

Committee Report

Community Development Committee



Committee Meeting Date: November 6, 2023

For the Metropolitan Council: November 8, 2023

Business Item: 2023-270 SW

Application to the U.S. Department of Transportation's Thriving Communities Grant Program

Proposed Action

That the Metropolitan Council authorize the Executive Director of the Community Development Division to develop and submit a grant application and supporting documents as the lead agency for the U.S. Department of Transportation's Thriving Communities Regional Pilot Program grant.

Summary of Community Development Committee Discussion/Questions

Executive Director of Community Development Lisa Barajas presented an overview of the grant opportunity. Committee members had a brief discussion about how the grant could be used to build community and nonprofit capacity to continue participating in anti-displacement efforts and ongoing transit project planning, building on recommendations from the Blue Line Anti-Displacement Working Group.

Motion by Dolkar, seconded by Lee. Motion carried unanimously.



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| District(s), Member(s): | All |
| Policy/Legal Reference: | Consolidated Appropriations Act of 2023 (Public Law No. 117-328, division L, title I, Dec. 29, 2022, 136 stat. 5096); Council Policy FM 15-1 (Income/Grants) |
| Staff Prepared/Presented: | Stephen Klimek, Senior Planner, Housing and Livable Communities, (651) 602-1541 Sarah Berke, Senior Manager, Housing and Livable Communities, (651) 602-1198 LisaBeth Barajas, Executive Director, Community Development, (651) 602-1895 |
| Division/Department: | Community Development / Housing and Livable Communities |

Proposed Action

That the Metropolitan Council authorize the Executive Director of the Community Development Division to develop and submit a grant application and supporting documents as the lead agency for the U.S. Department of Transportation's Thriving Communities Regional Pilot Program grant.

Background

In September, the U.S. Department of Transportation (DOT) published a Notice of Funding Opportunity for a new program, "Thriving Communities Regional Pilot Program" (TCP-R). The focus of this program is to enable state, Tribal, local, and regional governments to support the advancement of transportation opportunities in disadvantaged communities that align with state, Tribal, or regional housing, economic development, public health, climate, and other community development goals.

TCP-R applicants will identify communities within their jurisdiction or service area to receive technical assistance and capacity building support through TCP and will use TCP funding to advance transformative transportation infrastructure projects forward into the next phase of development, deepen community engagement, and align with local or regional zoning, land use, economic development, or other plans and investments.

Selected applicants will receive \$1-2 million over 3 years. TCP-R Capacity Builders will play a coordination and capacity building role for their selected communities and partners rather than providing intensive, tailored technical assistance. Additionally, TCP-R Capacity Builders will facilitate peer learning across communities to advance and align infrastructure goals and projects.

Through TCP-R, DOT will award cooperative agreements for Capacity Builders to provide technical assistance, planning, and capacity building support that advances transformative infrastructure plans, projects, and processes primarily in communities that have disproportionate

rates of pollution and poor air quality, communities experiencing disproportionate human health and environmental effects (as defined by Executive Order No. 12898), areas of persistent poverty as defined in section 6702(a)(1) of title 49, United States Code, or historically disadvantaged communities.

Council policy FM 15-1 Income/Grants Policy allows for the Council to enter into agreements with other governments and organizations which provide income or grants to the Council which are consistent with the Council’s missions and priorities. The policy requires Council approval for grants exceeding \$500,000. The Metropolitan Council is eligible to apply for and receive these funds.

The TCP-R funding opportunity has three priorities:

- Coordination of Technical Assistance
- Support for Planning and Capacity Building
- Peer Learning Opportunities

Scope, Coordination & Geography

The TCP-R grant opportunity enables Council to identify communities for direct support, technical assistance, capacity building, and peer learning.

Council staff are working with local county- and city-level public agencies to draft an application focused on advancing the Blue Line Extension anti-displacement recommendations with communities and partners along the corridor shown in Figure 1. Pending Council approval, staff will work with county and city staff to further develop the application with a detailed scope of work based on their specific needs with the anti-displacement technical assistance coordination and capacity building.

Figure 1. A proposed Blue Line extension route



The Blue Line Extension project has the potential to connect people and bring significant investments and development opportunities to communities along the line. This line will serve



areas of Hennepin County that have experienced historic disinvestment, and continue to live with the impacts of redlining, racist property covenants, and other effects of systemic racism. The investments that come with a project of this size also brings concerns of displacement for vulnerable populations. The project partners have a responsibility to ensure these patterns are not exacerbated by this project. In response, project partners are working with community to create a plan for the transit project that implements strategies and policies that prevent displacement and support people in the corridor today.

