

Committee Report

Community Development Committee



Committee meeting date: June 2, 2025

For the Metropolitan Council: June 11, 2025

Business Item: 2025-135

Funding Recommendations for 2025 Round One Livable Communities Act Pre-Development Grants

Proposed action

- (1) That the Metropolitan Council award five (5) Livable Communities Act Pre-Development Grants totaling \$1,000,000, as shown in Table 1 below.
- (2) Change the City of Bloomington's award limit in Round Two of 2025 Pre-Development grants to \$200,000.

Table 1. Recommended Grant Projects and Funding Amounts

Applicant	Recommended Project	Award Amount
City of Saint Paul	1170 Arcade St. (Face to Face)	\$260,000
City of Saint Paul	694 Minnehaha Ave (Hamm's Brewery Redevelopment)	\$40,000
City of Bloomington	Bloomington Family Townhomes	\$130,000
City of Bloomington	Bloomington Affordable Homeownership Program – 4-acre subdivision	\$270,000
City of Hopkins	Sustainable Missing Middle	\$300,000

Summary of Community Development Committee discussion/questions

Planning analyst Hannah Gary presented the funding recommendation. Council Members expressed support for the projects, noting the variety of projects and support for young people experiencing homelessness. There was a question about funding mentoring for emerging developers, specifically questioning the amount of funding allocated to mentorship. Staff will follow up with Council Members to provide additional details on developer mentoring. Several Council Members stated support for mentorship for emerging developers.

Motion by Carter, seconded by Chamblis. Motion carried. Council Member Wulff noted that her vote may change depending on the additional information on developer mentoring.

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District(s), member(s): All
Policy/legal reference: Livable Communities Act (Minn. Stat. § 473.25)
Staff prepared/presented: Hannah Gary, Planning Analyst, 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 2025 LCA Pre-Development guidelines, criteria, and evaluation process as part of the Annual Livable Communities Act Fund Distribution Plan ([Business Item 2025-46](#)) on February 12, 2025. The 2025 Fund Distribution Plan establishes a one-step evaluation process for Pre-Development applications that is conducted by a team of staff from the Community Development Division.

On April 21, 2025, the Council received six applications for Round One of LCA Pre-Development funding. The City of Bloomington, the City of Brooklyn Center, the City of Hopkins, and the City of Saint Paul all submitted applications. A staff evaluation concluded that all six applications met eligibility requirements.

Rationale

As detailed in the Review Process section of this report, the recommended projects and award amounts meet the funding award criteria for the program. Per the 2025 Fund Distribution Plan, the Council has two rounds of LCA Pre-Development funding in 2025 with up to \$1,000,000 available in each round. There is an award limit of \$300,000 per city per round. Unallocated funds will be available for future programming. Staff are recommending exceeding the per-city limit to award \$400,000 to the City of Bloomington. Reviewers found significant value in each proposal from the City and are proposing to award \$400,000 in Round One and reducing the award limit to \$200,000 in Round Two.

Thrive lens analysis

On February 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, LCA programs support:

- 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 2025 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.

Review Process

The Council issued a notice of funding availability in February 2025 after adopting the Annual Livable Communities Fund Distribution Plan. Staff held informational webinars, distributed information about funding availability, and met with applicants to discuss the LCA processes, criteria, and the best program fit for their projects.

Six applications were submitted, as shown in Table 2. Council staff conducted a preliminary review for completeness and eligibility, then used Council-approved criteria to evaluate each application in the following areas: Project Outcomes and Project Process. All six of the submitted applications were eligible for review; of the six applications, Council staff are recommending five for funding based on scoring. The results of the staff evaluation are shown in Table 3.



Table 2. Application Summary

Grant Category	Submitted Applications	Applications Eligible for Review	Applications Meeting Minimum Score	Applications Recommended for Funding
LCA Pre-Development Round One	6	6	5	5

Table 3. Scoring Summary

Applicant	Project	Points	Amount Requested	Amount Recommended
City of Saint Paul	1170 Arcade St. (Face to Face)	27.25	\$260,000	\$260,000
City of Saint Paul	694 Minnehaha Ave (Hamm's Brewery Redevelopment)	24.5	\$40,000	\$40,000
City of Bloomington	Bloomington Family Townhomes	24	\$130,000	\$130,000
City of Bloomington	Bloomington Affordable Homeownership Program – 4-acre subdivision	21	\$300,000	\$270,000
City of Hopkins	Sustainable Missing Middle	19	\$300,000	\$300,000
City of Brooklyn Center	Morty's Bark and Brew	15.5	\$300,000	\$0

Total Recommended \$1,000,000

Total Available \$1,000,000

Total Remaining \$0

Projects Not Recommended for Funding

A summary of the applications not recommended for funding awards, including rationale, is below:

Morty's Bark and Brew

Applicant: City of Brooklyn Center

Determination: Did not meet minimum score

Rationale: the project did not receive a minimum score of 17 points. The proposed project does not intend to create a significant number of jobs and details on future partnerships was not given. The project team has been encouraged to apply again.

