrelate two or more of the following: development or redevelopment, affordable housing, and employment growth;
2. Intensify land uses and lead to more compact development or redevelopment;
3. Achieve a mix of housing opportunities; and
4. Encourage public infrastructure that connects communities, attracts investment, and provides project area residents with expanded opportunities for employment. ~~lead to economic development.~~

~~-These grants provide funds for public infrastructure and placemaking improvements that create or enhance connections between people, housing, jobs, and transit in innovative ways that offer demonstration value for other potential projects.~~ and achieve one or more of these objectives

### LCDA Program Profile

#### Funding Profile:

- LCDA Development
  - No match requirement
  - 3-year grant term
  - No cap on individual grant request amount.
- LCDA Pre-Development
  - 25% match requirement
  - No cap on request amount
  - Award limit: \$100,000 per city, per round
  - 2-year grant term (no extensions)
  - Application limit: three per City

~~A list of eligible grant-funded activities will be available in the application guide.~~

### Award Limits

There are no award limits for individual LCDA Development grants or per city, except that:

Council-established guidelines state that up to 40% of the total LCDA funds available in a grant cycle are available to projects located in Minneapolis and/or Saint Paul. The Council reserves the right to consider awarding more than 40% and reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

### ~~Section 2: LCDA changes for 2019~~

- ~~• New support in scoring process to emphasize equitable development principles. The “Tools and Process” section has been renamed “Partnerships and Process” and will score the level of diverse partnerships, community involvement, and planning for continued engagement throughout the life of the project.~~
- ~~• Design and land use are combined into one scoring category to emphasize the relationship between the two.~~
- ~~• Housing projects and jobs projects will be scored as two distinct categories. The same number of points are available for each project type.~~

**Section 23:** *LCDA Evaluation Process*

**LCDA Development Application Process.** The Council evaluates LCDA development applications in a two-step process. A staff evaluation team reviews and scores eligible grant applications using the Step One evaluation criteria and guidelines (see below).

Step Two of the evaluation process is conducted by the 15-member Livable Communities Advisory Committee (LCAC), which makes funding recommendations to the Council. The LCAC includes members representing seven areas of expertise to provide the range of skills and experience necessary for evaluating the complex LCDA applications. Two members are selected for each of the areas of expertise: local government (planning, economic or community development); development finance (one member in private finance, one in public finance); development (one member in new development, one in redevelopment); transportation; environment; site design; and community-based organizations representing or serving underserved communities. The LCAC chair, not representing a specific area of expertise, is the 15<sup>th</sup> member.

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Step One Evaluation Criteria for LCDA Development Grants	Possible Points
<b>Efficient Land Use and Site Design</b>	
<ul style="list-style-type: none"> <li>The project's ability to maximize the potential of the location through intensified land use and increased density</li> <li>The development introduces a diversity of uses to the project area</li> <li>The project includes internal pedestrian circulation <u>thatwhich</u> is convenient, efficient, and attractive throughout and around the project site</li> <li>The site is designed to facilitate pedestrian activity and considers first floor activity, parking location, and wayfinding</li> </ul>	15
<b>Connections</b>	
<ul style="list-style-type: none"> <li>The development project takes advantage of or maximizes connections between or among housing, centers of employment, education, retail, and recreation uses through location or design</li> <li><u>The development provides convenient, efficient, and attractive access from the project site to the neighborhood or the surrounding community through infrastructure that emphasizes pedestrian and/or bike mobility</u></li> <li><u>The development creates opportunities for social interaction, through location, programming or design, to increase community connections</u></li> </ul>	<u>78</u>
<b>Environmental Design</b>	
<ul style="list-style-type: none"> <li>The project conserves, protects, and enhances natural resources</li> <li>The project incorporates green building design and/or energy efficiency standards</li> <li>The project utilizes sustainable site design</li> </ul>	<u>87</u>
<b>Jobs and Housing (Projects will be scored as Jobs or Housing projects, taking the highest score of either category)</b>	
<p><b>Jobs Projects</b></p> <ul style="list-style-type: none"> <li>The project's ability to expand employment opportunities through the creation or preservation of permanent employment opportunities with emphasis on including living wage jobs and increasing diversity of jobs type in the area</li> <li>The creation of jobs in or near Areas of Concentrated Poverty <u>that will be accessible to existing area residents</u></li> <li>There is an established process to advance and promote the employment of local workers</li> <li>The development prioritizes the preservation of existing small businesses and/or the ability to occupy commercial space with small with local small businesses</li> </ul> <p><b>OR</b></p> <p><b>Housing Projects</b></p> <ul style="list-style-type: none"> <li>The project provides or preserves housing <del>choices to give people in all life stages and of all economic means viable choices for safe, stable, and affordable homestypes that contribute to a full range of housing choices</del></li> <li>The development's willingness to accept Housing Choice Vouchers</li> <li>The project's ability to work with community partners to implement a displacement prevention strategy</li> </ul>	12
<b>Partnerships and Processes</b>	
<ul style="list-style-type: none"> <li>The project team involves partnerships among government, private for-profit and nonprofit sectors, and the local community</li> <li>The project fills an identified and specific community need</li> </ul>	8



<ul style="list-style-type: none"> <li>• The project team initiates community engagement early in the planning process</li> <li>• The planning process is inclusive of and responsive to community participation, vision, and leadership</li> <li>• The project team has a clear engagement plan to maintain community involvement throughout the project</li> <li>• Significant project changes lead to additional community engagement</li> </ul>	
<b>Total</b>	<b>50</b>
<b>Applications must score 25 or more points to advance to the Step Two evaluation process.</b>	

<b>Step Two Evaluation Criteria for LCDA Development Grants</b>	<b>Possible Points</b>
<b>Innovation and Demonstration</b>	
<p>The development project provides demonstration value for the community and for the region through:</p> <ul style="list-style-type: none"> <li>• New development concepts, strategies, elements, or partnerships in one or more of the scoring areas covered in the Step One evaluation process</li> <li>• Serving as a model of LCDA goals <u>as defined in statute or described in Step One criteria</u></li> <li>• <u>Incorporating equitable development strategies when planning and/or designing the proposed project</u></li> <li>• <u>Ability to glean and share demonstration and/or innovation findings to other communities/projects in the</u></li> </ul>	<del>30</del> <u>25</u>
<b>Catalyst</b>	
<ul style="list-style-type: none"> <li>• The proposed development project will catalyze <del>additional development and private investment to future project phases and/or to the immediate area</del><u>additional efforts to further community development goals</u></li> <li>• The inclusion of strategies to support wealth building for residents within the community where the project is located</li> </ul>	10
<b>Readiness Assessment</b>	
<p>The development project is ready and able to use awarded grant funds within the 36-month grant term, based on an assessment including:</p> <ul style="list-style-type: none"> <li>• The status of implementation tools – for example, zoning codes and other official controls, design standards, or development standards</li> <li>• The status of funding commitments and other indicators of readiness</li> <li>• <u>Partnerships have been formalized and committed to and roles and contributions have been agreed to</u></li> <li>• <u>The applicant's capacity to manage the grant partnership</u></li> </ul>	<del>40</del> <u>15</u>
<b>Step Two Total</b>	<b>50</b>
<b>Combined Step One and Step Two Total</b>	<b>100</b>
<b>Combined Step One and Step Two scores must total 60 to be considered for funding.</b>	
<del><b>Housing Performance Score</b></del>	

<p><del>The applicant's Housing Performance Score will be converted from a 100-point scale to a 40-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.</del></p>	<p>40</p>
<p><b>Overall Total</b></p>	<p><b>110</b></p>

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**LCDA Pre-Development Application Evaluation Process** Applicants seeking funding for LCDA Pre-Development activities may apply for funds in either the Spring or Fall funding rounds. The process for evaluating applications for these grants is conducted by the staff evaluation team in a single step.