While the Council will be the lead agency for the TCP-R cooperative agreement with the DOT, and responsible for grant deliverables and fiscal management, the work to create the key grant activities will be coordinated with Hennepin County, City of Minneapolis, City of Robbinsdale, City of Crystal, and City of Brooklyn Park.

Technical Assistance

The Blue Line Extension anti-displacement report authored by the University of Minnesota's Center for Urban and Regional Affairs (CURA) in April, 2023 identifies local capacity as a barrier to implementation the recommendations which have now been adopted by project partners. Through TCP-R funding, direct support would be provided to identified local communities and nonprofit partners to effectively continue the technical implementation of the anti-displacement recommendations policies and strategies. This will leverage funds dedicated by Hennepin County to advance CURA's work in this area.

The technical assistance may also support public participation in anti-displacement work, project planning activities, and related corridor efforts in housing, economic development, public health, climate, and other community development goals. Additionally, it will enable partners to identify and develop strategies for future funding opportunities of this work.

Planning and Capacity Building

The Council's TOD Office has applied for a DOT TOD Pilot grant to fund station area planning for the four newly identified stations through the Minneapolis portion of the corridor. TCP-R funding would support the incorporation of anti-displacement strategies in the station area planning efforts. Additional planning and corridor-scale studies would be supported related to incorporation of goals and strategies around housing, economic development, public health, and climate. The funding may also be used to support broader public participation in these studies and predevelopment planning activities, placemaking planning or related projects.

Capacity building will be provided to local communities through technical assistance, planning, and peer learning at a key point in the Blue Line Extension's timeline. To effectively engage - in the transit project's planning, implement preemptive anti-displacement strategies, prepare for corridor construction disruption, and position their community for positive change across housing, economic development, public health, and climate - the scale of work necessary is beyond what local municipalities have available.

Additionally, TCP-R funding may be used to support a cohort of key community organizations to ensure they are best positioned for engaging with the next steps of transit project work as well as the resulting long-term community change they can facilitate.

Peer Learning Opportunities

The Municipal and nonprofit partners involved in this work will convene locally throughout the three-year period of performance for information exchange, knowledge creation, and networking. Project participants will also visit and host the other TCP-R funded communities around the country each year in the first two years to share lessons learned. Council will work to develop and share strategies applicable to future transit projects.

Upcoming key dates

The grant opportunity requires that the lead agency submit a complete application package by November 28, 2023, which includes community partner commitments, a project narrative, a project budget, and some standard forms for federal grants.



Rationale

The goals and outcomes of this grant align with the Council's efforts on the Blue Line Extension project and the Blue Line Extension Anti-displacement recommendations. This opportunity will support coordinating the implementation of anti-displacement recommendations and investment in community capacity to continue participating in the Blue Line Extension project.

The grant opportunity is also consistent with Council Policy FM 15-1, which permits the Council to seek grants provided that the grant is consistent with the Council's mission and priorities. As described below in the Thrive Lens Analysis, this grant advances several outcomes in *Thrive MSP 2040* and continues the Council's anti-displacement work.

Thrive Lens Analysis

The Thriving Communities Regional Pilot Program opportunity would expand the region's capacity for advancing a transformational transportation project in partnership with local governments and community partners. The program goals align with *Thrive MSP 2040* outcomes of Stewardship, Equity, Livability, and Prosperity.

Thrive's Stewardship outcome indicates that the Council will provide leadership to support the responsible and strategic use of the region's resources in service of orderly and economical development.

Thrive's Equity outcome indicates that the Council will use its influence and investments to connect all residents to opportunity and create viable housing, transportation, and reaction options for people of all races, ethnicities, incomes and abilities so that all communities share the opportunities and challenges of growth and change.

Thrive's Livability outcome indicates the Council will focus on the quality of our resident's lives and experiences by expanding housing and transportation choices for all residents and aligning resources to support transit-oriented development and walkable places.

Thrive's Prosperity outcome indicates the Council will invest in infrastructure and amenities that attract and retain successful businesses and a talented workforce.

Funding

Responding to funding opportunities like TCP-R is part of the Community Development division's ongoing workplan and is supported by staff and consulting time in the budget for Livable Communities and division-wide grant application opportunities.

The funding is available from the DOT on a competitive basis, should the Council authorize the application for the grant opportunity. TCP-R cooperative agreements are anticipated to be in the range of \$1-2 million each. No cost sharing or matching is required as a condition of eligibility under this competition. DOT will fund up to 100 percent of eligible project costs through a monthly reimbursement invoicing model. The DOT anticipates awarding grants for the period of performance to begin in early 2024. If the Council is awarded, the grant funds will be brought into the Council's budget through a future budget amendment in 2024.

Small Business Inclusion

N/A

