

Community Development Committee

For the Metropolitan Council meeting of September 22, 2021

Subject: Livable Communities Demonstration Account Pre-Development Round Two Funding Recommendations

Proposed Action

That the Metropolitan Council:

1. Award six Livable Communities Demonstration Account Pre-Development grants totaling \$420,750 as shown in the table below.

Applicant	Recommended Project	Award Amount
City of Minneapolis	921 West Broadway	\$75,000
City of Minneapolis	2415-2017 West Broadway	\$75,000
Brooklyn Park EDA	7701 Brooklyn Boulevard	\$75,000
City of South Saint Paul	Hardman Triangle Repositioning Initiative	\$45,000
City of Saint Paul	1490 7 th Street East	\$75,750
Brooklyn Park EDA	The Villas Townhomes	\$75,000
TOTAL		\$420,750

Summary of Committee Discussion/Questions

Senior Planner Hannah Gary presented the funding recommendations. Representatives from the applicant communities were also in attendance. Council Member Lee inquired about the public plaza at the 2415 – 2017 West Broadway project from the City of Minneapolis. Gary described the goal of public plazas as being to create more community gathering space to facilitate both physical and social connections. She also noted that these are common components of LCDA projects as they earn points in the scoring process and are eligible for funding through the LCDA Development program.

Council Member Wulff asked about the affordability levels and wealth building component of The Villas Townhomes project. Breanne Rothstein, Economic Development and Housing Director from the City of Brooklyn Park, explained that the project is early in the process and affordability levels have not yet been determined. She stated that affordable housing is a priority for Brooklyn Park and will be a point of discussion with the developer. Council Member Chamblis expressed her support for the projects in Brooklyn Park noting that development in the project areas has been challenging in the past and that the new developments will be beneficial for the community.

Council Member Lilligren shared his support for awarding public funds to a small developer working on a smaller project. He explained that accessing public dollars is especially challenging for new developers working on smaller projects.

The Committee unanimously recommended approval of the proposed item at their regularly scheduled meeting on September 7, 2021.

Community Development Committee

Meeting date: September 7, 2021

For the Metropolitan Council meeting of September 22, 2021

Subject: Livable Communities Demonstration Account Pre-Development Round Two Funding Recommendations

District(s), Member(s): All

Policy/Legal Reference: Minn. Stat. § 473.253

Staff Prepared/Presented: Hannah Gary, Senior Planner, Livable Communities (651) 602-1633

Division/Department: Community Development/ Regional Planning

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Background

The Livable Communities Act (LCA) supports Metropolitan Council priorities through the Livable Communities Demonstration Account (LCDA) by funding projects that connect jobs, transit, services, and housing in efficient and effective ways. The Council adopted the 2021 LCDA guidelines, criteria, schedule, and evaluation process as part of the 2021 Annual Livable Communities Fund Distribution Plan ([Business Item 2021-47](#)) on February 24, 2021. The Fund Distribution Plan provides for a one-step staff evaluation process for the LCDA Pre-Development grant funding. A team of staff from the Community Development Division reviews Pre-Development applications.

Rationale

On July 21, 2021, the Council received six applications for Round Two of LCDA Pre-Development funding. Brooklyn Park Economic Development Authority, the City of Minneapolis, the City of Saint Paul, and the City of South Saint Paul all submitted applications. Staff review concluded that all submitted projects met the minimum score to be eligible for funding. Descriptions of each project are included in the Project Summaries.

As outlined in the 2021 Fund Distribution Plan, the Council has two rounds of LCDA Pre-Development funding in 2021, with up to \$500,000 available in each round. All six submitted projects are eligible for funding. Unallocated funds will be available for future programming.

Thrive Lens Analysis

Projects that demonstrate efficient and effective use of public financial resources further the Thrive Stewardship Outcome.

Projects that redevelop and increase density further the Thrive Prosperity outcome of “[e]ncouraging redevelopment and infill development across the region.”

Projects that provide a mix of housing affordability levels further the Thrive Equity outcome of “[c]reating real choices in where we live, how we travel, and where we recreate for all residents, across race, ethnicity, economic means, and ability.”

Projects that introduce more housing types and affordability levels in existing neighborhoods further the Thrive Livability outcome of “[p]roviding housing and transportation choices for a range of demographic characteristics and economic means.”

Funding

Funds are available in the Livable Communities authorized 2021 budget and Livable Communities reserve accounts to award these grants. Reserves may need to be amended into a future annual budget to meet cashflow needs on Livable Communities multi-year grants.

Known Support / Opposition

All applicants have submitted a statement of support from their City Council or other authorizing body. There is no known opposition to the proposals submitted.

Review Process

The Council issued a notice of funding availability in March 2021 after adopting the 2021 Annual Livable Communities Fund Distribution Plan. Staff held an informational webinar, distributed information about funding availability and met with applicants to discuss the LCA processes, criteria, and best program fit for their projects.