Evaluation Criteria for LCDA Pre-Development Project Grants	Possible Points
<b>Land Use and Site Design–Livable Communities Act Goals</b>	
<p>The proposed project’s ability to <u>or assess the potential of the project to:</u></p> <ul style="list-style-type: none"> <li>• Intensify land use, <u>increase diversity of land uses, improve the pedestrian/bicycle environment and encourage community interaction at the sitee by planning to add buildings and increase density</u></li> <li>• Increase the diversity of uses in the project area by planning to add new uses<u>Connect proposed and exiting land uses and increase connections between housing, jobs, services and amenities</u></li> <li>• Provide internal pedestrian and bicycle convenience and efficiency through the design, layout, and features of the project<u>Conserve natural resources when feasible and follow sustainable site design practices</u></li> <li>• Develop a site design that encourages pedestrian and bicycle activity and active first floors<u>Increase housing choice and further City’s ability to meet their affordable housing goals</u></li> </ul>	811
<b>Connections</b>	
<p>How well the proposed project will</p> <ul style="list-style-type: none"> <li>• <del>Establish a connected development pattern between housing and centers of employment, education, retail, and recreation uses</del></li> <li>• <del>Connect to surrounding area and provide convenient access to nearby development</del></li> <li>• <del>Incorporate short blocks with pedestrian connections adjacent to the buildings</del></li> </ul>	5
<b>Environmental Design</b>	
<p>Initial development plans will</p> <ul style="list-style-type: none"> <li>• <del>Provide opportunities to employ natural resources, where feasible and appropriate, as community connections, assets, and amenities</del></li> <li>• <del>Utilize sustainable site design practices</del></li> </ul>	5
<b>Housing</b>	
<p>The proposed project’s ability to</p> <ul style="list-style-type: none"> <li>• <del>Diversify housing options within the future development site, neighborhood and community</del></li> <li>• <del>Provide a range of housing density, type, and cost</del></li> <li>• <del>Help achieve the city’s negotiated affordable and lifecycle housing goals</del></li> </ul>	9
<b>Jobs</b>	
<p>The proposed project’s ability to</p> <ul style="list-style-type: none"> <li>• <del>Create or preserve employment opportunities in the project area with a preference for living wage jobs</del></li> <li>• <del>Plan to preserve existing local small businesses</del></li> </ul>	5
<b>Readiness</b>	

<p><del>Implement the applicant city's local comprehensive plan</del></p> <ul style="list-style-type: none"> <li><del>The project's or proposal's alignment with the City's comprehensive or other local plans</del> <del>ability to implement any redevelopment plans, corridor or other local plans applicable to the identified project area</del></li> <li><del>The city has identified and secured financial commitments to move project forward</del></li> <li><del>The city has demonstrated political commitment for the future development or redevelopment project</del></li> <li>The proposed project is ready and able to use the grant, if awarded, within the 24-month grant term <del>(higher points will be given for more advanced projects on the pre-development continuum)</del></li> </ul>	<p><del>40</del> <u>17</u></p>
<b>Demonstration Value and Catalyst</b>	
<ul style="list-style-type: none"> <li><del>The project can provide demonstration value and generate area-wide benefits</del> <u>Project or proposal includes process to share demonstration or innovation findings to other communities in the region</u></li> <li><del>Extent to which pre-development activities will be a catalyst to implement the project of which it is a part</del> <u>Extent to which the project incorporates or assesses feasibility to incorporate new development strategies to support identified community needs</u></li> <li><del>Extent to which the proposed development project will catalyze additional development and private investment to future project phases and/or the immediate area</del></li> </ul>	<p>10</p>
<b>Catalytic Value</b>	
<ul style="list-style-type: none"> <li><u>Extent to which pre-development activities will catalyze the LCA goals described above in the project of which it's a part, or in the project area</u></li> <li><u>Extent to which the project will support meeting identified community needs</u></li> </ul>	<p><u>10</u></p>
<b>Partnerships and Process</b>	
<ul style="list-style-type: none"> <li><del>Pre-development activities provide for meaningful and appropriate public engagement</del> <u>Proposal provides for meaningful and appropriate public engagement during the pre-development phase and beyond</u></li> <li><del>Proposal works with community partners to implement a displacement prevention strategy if needed</del> <u>The project brings together a variety of partners</u></li> <li><del>There is a defined plan to continue community engagement throughout the development process</del> <u>Engagement includes a variety of stakeholders</u></li> </ul>	<p><del>12</del> <u>8</u></p>
<b>Total (Applications must score 30 or more points to receive funding consideration)</b>	
<b>Housing Performance Score</b>	
<p><del>The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.</del></p>	<p><del>40</del></p>
<b>Overall Total</b>	
<p><b>70</b></p>	

# LIVABLE COMMUNITIES GRANT PROGRAMS

## Local Housing Incentives Account

**202019**  
Funding Schedule  
Funding Criteria  
and Selection Process

## Local Housing Incentives Account (LHIA) Funding Schedule

**202019 Available Funding for LHIA: \$42.5 Million**

Application Type	Month	Activity
Ownership and Rental Programs	April <del>25</del>	Minnesota Housing/Funding partners issue notice of funding availability
	May <del>14</del> <sup>7</sup>	Multifamily Intent to Apply form due
	June <del>4</del> <sup>3</sup>	Application deadline
	July/ <del>August</del>	Minnesota Housing staff review applications
	<del>August-September</del> / <del>October</del>	Minnesota Housing/Funding partner application evaluation and selection meetings
	<del>November</del> / <del>October</del>	Minnesota Housing board acts on funding recommendations
	<del>November</del> / <del>December</del>	Community Development Committee recommendations <del>ss</del> -grant awards
	December	Council awards <del>grants</del>

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## Local Housing Incentives Account (LHIA)

### Section 1: Purpose, Program Profile, Award Limits

#### Purpose of the Local Housing Incentives Account Grants

The Local Housing Incentives Account funding assists cities in meeting their ~~negotiated~~ affordable and lifecycle housing goals. Grants provide funds to construct, rehabilitate, maintain, and/or preserve affordable housing opportunities.

#### LHIA Program Profile

##### Funding Profile:

- A dollar-for-dollar match is required from the grantee
- 3-year grant term
- Eligible uses:
  - Gap financing for acquisition, rehabilitation, new construction, and preservation of affordable housing

~~More details on eligible and ineligible uses can be found in the LHIA Program Guide.~~

#### Award Limits

- The LHIA contribution to fill the gap in homeownership applications will be limited to no more than one-half of the difference between the purchase price of the home and the total per-unit hard costs. This limit does not apply if a project maintains the homes affordability level for a minimum of 15 years.
- The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

### ~~Section 2: LHIA Changes for 2019~~

- ~~Applications to sub-allocator jurisdictions; Dakota County, Minneapolis, Saint Paul, Washington County, are eligible for LHIA funding outside of the consolidated request for proposals.~~

### Section 23: Evaluation Process

The Metropolitan Council partners with Minnesota Housing, the Greater Minnesota Family Housing Fund and others to implement the LHIA program. Applicants apply for LHIA funds through the Consolidated RFP process administered by Minnesota Housing, or directly to a sub-allocator. All applications are reviewed and evaluated by the funding partners, with Council staff applying the Metropolitan Council project eligibility criteria. The criteria set forth in this Fund Distribution Plan are specific to the LHIA program. See the Minnesota Housing web pages for detailed information ([Special Announcements Application Resources](#)).