Six applications were submitted, as shown in Table 1. Council staff conducted a preliminary review for completeness and eligibility, then used Council-approved criteria to evaluate each application in the following areas: LCA and Thrive Goals, Pre-Development Activities, Process, and Who Is Involved.

Table 1. LCDA Pre-Development Application Scoring Summary

Applicant	Project	Points (45 pts. possible; minimum 30)	Amount Requested	Amount Recommended
City of Minneapolis	921 West Broadway	43	\$75,000	\$75,000
City of Minneapolis	2415-2017 West Broadway	38.5	\$75,000	\$75,000
Brooklyn Park EDA	7701 Brooklyn Boulevard	38.5	\$75,000	\$75,000
City of South Saint Paul	Hardman Triangle Repositioning Initiative	35.5	\$45,000	\$45,000
City of Saint Paul	1490 7 th Street East	35	\$75,750	\$75,750
Brooklyn Park EDA	The Villas Townhomes	33.75	\$75,000	\$75,000

Total Requested: \$420,750

Total Recommended: \$420,750

Total Available: \$500,000

Total Remaining: \$79,250

Projects Recommended for Funding

A project summary of each of the recommended projects is on the following pages. There were not any projects in this Round that were not selected.

Grant #
Type: LCDA Pre-Development
Applicant City of Minneapolis
Project Name 921 West Broadway
Project Location 921 West Broadway Ave
Council District 7 – Robert Lilligren

Project Detail	
Future Development Project Overview	The vision for the future development of 921 West Broadway includes the redevelopment of the site into a mixed-use commercial (first floor), office (second floor), and market rate and potentially affordable housing (3-6 stories). The vision for a mixed-use development is based on the needs outlined in West Broadway Alive Small Area Plan and Flora's 35 years of being a property owner on the corridor. However, community engagement, financial modeling, and a market/feasibility study are needed to inform the full and final scope and feasibility of the project.
Reviewer Comments	The project is supporting an existing business owner and the project team is prioritizing bringing in BIPOC-led organizations to support the development project.
Funding	
Requested amount	\$75,000
Previous LCA funding	None
Use of funds	
Total Award: \$75,000	
Amount	Uses and Deliverables to be completed by the end of the grant term
\$30,000	Activity: Market or Feasibility Study to develop and evaluate development scenario(s) Deliverable: Feasibility Analysis, Market Study, and Financial Modeling for 2-3 development scenarios
\$10,000	Activity: Design Workshops/Community Engagement Deliverable: Documentation of engagement such as outreach materials, sign-in sheets, or pictures of engagement events as well as a summary of engagement activities and how they have informed the project
\$5,000	Activity: Soil testing on project site to determine feasible land uses Deliverable: Final geotechnical report
\$30,000	Activity: Development of site plans, staging plans, public realm plans, plans Deliverable: Final site plans/public realm plans for future development

Grant #
Type: LCDA Pre-Development
Applicant City of Minneapolis
Project Name 2415 – 2017 West Broadway
Project Location West Broadway and 26th Avenue
Council District 7 – Robert Lilligren

Project Detail	
Future Development Project Overview	The redevelopment of four parcels, one that is currently vacant, a parking lot, a two-story structure (commercial/retail), and a single-story strip mall. The plan is to redevelop the site with intense community engagement, to seek out the highest and best use for this site. This project will embrace an outdoor public realm that will connect the residents above 100+ units (mix incomes) and local community residents to beneficial amenities through a number of local small owned and operated businesses that is infused with positive energy and a creative destination.
Reviewer Comments	Current property is owned by a local Black family who has been in the area through many years of disinvestment. The project is bringing new jobs and housing to the area and will engage with the local community.
Funding	
Requested amount	\$75,000
Previous LCA funding	None
Use of funds	
Total Award: \$75,000	
Amount	Uses and Deliverables to be completed by the end of the grant term
\$5,000	Activity: Soil testing on project site to determine feasible land uses Deliverable: Final geotechnical report
\$10,000	Activity: Development of site plans, staging plans, public realm plans Deliverable: Site plans and phasing or staging plans for potential identified parcel or multiple contiguous parcels Site selection planning
\$25,000	Activity: Market or Feasibility Study Deliverable: Feasibility, Market study, Financial Modeling for 2-3 development scenarios
\$10,000	Activity: Design Workshops/Community Engagement Deliverable: Documentation of engagement such as outreach materials, sign-in sheets, or pictures of engagement events as well as a summary of engagement activities and how they have informed the project
\$25,000	Activity: Passive building design concept planning or landscape planning Deliverable: Passive building design concept plans

Grant #
Type: LCDA Pre-Development
Applicant Brooklyn Park EDA
Project Name 7701 Brooklyn Boulevard
Project Location 7701 Brooklyn Boulevard
Council District 2 – Reva Chamblis

Project Detail	
Future Development Project Overview	The current site is owned by a local business owner, investor, and Brooklyn Park resident who has expressed interest in expanding his existing multi-tenant commercial space and exploring additional development opportunities on the surrounding 5 EDA-owned parcels. Potential future development plans include expanding existing commercial space on the site and to introduce housing.
Reviewer Comments	The project is looking to bring new housing to the area, expand job opportunities, and provide opportunities for environmental techniques that will mitigate the impacts of climate change.
Funding	
Requested amount	\$75,000
Previous LCA funding	None
Use of funds	
Total Award: \$75,000	
Amount	Uses and Deliverables to be completed by the end of the grant term
\$7,500	Activity: Design Workshops/Community Engagement Deliverable: Designing and implementing engagement activities; summary of feedback
\$20,000	Activity: Development of site plans, staging plans, public realm plans Deliverable: Final site plans
\$20,000	Activity: Market or Feasibility Study Deliverable: Development of operating proforma, market study
\$20,000	Activity: Passive building design concept planning or landscape planning Deliverable: Design concept drawings and renderings, landscaping plans
\$7,500	Activity: Soil testing on project site to determine feasible land uses Deliverable: Soil testing and reporting

Grant #
Type: LCDA Pre-Development
Applicant City of South Saint Paul
Project Name Hardman Triangle Repositioning Initiative
Project Location Concord Street, Hardman Avenue, and Grand Avenue
Council District 13 – Chai Lee

Project Detail	
Future Development Project Overview	Redevelopment study of the Hardman Triangle area to determine feasible land uses with the goals of including multi-family housing and commercial space.
Reviewer Comments	The site is well connected to regional amenities and employment hubs with good access to transit from the site.
Funding	
Requested amount	\$45,000
Previous LCA funding	None
Use of funds	
Total Award: \$45,000	
Amount	Uses and Deliverables to be completed by the end of the grant term
\$40,000	Activity: Soil testing on project site to determine feasible land uses Deliverable: Geotechnical Analysis Report
\$2,500	Activity: Design Workshops/Community Engagement Deliverable: A report summarizing the public engagement results
\$2,500	Activity: Development of site plans, staging plans, public realm plans Deliverable: 2 Site Plan Alternatives that address the results of the geotechnical report

Grant #
Type: LCDA Pre-Development
Applicant City of Saint Paul
Project Name 1490 7th Street E
Project Location 1490 7th Street E
Council District 13 – Chai Lee

Project Detail	
Future Development Project Overview	The concept plans will add affordable housing and options for additional housing unit types such as family supportive townhome units. The redevelopment will also increase the number of full-time living wage jobs within walking distance from the surrounding neighborhood. The project will create 160 new housing units, 100 of which will be affordable, and up to 185 permanent jobs during and/or after construction.
Reviewer Comments	The project is bringing new affordable housing options to the area as well as creating new employment options. The development is increasing density and considers connections to amenities in the area.
Funding	
Requested amount	\$75,750
Previous LCA funding	TBRA Pilot (2021) - \$37,400; LCDA Pre-Development (2018) - \$100,000
Use of funds	
Total Award: \$75,750	
Amount	Uses and Deliverables to be completed by the end of the grant term
\$53,250	Activity: Soil testing on project site to determine feasible land uses Deliverable: Final report from geotechnical Investigation that will employ drilling technology to penetrate debris and identify land use restrictions and building layouts due to the presence of fill/debris
\$11,250	Activity: Development of project-specific or district-wide Stormwater Management Plan Deliverable: Site-Specific Stormwater Management Plan that will focus on micro BMPs that are fully integrated into the development
\$11,250	Activity: Passive building design concept planning or landscape planning Deliverable: Landscape Management Plan that will focus on restoring ecological function and integrating stormwater management

Grant #
Type: LCDA Pre-Development
Applicant Brooklyn Park EDA
Project Name The Villas Townhomes
Project Location 5672 Brookdale Drive N
Council District 2 – Reva Chamblis

Project Detail	
Future Development Project Overview	The plan is to acquire all the existing units on the site and rehabilitate them to improve their livability, functionality, and safety. The majority owner also would like to explore this wealth-building possibility by expanding into development projects and redeveloping the vacant lot on site through the construction of new additional eight to twelve attached townhouses that would also be rental units.
Reviewer Comments	The location is accessible via transit and in a highly walkable community. Any land use, including a mixed-use project, expansion of existing commercial, or development of housing would intensify land use and activity at the site and could provide additional job opportunities and retail space for local small businesses and entrepreneurs.
Funding	
Requested amount	\$75,000
Previous LCA funding	None
Use of funds	
Total Award: \$75,000	
Amount	Uses and Deliverables to be completed by the end of the grant term
\$25,000	Activity: Development of site plans, staging plans, public realm plans Deliverable: Final site plans
\$15,000	Activity: Market or Feasibility Study Deliverable: Development of operating proforma
\$22,500	Activity: Passive building design concept planning or landscape planning Deliverable: Design concept drawings and renderings, landscaping plans to mitigate environmental impact
\$12,500	Activity: Soil testing on project site to determine feasible land uses Deliverable: Soil testing report