#### LHIA Threshold and Competitive Criteria

- A significant component of the project must serve households with incomes at or below 680% of Area Median Income (AMI) with a minimum affordability term of 15 years, for rental projects.
- Grantees must have an adopted Fair Housing Policy in order to receive Livable Communities Act Funding.
- Projects must have affirmative fair housing marketing plans.
- The Council will give priority to:
  - rental proposals creating or preserving affordability for persons at or below 30% of AMI;
  - proposals that serve large families by providing two or more-bedroom units; and
  - proposals meeting the needs of individuals and households experiencing long-term homelessness;

- proposals that consider displacement impact and mitigation strategies; and
- proposals that provide a housing type not currently available or serve a population not currently served in or near the project area.-

### Other Considerations

The Council will give preference if:

- ~~A municipality has a lower Housing Performance score than the other proposals being considered for funding;~~
- A municipality currently has a net fiscal disparities contribution of \$200 or more per household;
- A municipality does not use its expenditure from the Affordable and Lifecycle Housing Opportunity Amount (ALHOA) as the source for its matching funds; or
- A development project exceeds the current building code requirement which states a minimum of 5% of the total units in a development be designed and constructed to meet accessibility requirements, and an additional 2% of the dwelling units must be adaptable for the vision/hearing impaired. If any applications are received for projects exceeding these minimums, any other applications for affordable housing projects outside the Metro Mobility service area will receive the same preference, even if they do not propose to exceed those minimums.

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# LIVABLE COMMUNITIES GRANT PROGRAMS

## Tax Base Revitalization Account

**202019**  
Funding Schedule  
Funding Criteria  
and Selection Process

## Tax Base Revitalization Account (TBRA) Funding Schedule

202019 Available Funding for TBRA Grants:

\$5.759 Million, including up to \$250,000 for Site Investigation Grants

\$250500,000 for Seeding Equitable Environmental Development Program Grants

Application Type	Month	Activity
Round 1: Investigation, Cleanup and Seeding Equitable Environmental Development program	March	Notice of funding availability
	May	Applications due
	June	Community Development Committee recommends <del>s</del> <u>grant awards</u> <del>sations</del>
	July	Council awards <del>s</del> <u>grants</u>
Round 2: Investigation, Cleanup and Seeding Equitable Environmental Development program	August	Notice of funding availability
	November	Applications due
	December	Community Development Committee recommen <u>ations</u> <del>s</del> <del>s</del> <u>grant awards</u>
	January 2020	Council awards <del>s</del> <u>grants</u>

# Tax Base Revitalization Account (TBRA)

## Section 1: Purpose, Program Profile, Award Limits

### Purpose of the Tax Base Revitalization Account (TBRA) Grants

TBRA funding helps make areas that have lost commercial/industrial activity available for economic redevelopment. The grants provide funds for environmental site investigation and cleanup for redevelopments that enhance the city tax base, promote job retention or job growth and/or create or preserve affordable housing.

### TBRA Program Profile

Successful TBRA applications support redevelopments that eliminate or reduce the risk from contamination, increase the tax base and, create or preserve jobs or affordable housing. Applicants will choose one of the following grant categories for each proposal submitted for funding:

- *Site Investigation* grants are intended for applicants that have a redevelopment site with suspected or perceived contamination and are seeking public funding to determine the scope and severity of the contamination and to develop a cleanup plan.
- *Contamination 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 redevelopment on a specific project.
- *TBRA Seeding Equitable Environmental Development (TBRA SEED)* grants are intended for sites within an area of concentrated poverty that do not have a planned or identified redevelopment project. Activities may include site investigation, cleanup, or both.

### Funding Profile:

- Site Investigation
  - 25% match requirement
  - 1-year grant term (no extensions)
  - \$50,000 cap on request amount
  - Eligible uses:
    - Phase I environmental site assessment, Phase II environmental site assessment, hazardous materials building assessments, development of response action plans
- Contamination Cleanup
  - No match requirement
  - 3-year grant term (2-year extension possible)
  - No cap on request amount
  - Eligible uses: contaminated soil remediation, groundwater remediation, soil vapor mitigation, hazardous building materials abatements
- TBRA SEED
  - Site within areas of concentrated poverty (ACPs) and in areas previously defined as ACPs, and parcels within 150 feet of a current or former ACP
  - No identified redevelopment project associated with the investigation and/or cleanup
  - 25% match requirement for investigation and/or abatement
  - \$50,000 cap on request amount for investigation
  - 2-year grant term (no extensions);
  - Eligible uses:
    - Phase I environmental site assessment
    - Phase II environmental site assessment

- Hazardous materials building assessments
- Hazardous building materials abatements for all sites within an ACP and
- Contaminated soil remediation, groundwater remediation, or soil vapor mitigation for sites with an approved cleanup plan and developer site control

### Award Limits

The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle. By [statute](#), total award amounts by funding cycle are limited to 50% within a single city or 75% within Minneapolis and Saint Paul.

### ~~Section 2: TBRA changes for 2019~~

- ~~• New cleanup scoring criterion added to encourage adding job opportunities within micro-enterprises or new small businesses~~

### Section 23: Evaluation Process

#### Site Investigation Applications

The Council will rank the investigation applications according to the extent they demonstrate the following:

Site Investigation Evaluation Criteria	Possible Points
<b>Increase to the Tax Base</b>	
Increase to the tax base of the recipient municipality based on a redevelopment proposal.	5
<b>Access to jobs and/or affordable housing (and economic competitiveness)</b>	
<ul style="list-style-type: none"> <li>• Potential to increase or retain the number of new full-time equivalent jobs for the region through adaptive reuse, infill development or redevelopment</li> <li><del>• Potential for construction of distribution facilities and commercial-industrial space for freight-generating industries near regional intermodal freight terminals</del></li> <li>• Potential to add affordable rental or ownership housing units for households with incomes at or below 80% of Area Median Income (AMI) OR</li> <li>• Preserve existing affordable housing if               <ul style="list-style-type: none"> <li>○ the building undergoes substantial rehabilitation</li> <li>○ ensures the extension of long-term affordability with income restrictions on tenants with incomes at or below 80% of Area Median Income (AMI) AND</li> <li>○ includes federal subsidy (e.g., project-based Section 8) as part of the redevelopment financing</li> </ul> </li> </ul>	5

Site Investigation Evaluation Criteria	Possible Points
<b>Brownfield clean up/environmental health improvements</b>	
<ul style="list-style-type: none"> <li>Investigation of the most contaminated sites to provide the greatest improvement in the environment and the greatest reduction in human health risk</li> <li><del>The site and suspected contamination will use green remediation practices.</del></li> <li>The applicant's capacity to oversee environmental investigations and successfully complete site cleanup with prior Council-funded environmental investigations</li> </ul>	15
<b>Orderly and Efficient Land Use</b>	
<p>Show how the investigation supports the Council's <i>Thrive MSP 2040</i> goals by:</p> <ul style="list-style-type: none"> <li>Likelihood of potential development to increase the use of transit, and/or</li> <li>Supporting growth in the region through adaptive reuse, infill development or redevelopment</li> <li>The Council will give priority to the re-use of vacant or abandoned sites</li> </ul>	15
<b>Readiness/Market demand</b>	
<ul style="list-style-type: none"> <li>Demonstrate readiness to proceed with cleanup-site investigation</li> <li>Demonstrate readiness to proceed with site cleanup</li> <li>Demonstrate market demand for proposed redevelopment elements in the project area and demonstrate readiness to implement the proposed project if/when TBRA funding is provided, including identifying a developer and commitments by occupants. or future owners</li> </ul>	15
<b>Partnership</b>	
Demonstrate established financial partnerships. Points are awarded for committing matching funds beyond the required minimum 25% match.	5
<b>TOTAL</b>	
<b>60</b>	
<p><b>Applications must score 30 points or more out of 60 points to be considered for funding.</b></p>	

## Contamination Cleanup Applications

The Council will rank cleanup applications according to the extent they demonstrate the following:

Contamination Cleanup Evaluation Criteria	Possible Points
<b>Increase to the tax base</b>	
<ul style="list-style-type: none"> <li>• Increase the tax base of the recipient municipality</li> <li>• Add tax revenue in the near term. (Projects not in or not expected to be in a Tax Increment Finance district earn 5 points because all the affected tax jurisdictions benefit immediately)</li> </ul>	25
<b>Access to Jobs and/or affordable housing and economic competitiveness</b>	
<ul style="list-style-type: none"> <li>• Increase or retain the number of permanent jobs in the region</li> <li>• Increase job opportunities within micro-enterprises or new small businesses</li> <li>• Preserve and/or increase the number of permanent living wage jobs in the region</li> <li>• Increase permanent living wage jobs within and near areas of concentrated poverty</li> <li>• <del>Construction of distribution facilities and commercial industrial space for freight-generating industries near regional intermodal freight terminals</del></li> <li>• Add affordable rental or ownership housing units for households with incomes at or below 80% of Area Median Income (AMI)</li> </ul> <p>OR</p> <ul style="list-style-type: none"> <li>• Preserve existing affordable housing if               <ul style="list-style-type: none"> <li>○ the building undergoes substantial rehabilitation:</li> <li>○ doing so ensures the extension of long-term affordability with income restrictions on tenants with incomes at or below 80% of Area Median Income (AMI) AND</li> <li>○ includes federal subsidy (e.g., project-based Section 8) as part of the redevelopment financing</li> </ul> </li> </ul> <p>(A minimum of 20% of the total housing units proposed must be affordable for a project to be considered for affordable housing points, and the minimum term of affordability is 15 years.)</p>	25
<b>Brownfield cleanup/environmental health improvements</b>	
Clean-up of the most contaminated sites to provide the greatest improvement in the environment and the greatest reduction in human health risk	25

Contamination Cleanup Evaluation Criteria	Possible Points
<b>Orderly and efficient land use</b>	
<p>Show how the cleanup and redevelopment project supports <i>Thrive MSP 2040</i> goals by:</p> <ul style="list-style-type: none"> <li>Supporting growth in the region and around regional transit through adaptive reuse, infill development or redevelopment to make the best use of public and private investment</li> <li>Support for private investment in Areas of Concentrated Poverty particularly investment related to wealth-building strategies such as new micro-enterprise or new small business</li> <li>Accommodating growth through increased redevelopment density</li> <li>Providing or preserving housing choices to give people in all life stages and of all economic means viable choices for safe, stable and affordable homes including the willingness to accept Housing Choice Vouchers</li> <li>Conserving vital regional natural resources features and functions</li> <li>Conserving, restoring or protecting the region's water resources through environmentally sound opportunities for recharging groundwater with best management practices for stormwater</li> <li>Commitment to resilient energy infrastructure through the use of renewable energy sources</li> <li>Providing access to regional parks and trails and the transit network using a variety of modes of travel</li> <li>Showing consistency of proposed use with regional highway system and investments in the regional transit system and showing potential for growth in transit service</li> </ul>	35
<b>Readiness and market demand</b>	
<ul style="list-style-type: none"> <li>Demonstrate readiness to proceed with project site cleanup</li> <li>Demonstrate market demand for proposed redevelopment elements in the project area and demonstrate readiness to promptly implement the proposed project if/when TBRA funding is provided, including identifying an end-stage developer and commitments by occupants</li> </ul>	25
<b>Partnership</b>	
Represent innovative partnerships among various levels of government and private for-profit and nonprofit sectors	5
<b>Community's Housing Performance Score</b>	
<p><del>The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if affordable housing is located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual score or the average score for this section from all proposals.</del></p>	10
<b>TOTAL</b>	
<b>Applications must score <u>705</u> points or more out of <u>1450</u> points to be considered for funding.</b>	

## TBRA Seeding Equitable Environmental Development Program Applications

The Council will rank applications for the TBRA Seeding Equitable Environmental Development program category for sites within current and formerly identified area of concentrated poverty and properties directly adjacent to identified areas that do not have a specific redevelopment project according to the extent they demonstrate the following:

<b>TBRA Seeding Equitable Environmental Development Evaluation Criteria</b>		<b>Possible Points</b>
<b>Increase to the tax base</b>		
Potential to increase the tax base of the recipient municipality based on the current tax base of the subject property and changes to the property classification OR based on the desired land use per a current request for proposals for redevelopment		5
<b>Access to jobs and/or affordable housing (and economic competitiveness)</b>		
Potential for adding or retaining new jobs based or adding or preserving housing choices through adaptive reuse, infill development or mixed-use redevelopment based on existing land use designation and proximity to existing employment centers		5
<b>Reducing contamination risk and making health improvements</b>		
Suspected or known environmental contaminants, pollutants, hazardous substances or hazardous building materials and characterization 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
<b>Orderly and efficient land use</b>		
<ul style="list-style-type: none"> <li>• Re-use of vacant lots or buildings</li> <li>• Potential for new construction that will increase the intensity of land use comparing existing improvements, if any, and existing zoning designation</li> <li>• Potential for increases in regional transit use</li> <li>• Potential for construction of distribution facilities and commercial-industrial space for freight-generating industries near regional intermodal freight terminals</li> <li>• Plan for interim use that increases visibility or improves marketability of the redevelopment opportunity</li> </ul>		15
<b>Partnership</b>		
<ul style="list-style-type: none"> <li>• Demonstrate public, not-for-profit or private commitment of financial resources and coordination of technical expertise to advance redevelopment opportunities</li> <li>• Located within an active business improvement district</li> </ul>		10
<b>Readiness</b>		
<ul style="list-style-type: none"> <li>• Readiness to proceed with cleanup site investigation OR readiness to proceed with site asbestos and lead-based paint abatement</li> <li>• Market demand for redevelopment</li> </ul>		10
<b>TOTAL</b>		<b>60</b>
<b>Applications must score 30 points or more out of 60 points to be considered for funding.</b>		



# LIVABLE COMMUNITIES GRANT PROGRAMS

## Livable Communities Demonstration Account Transit-Oriented Development ~~Grant Category~~

~~20~~**2019**  
Funding Schedule  
Funding Criteria  
and Selection Process

## Livable Communities Demonstration Account (LCDA) Transit-Oriented Development (TOD) Funding Schedule

202019 Available Funding for LCDA-TOD Grants:

~~LCDA-TOD Grants: \$5 Million~~, including up to \$500,000 for Pre-Development Grants

Application Type	Month	Activity
LCDA-TOD Pre-Development	March	Notice of <u>Round 1</u> funding availability
	May 1	Round 1 applications due
	June	Community Development Committee recommends Round 1 grant awards
	June/July	Council awards Round 1 grants
	September	Notice of <u>Round 2</u> funding availability
	November <u>24</u>	Round 2 applications due
	December	Community Development Committee recommends Round 2 grant awards
	December / January	Council awards Round 2 grants
LCDA-TOD Development	March	Notice of funding availability
	<del>February &amp; April</del> <u>March</u>	Design <u>W</u> workshops
	<del>June 1</del>	<del>Project Concept Plans due</del>
	July 14	Applications due
	<u>July/August</u>	<u>Staff and Livable Communities Advisory Committee review and rank proposals</u>
	<del>September</del> <u>October</u>	Community Development Committee recommends TOD Development grant awards
	<del>September</del> <u>October / November</u>	Council awards TOD Development grants

## Transit-Oriented Development Grants

### Section 1: Purpose, Program Profile, Award Limits

#### Purpose of Transit Oriented Development

Transit Oriented Development, or TOD, refers to moderate- to higher-density development located within easy walking distance of a major transit stop, that typically include a mix of uses such as housing, jobs, businesses, and retail choices oriented to the transit stop. TOD projects are expected to diversify uses and provide a higher concentration of amenities in a compact built environment in transit station areas, contributing to high-quality, pedestrian-oriented streets and public spaces encouraging the use of transit service. Through a focus on TOD, the Council aims to integrate transportation, jobs, and housing, leverage private investment, advance equity, and increase transit ridership.

#### TOD Program Profile

LCA-TOD grants are a category within the LCDA account intended to catalyze transit-oriented development along transit corridors throughout the metropolitan area. (See introduction section for definition of the [LCDA](#) account.) Limited geographic areas are eligible for TOD funding based on levels of transit service and a transit project's stage of development. The criteria to determine areas eligible for TOD funding is as follows:

LCDA-TOD Pre-Development – the transit project is in environmental review and in the Transportation Policy Plan Current Revenue Scenario or the lead agency has adopted the Final [Corridor/Station](#) Plan for arterial bus rapid transit.

LCDA-TOD Development – The transit project has completed environmental review or received a Record of Decision.

Projects requesting LCDA-TOD Development funding must be located in one of the following TOD Eligible Areas, described as within:

- A ½-mile radius of an existing station on the following transit corridors:
  - [LRT: METRO Blue Line and Green, and Red Lines](#)
  - [BRT: METRO Red Line, A Line, and C Line](#)
  - Northstar Commuter Rail Line
- A ½-mile radius of a proposed station on the following planned transit corridors:
  - [LRT: METRO Blue Line and Green Line Extensions, METRO Orange Line](#)
  - [BRT: METRO Orange and Gold Line, and G Line \(excluding temporary stations\), D Line](#)
- A ½-mile radius of a bus stop or station [with significant infrastructure](#) on high-frequency express routes. High-frequency express service is defined as bus service [on or outside the I-494/694 freeways](#) providing [either](#) six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM, [or and](#) every 10 minutes during the peak morning hour.
- A ¼-mile radius of a bus stop along high frequency local bus lines, defined as those routes providing service at least every 15 minutes and running between 6:00 AM to 7:00 PM on week days and between 9:00 AM and 6:00 PM on Saturdays.

Projects requesting LCDA-TOD Pre-Development funding must be located within any one of the TOD Eligible Areas described above, or within:

- A 1/2-mile radius of a proposed station on the following planned transit corridors:
  - ~~[METRO Gold Line](#)~~
  - [Rush Line](#)
  - [Riverview](#)

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## Funding Profile:

- LCDA-TOD Development
  - No match requirement
  - No cap on request amount
  - Award limits: \$2,000,000 per city
  - Application limit: three per City
  - 3-year grant term (2-year extension possible)
  - Eligible uses are the same as the [LCDA Development grant category](#)
- LCDA-TOD Pre-Development for Future Project
  - 25% match requirement
  - No cap on request amount
  - Award limit: \$100,000 per city, per round
  - 2-year grant term (no extensions)
  - Application limit: three per City
  - Eligible uses: site plan development, market studies, project-specific stormwater management plans, geotechnical analysis, development staging plans
- LCDA-TOD Pre-Development for Zoning Implementation
  - 25% match requirement
  - No cap on request amount
  - Award limit: \$100,000 per city, per round
  - 2-year grant term (no extensions)
  - Eligible uses: development of TOD zoning ordinances

~~A list of eligible grant-funded activities will be available in the application guide.~~

## Award Limits

The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

## ~~Section 2: TOD changes for 2019~~

- ~~● Consolidation of TBRA-TOD into the regular TBRA program. Projects needing contamination cleanup may apply for funding through the regular TBRA program.~~
- ~~● Removal of TOD threshold criteria (elements from prior threshold criteria are integrated into Step 1 scoring).~~
- ~~● Refinement of scoring to allow for jobs or housing projects, with additional points given to mixed-use projects; greater emphasis on design and contributions to pedestrian realm; increase in points awarded for partnerships and equitable development strategies.~~
- ~~● Refinement of criteria to determine TOD eligible areas. Change from “project has entered environmental review” to “project has received FTA approval to Enter Project Development and/or Council has adopted a Final Station Plan”. This change provides more clarity on the specific point on the corridor development timeline a transit project may be eligible and provides more certainty on station locations.~~
- ~~● Addition of the D-Line BRT corridor as eligible for TOD Pre-Development and Development grants and Rush Line as eligible for TOD Pre-Development grants.~~

## Section 23: Evaluation Process

### LCDA-TOD Development Application Evaluation Process

The evaluation of TOD Development applications is a two-step ranking process. -First, an interdivisional [Council](#) staff evaluation team reviews and scores eligible applications using the Step One evaluation

criteria (see table below). Step Two of the evaluation process is conducted by members of the Livable Communities Advisory Committee (LCAC) using the Step Two evaluation criteria (see table below.)

The Council will rank LCDA-TOD Development applications according to the extent they demonstrate the following criteria above and beyond conventional or standard development types:

Step One Evaluation Criteria for LCDA-TOD Development	Possible Points
<b>TOD <u>Design Principles</u>:</b>	
<ul style="list-style-type: none"> <li>• <u>The demonstration innovative application of TOD design-principles to enhance the public realm and pedestrian environment and best practices in architecture, urban design, mobility, and equitable development</u></li> <li>• <u>The use of strategies to create an enhanced human-scale physical environment and street life that establishes a sense of place, fosters social interaction, and connects to the surrounding neighborhood, its public realm space, and its amenities</u></li> <li>• <u>The use of strategies that promote convenient pedestrian, bicycle, and micro mobility options to access daily needs and essential services between housing, employment, education, retail and recreation</u></li> <li>• <u>The inclusion of amenities and strategies to support use of strategies to increase the viability of transit use, biking, walking, car share and other alternative modes of transportation to single occupancy vehicles, as well as reducing the need for automobile ownership, vehicular traffic, and parking requirements</u></li> <li>• <u>The use of strategies to create equitable outcomes in the TOD area and the region</u></li> <li>• <u>The intensity of future use of the site's future land use, increased density, and consistency with the Council's Housing Policy Plan and Transportation Policy Plan</u></li> <li>• <u>The type and diversity of uses within the development project and/or TOD area, how the project fits into the area's context, and its potential impact on transit service levels</u></li> <li>• <u>The degree to which proposed development project advances align with city TOD guidelines, or area plans, and/or otherwise identified TOD goals</u></li> </ul>	20
<b>Housing and Jobs: (Projects will be scored as a "housing" or "jobs" project.)</b>	
<p>Housing Criteria:</p> <ul style="list-style-type: none"> <li>• <u>The creation or preservation of housing that contributes to a full range of housing choices</u></li> <li>• The addition of affordable <del>and/or life cycle</del> housing, or preservation of affordable units within the station area</li> <li>• The diversification of housing affordability and/or type within the station area</li> <li>• The acceptance of Housing Choice Vouchers</li> <li>• Housing affordability requirements for development projects assisted with city funds or other fiscal devices applicable in the TOD Area</li> </ul>	20 (single-use projects 15)

Step One Evaluation Criteria for LCDA-TOD Development	Possible Points
<p>Jobs Criteria:</p> <ul style="list-style-type: none"> <li>• The <del>creation or preservation of permanent jobs within the region</del><u>expansion of employment opportunities, emphasizing permanent living wage jobs and diversity of jobs in the area</u></li> <li>• <del>The creation or preservation of permanent living wage jobs in the region</del></li> <li>• The creation of jobs within or near <del>A</del>areas of <del>C</del>concentrated <del>P</del>poverty</li> <li>• <u>The use of strategies to advance and promote the employment of local workers</u></li> <li>• <u>The use of strategies to preserve existing small businesses or provide space for local small businesses</u></li> <li>• <u>The applicant's policies, practices or programs that support Disadvantaged Business Enterprises</u></li> <li>• The project's proximity <u>and access</u> to employment centers with high job densities and its ability to enhance the local tax base</li> <li>• <del>The establishment of hiring and procurement goals and/or processes that advance and promote the employment of local workers and/or disadvantaged businesses</del></li> </ul> <p><del>Mixed-use projects will be scored on the criteria above as well as on the type and diversity of uses within the development project.</del></p>	
<b>Transit Accessibility, Walkability, &amp; Ridership</b>	
<ul style="list-style-type: none"> <li>• The degree to which the development project makes the TOD Area more transit-oriented OR the degree to which the existing area is already supportive of transit users</li> <li>• <del>The degree to which the project fulfills an identified area need</del></li> <li>• The extent and quality of connections from the development project to transit service and other uses <u>in the TOD area through infrastructure that promotes pedestrian and/or bike mobility</u></li> <li>• An increase in transit ridership <u>beyond what would be expected from a conventional development</u></li> </ul>	15
<b>Environmental Design</b>	
<ul style="list-style-type: none"> <li>• Conserving, restoring, or protecting the region's water resources through best management practices or innovative design</li> <li>• Commitment to <u>reducing green house gas emissions and carbon use through the application of</u> resilient energy infrastructure, <del>through the use of</del> green building design, energy efficiency standards, and/or the inclusion of renewable energy sources</li> <li>• The conservation, protection, or enhancement of natural resources features and functions</li> </ul>	12

Process and Partnerships:	
<ul style="list-style-type: none"> <li>Partnerships have been established among various levels of government, <del>and</del> private for-profit and non-profit sectors, and the local community</li> <li><u>The project fills an identified and specific community need</u></li> <li>Community engagement efforts are <u>authentic</u>, initiated early in the planning process, <u>and plan to be maintained throughout the project's duration, especially if project changes occur</u></li> <li>The planning process is inclusive of and responsive to community participation, vision, and leadership</li> <li><u>The use of strategies to assess displacement risk and implement displacement prevention if needed</u></li> </ul>	8
<b>TOTAL</b>	<b>75</b>
<b>Applications must score 45 or more points to advance to the Step Two evaluation process.</b>	

Step Two Evaluation Criteria for LCDA-TOD Development	Possible Points
<b>TOD <u>Innovation and Demonstration Model/Demonstration Value</u></b>	
<ul style="list-style-type: none"> <li>The project's demonstration value <u>provided through:</u> <ul style="list-style-type: none"> <li><del>and potential to provide area-wide benefits</del> <u>New development concepts, strategies, or partnership in one or more Step One scoring area</u></li> <li><u>Modeling LCDA goals as defined in statute or described in Step One criteria</u></li> <li><u>Using equitable development strategies when planning and/or designing project</u></li> <li><u>Ability to glean and share demonstration and/or innovation findings to other communities in the region</u></li> <li>The degree to which the development plan demonstrates TOD design principles</li> </ul> </li> <li><del>The degree to which equitable development strategies were incorporated when planning and/or designing the proposed project</del></li> </ul>	20
<b>Catalyst</b>	
<ul style="list-style-type: none"> <li>The extent to which the proposed project will <u>position the TOD area for further intensification and additional transit-oriented development</u> <del>catalyze additional development and private investment to future project phases and/or to the immediate area and throughout the region</del></li> <li>The <u>extent to which the proposed project will</u> <del>inclusion of strategies to</del> support wealth building for residents within the community where the project is located</li> </ul>	15
<b>Readiness</b>	
<ul style="list-style-type: none"> <li><u>Development can use fund within 3 years, based on:</u> <ul style="list-style-type: none"> <li><u>Status of regulatory approvals</u></li> <li><u>Status of other funding commitments</u></li> <li><u>Partnership are formal and committed</u></li> </ul> </li> </ul>	15



Step Two Evaluation Criteria for LCDA-TOD Development		Possible Points
<ul style="list-style-type: none"> <li>○ <del>Applicant capacity to manage grant partnership</del> Project readiness and anticipated timeframe of development (higher points for proposals further advanced on predevelopment continuum and development projects closest to “shovel-ready/ground-breaking” stage)</li> </ul>		
<b>Step Two Total</b>		<b>50</b>
<b>Combined Step One and Step Two Total</b>		<b>125</b>
<b>Applications must score 75 or more points of the total 125 available points from Step One and Step Two combined to be considered for funding.</b>		
<b>Housing Performance Score</b>		
<del>The applicant’s Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community’s actual performance score or the average performance scores from all proposals being evaluated.</del>		<b>40</b>
<b>Overall Total</b>		<b>135</b>

### **LCDA-TOD Pre-Development and ~~LCDA-TOD Zoning Implementation~~ Application Evaluation Process**

Applicants seeking funding for LCDA-TOD Pre-Development ~~of an identified future development project or and~~ LCDA-TOD ~~Pre-Development of TOD Zoning Implementation activities~~ may apply for funds in two funding rounds. The process for evaluating applications for these grants is conducted by a staff evaluation team in a single step.

Evaluation Criteria for LCDA-TOD Pre-Development <del>with an of</del> Identified Future Development Project	Possible Points
Applications will be evaluated on the degree to which the proposed activities will enhance the potential for <del>their</del> associated development or redevelopment project to:	
<b>Transit Accessibility, Walkability, and Ridership</b>	
<ul style="list-style-type: none"> <li>Make <u>or assess potential of</u> the TOD Area <u>to be</u> more transit-oriented OR the degree to which the existing area is already supportive of transit users, considering factors such as: diversity of uses, quality of the pedestrian environment and connections to transit</li> <li><u>An increase in transit ridership beyond what would be expected from a more conventional development</u></li> </ul>	10
<b>TOD Design and Demonstration</b>	
<ul style="list-style-type: none"> <li>Exemplify TOD design <u>principles and best practices or assess ability of project to do so</u> features</li> <li><u>Intensify future use of the site or assess ability of project to do so</u></li> <li><u>Incorporate or assess feasibility to incorporate new development strategies to support identified community needs</u></li> <li><u>Project or proposal includes a plan to share findings when applicable and valuable</u></li> </ul>	15
<b>Housing</b>	
<ul style="list-style-type: none"> <li>Produce affordable and/or lifecycle housing <u>or assess the ability of the project to do so</u></li> <li>Assist the city in meeting its affordable and life-cycle housing goals</li> <li>Create or preserve a mix of housing <u>types affordability</u> within the station area <u>or assess the ability of the project to do so</u></li> </ul>	10
<b>Jobs</b>	
<ul style="list-style-type: none"> <li>Create or preserve, <u>or assesses the project's ability to create or preserve employment opportunities, particularly focusing on retaining or attracting locally owned businesses and providing opportunities to the local community</u></li> </ul>	5
<b>Catalyst</b>	
<del>Applications will also be evaluated on the degree to which:</del>	
<ul style="list-style-type: none"> <li><del>Pre-development activities will be a catalyst</del> <u>Catalyze the implementation of the project of which they are a part associated development or redevelopment</u></li> <li><del>Pre-development activities will lead to a development project that provides</del> <u>providing demonstration value and design above and beyond conventional that of standard development types</u></li> <li><del>The proposed development project will catalyze additional development and private investment to future project phases and/or to the immediate area, particularly focusing on retaining or attracting locally owned businesses and providing opportunities to the local community</del> <u>Position the TOD area for further intensification, catalyze additional transit-oriented development in a way that limits or mitigates displacement of existing residents or businesses, and /or further community development goals in the immediate area as well as throughout the region</u></li> </ul>	15
<b>Partnerships and Readiness</b>	

Applications will also be evaluated on the degree to which:

- Pre-development activities provide for meaningful and appropriate public engagement with communities most impacted by the project
- The city has identified and secured financial commitments to move the pre-development activities ~~project~~ forward
- ~~The city has demonstrated political commitment for the future development or redevelopment project~~
- The proposed project is ready and able to use the grant, ~~if awarded, within the 24-month grant term (Higher points will be given for more advanced projects on the pre-development continuum)~~ within two years

10

**Housing Performance Score**

~~The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.~~

40

**Total**

**675**

**Applications must score at least 3945 of the total 675 available points**

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Evaluation Criteria for Pre-Development <u>of</u> TOD Zoning <del>Implementation</del>		Possible Points
Applications will be evaluated on the degree to which the <u>proposed activities will enhance the potential for zoning changes that:</u> <del>proposed zoning ordinance will:</del>		
<b>Transit Accessibility, Walkability, and Ridership</b>		
<ul style="list-style-type: none"> <li>Improve the pedestrian and bike environment within the station area by addressing such elements as: <u>enhanced circulation networks for all modes of transportation</u>, increased connections and intersection density, public realm requirements, <del>reduced parking requirements, addition of and enhanced</del> public spaces, <del>and diversification of uses and intensification of future development within the TOD area.</del></li> </ul>	20	
<b>TOD Design and Demonstration</b>		
<ul style="list-style-type: none"> <li><del>Exemplify</del><u>Demonstrate</u> TOD design <del>features</del> by addressing elements such as: <u>land use and built form, design standards</u>, building articulation and orientation, <u>environmental design</u>, pedestrian zones, parking <u>management, and reduced parking requirements</u><del>placement and access</del></li> <li><u>Diversification of uses and intensification of future development within the TOD area</u></li> <li><u>The intensity of the TOD area's future development and its diversity of uses</u></li> <li><u>Potential to lead to a regulatory change that has demonstration value and includes how change will be evaluated and findings shared throughout the region</u></li> </ul>	25	
<b>Catalyst</b>		
<ul style="list-style-type: none"> <li><u>Position the TOD area for further intensification, catalyze additional transit-oriented development in a way that limits or mitigates displacement of existing residents or businesses, and /or further community development goals in the immediate area as well as throughout the region</u><del>The extent to which the zoning ordinance will catalyze (induce, stimulate, prompt, effectuate, or cause to happen) development and private investment to future projects</del></li> <li><u>Lead to development projects that provide demonstration value and design above and beyond conventional development types</u></li> </ul>	10	
<b>Partnerships and Readiness</b>		
<p>Applications will also be evaluated on the degree to which:</p> <ul style="list-style-type: none"> <li><del>Pre</del>-development activities provide for meaningful and appropriate <u>public engagement with communities most impacted by the zoning change</u></li> <li>The city has identified and secured financial commitments to move the project forward</li> <li><del>The city has demonstrated political commitment for the proposed zoning ordinance</del><u>Proposed project is ready and able to use the grant within 2 years</u></li> </ul>	15	
<b>Housing Performance Score</b>		
<del>The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal</del>	40	

will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.

**Total**

**780**

**Applications must score at least 428 of the 780 available points**

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## Appendix A. Definitions

- **Affordable housing, for all Livable Communities Act programs except Tax Base Revitalization Account (TBRA)**, is ownership or rental housing affordable to households with incomes of 680% or less of Area Median Income (AMI). For TBRA, that threshold is 80% of AMI. Units indicated as affordable must have a minimum 15-year affordability term, and a mechanism to ensure the affordability for that period of time.
- ~~**Equity** connects all residents to opportunity and creates viable housing, transportation, and recreation options for people of all races, ethnicities, incomes, and abilities so that all communities share the opportunities and challenges of growth and change.~~
- ~~The **Development Project** is the development or redevelopment project that provides the deliverables upon which a development grant application is scored. Note that in most cases, the Grant-Funded Activities do not comprise the Project.~~
- ~~**Equitable Development** creates healthy vibrant communities of opportunity where low income people, people of color, new immigrants and people with disabilities participate in and benefit from systems decisions and activities that shape their neighborhoods.~~
- **Fair Housing Policy** A written statement regarding the local municipality's commitment to fair housing, typically including the policy's purpose, procedures for complaint identification and referral, designating a fair housing officer, and outlining internal and external actions the municipality will undertake to advance fair housing. A best practices guide, as well as a copy of a model local fair housing policy can be found here: <https://metro council.org/Handbook/Files/Resources/Best-Practices/Fair-Housing-Policy-Guide.aspx>
- ~~The **Future Development Project** is the development or redevelopment project that provides the deliverables upon which the Pre-Development grant application is scored. These criteria apply only to LCDA-TOD Pre-Development applications as specified in the LCA-TOD eligibility criteria.~~
- ~~The **Grant-Funded Activities** are components of the project described in the application. The Grant-Funded Activities do not in and of themselves make up the project for which the Council awards grant funds.~~
- A **Living Wage** is 130% of the poverty guideline for a family of four within the 48 contiguous states established annually by the U.S. Department of Health and Human Services.
- **Micro-Enterprise** is a business with 5 or fewer employees including the owner.
- ~~**Participating Community.** To compete for Livable Communities grants, a community must elect to **participate** in the Local Housing Incentives program established by the Metropolitan Livable Communities Act (LCA) as well as negotiate with the Metropolitan Council to establish a set of goals for affordable and lifecycle housing. There are currently 96 Twin Cities communities participating in LCA programs.~~
- ~~The process of **Placemaking** can lead to the creation of physical spaces that foster civic engagement, build social connections, catalyze economic development, demonstrate environmental sustainability, and contribute to the unique sense of identity of a project area or neighborhood. LCA funding may be used for engagement activities to develop placemaking and for certain physical spaces. Intentionally designed spaces, such as plazas, squares, greens or courtyards, that serve to create an identity, a focal point of, or gateway to the development are examples of spaces that may~~

~~be eligible for LCA funding. Playgrounds, tot lots, neighborhood parks, or general amenity areas primarily for the use of the development project's tenants are examples of spaces that do not meet eligible placemaking criteria for Livable Communities.~~

- ~~• The **Project Area** is the specific geographic area in which LCDA-TOD Pre-Development activities will be conducted.~~
- For the purposes of LCDA and LCDA-TOD Development applications, **site improvement** means demolition and removal of obsolete structures; excavation, filling, grading and soil correction to prepare a site for construction.
- **Small Business** is a business that have been operating for at least 1 year with more than 5 employees and less than 50 employees, less than \$10 million in revenue, and faces barriers to survival and growth.
- **Transit-Oriented Development (TOD)** is moderate to higher-density development located within easy walking distance of a major transit stop, generally with a mix of residential, employment and shopping opportunities designed for pedestrians. (Additional information about transit-oriented development can be found in the Council's online handbook, the Guide for Transit-Oriented Development.)
- ~~• An **LCDA-TOD-Eligible Area** is~~
  - ~~• A ½-mile radius of an existing station on the following transit corridors:
    - ~~○ METRO Blue, Green, and Red Lines~~
    - ~~○ A Line~~
    - ~~○ Northstar Commuter Rail Line~~~~
  - ~~• A ½-mile radius of a proposed station on the following planned transit corridors:
    - ~~○ METRO Blue Line and Green Line Extensions, METRO Orange Line~~
    - ~~○ C Line (excluding temporary stations), D Line~~~~
  - ~~• A ½-mile radius of a bus stop or station on high-frequency express routes. High-frequency express service is defined as bus service on or outside the I494/694 freeways providing six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM and every 10 minutes during the peak morning hour.~~
  - ~~• A ¼-mile radius of a bus stop along high frequency local bus lines, defined as those routes providing service at least every 15 minutes and running between 6:00 AM to 7:00 PM on week days and between 9:00 AM and 6:00 PM on Saturdays.~~
  - ~~• Projects requesting LCDA-TOD Pre-Development funding must be located within any one of the TOD-Eligible Areas described above, or within a 1/2-mile radius of a proposed station on the following planned transit corridors:
    - ~~○ METRO Gold Line.~~
    - ~~○ Rush Line~~~~
- The **criteria to determine areas eligible for TOD funding** is as follows:
  - LCDA-TOD Development – The transit project has completed environmental review or received a Record of Decision.
  - LCDA Pre-Development – a project is in environmental review and included in the Transportation Policy Plan Current Revenue Scenario or the lead agency has adopted the Final Station Plan for bus rapid transit corridors.





## **Appendix B. How the Livable Communities Grant Program Supports Thrive MSP 2040**

Under state law, the Council is responsible for preparing a comprehensive development guide for the seven-county metropolitan area. *Thrive MSP 2040* provides a framework for a shared vision for the future of our region over the next 30 years. The Council adopted Thrive in 2014, along with the Housing Policy Plan, and in 2015 adopted the Transportation Policy Plan, the Regional Parks Policy Plan, and Water Resources Policy Plan. Thrive MSP 2040 and the policy plans provide the policy foundation and strategies to help accomplish the five desired outcomes that define the shared regional vision: **Stewardship, Prosperity, Equity, Livability, and Sustainability.**

The five outcomes reinforce and support one another to produce greater benefits than any single outcome alone. Outcomes describe how Council investments and policies are enriching the region for residents and businesses.

In addition to the Thrive systems and policy plans, the Council will consider how to advance the Thrive outcomes by making investments through **Livable Communities Act** grants. Livable Communities Act funding currently addresses the Thrive outcomes in many ways. Some of the ways include:

### **Stewardship:**

*“Leveraging our infrastructure investments with higher expectations of land use.”*

- LCDA and LCDA-TOD grants, in particular, help fund land acquisition and public infrastructure that increase densities, and provide a mix of uses and housing affordability and types.

### **Prosperity:**

*“Planning for and investing in infrastructure, amenities, and quality of life with an eye to what the region needs to be economically competitive.”*

- LCDA and LCDA-TOD grants help fund basic infrastructure and placemaking features that help create livable neighborhoods, as well as helping provide workforce housing in proximity to job centers and transit

*“Encouraging redevelopment and infill development across the region.”*

- All LCA accounts and associated grant categories have helped, and will continue to help participating communities implement projects in priority sites, that help further their comprehensive plan community development and redevelopment objectives

### **Equity:**

*“Using our influence and investments to build a more equitable region.”*

- The Livable Communities Act, Council policies and participating communities implement projects across the region that provide a range of employment, housing and transportation opportunities

*“Investing in a mix of housing affordability along the region’s transitways.”*

- ~~LCA grants have worked with participating communities and funding partners to create and preserve a mix of housing types and affordability levels connected to transit and jobs. Through the TOD grant category, the Council specifically awards grants for affordable housing in transit areas.~~

### **Livability:**

~~“Providing housing and transportation choices for a range of demographic characteristics and economic means.”~~

- ~~The Livable Communities Act, by design, provides funding to assist with the production and preservation of a range of housing and transportation choices.~~

~~“Aligning resources to support transit-oriented development and walkable, urban places.”~~

- ~~One of the early initiatives of the current Council was to create the TOD category of TBRA and LCDA grants. To date, the Council has awarded \$30.2 million in grants to 38 projects through the LCA-TOD grant categories.~~

### **Sustainability:**

~~“Promoting the wise use of water through expanding water conservation and reuse, increasing groundwater recharge, and rebalancing surface water and groundwater use.”~~

- ~~Many of the LCDA, LCDA-TOD, and TBRA-funded projects have included water conservation and re-use features, as well as provisions to protect water quality.~~

~~In collaboration with regional funding partners and participating cities, the Council will continue work to tailor the scoring criteria for LCA investments to balance the Thrive outcomes recognizing that “projects that balance all five of the outcomes create positive change, while efforts that advance only one or two at the expense of the others may fall short over the long term.”~~

~~The five outcomes focus on the “why” of *Thrive MSP 2040*. Just as important is the “how” – the principles set forth in *Thrive* guide how the Council carries out its work to advance the outcomes. The Council has identified three principles: **Integration, Collaboration, and Accountability.**~~

~~An example of the principle of **Integration** at work in the LCA is perhaps most clearly seen in the creation of the LCA-TOD grant category which focuses resources for projects that intensify land use in station areas and along high frequency bus corridors.~~

~~**Collaboration** is inherent in the LCA through statutory language that requires proposals using innovative partnerships between government, private for-profit, and nonprofit sectors be given priority. Additionally, the Council works with participating communities to support their community development needs when reviewing and developing the scoring criteria for the grant accounts~~

~~**Accountability** is essential for LCA. Monitoring and evaluating projects funded with LCA grants is an ongoing effort and challenge. Council staff is committed to continual improvement in this work to measure and report the regional accomplishments gained through completed projects, as well as hurdles experienced by projects that do not materialize. Both accomplishments as well as hurdles will be used to refine future Fund Distribution Plans to advance the *Thrive MSP 2040* outcomes.~~

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