Projects Recommended for Funding

A summary of each of the recommended funding awards is on the following pages.

Livable Communities Project Summary

Grant # SG
Type: LCA Pre-Development
Applicant: City of Saint Paul
Project Name: 1170 Arcade St. (Face to Face)
Project Location: 1170 Arcade St.
Council District: 13 – Chai Lee

Project Detail	
Project Overview	A four-story, 24-unit multifamily apartment building providing extremely affordable housing for homeless youth ages 18-24, whose incomes are at or below 30% AMI. Face to Face provides comprehensive, wraparound support for youth ages 11-24 through six core service areas: 1) medical, 2) mental health, 3) housing, 4) education and employment, 5) youth justice, and 6) community programs. The project is 100% supportive housing, with 20 units set aside for youth experiencing homelessness, and four units for youth experiencing homelessness who have a disability.
Use of Funds	
Award Amount	Uses & Deliverables
\$224,000	Uses Architectural design; Development of project-specific Stormwater Management Plan; Market study; Energy modeling and design; Soil testing on project site to determine feasible land uses; Site acquisition appraisal.
	Deliverables Updated design plans and elevations; stormwater management plan; market study; energy modeling for SB2030 standards; geotechnical report; final site appraisal.
\$36,000	Uses Project management or mentoring for new and/or small developers.
	Deliverables Documentation of consultant guidance for small/emerging developer.



Livable Communities Project Summary

Grant # SG
Type: LCA Pre-Development
Applicant: City of Saint Paul
Project Name: 694 Minnehaha Ave (Hamm's Brewery Redevelopment)
Project Location: 694 Minnehaha Ave
Council District: 13 – Chai Lee

Project Detail	
Project Overview	This large redevelopment project includes three main sections: new construction housing, adaptive reuse of an existing building into housing, and site improvements for community access and gathering spaces. The new construction building includes 110 units of affordable housing with family-sized units, while the adaptive reuse portion will have 86 artist lofts and 30,000 square feet of commercial space for local business owners.
Use of Funds	
Award Amount	Uses & Deliverables
\$40,000	Uses Alternative energy systems, passive building design concept planning, or landscape planning to conserve natural resources and prioritize native plantings
	Deliverable A feasibility study to investigate the potential for utilization of geothermal technology across the campus by a consultant with expertise in geothermal systems



Livable Communities Project Summary

Grant # SG
Type: LCA Pre-Development
Applicant: City of Bloomington
Project Name: Bloomington Family Townhomes
Project Location: 4810-4840 Nord Drive & 10-60 W 90th Street
Council District: 5 – Pacheco

Project Detail	
Project Overview	The project will support the pre-development effort to provide necessary maintenance at Bloomington Family Townhomes (BFT), a 20-unit scattered-site existing affordable housing development. Seventeen of the units are three-bedroom units, providing housing choice for families. All units are affordable to families making 60% AMI or below. The current median income of families living in the units is \$25,600.
Use of Funds	
Award Amount	Uses & Deliverables
\$130,000	Uses Architectural design; Alternative energy systems, passive building design concept planning or landscape planning to conserve natural resources and prioritize native plantings; Community engagement
	Deliverables Construction drawings, recommendations on energy and/or conservation strategies, summary of current residents' rehab desires



Livable Communities Project Summary

Grant # SG
Type: LCA Pre-Development
Applicant: City of Bloomington
Project Name: Bloomington Affordable Homeownership Program – 4-acre subdivision
Project Location: 8630 Xerxes Ave South
Council District: 5 – Pacheco

Project Detail	
Project Overview	The Bloomington HRA is acquiring lots to build single and two-family affordable homeownership opportunities. The sites are currently owned by a faith community that is interested in selling the land to the HRA to create new affordable ownership homes. The HRA is partnering with emerging developers to develop the properties, and all homes will be affordable at or below 80% AMI.
Use of Funds	
Award Amount	Uses & Deliverables
\$115,000	Uses Development of project-specific Stormwater Management Plan; Development of site plans, staging plans, public realm plans, plans for other Universal Design features, or site selection; Soil testing on project site to determine feasible land uses; Alternative energy systems, passive building design concept planning or landscape planning to conserve natural resources and prioritize native plantings.
	Deliverables Design of storm water for site and development as whole; Survey and platting of the property; Environmental Assessments; Universal landscape design for the entire development
\$155,000	Uses Project management or mentoring for new and/or small developers
	Deliverables Record of stipends to new developers for project management (\$45,000); Documentation of mentoring done by consultants (\$110,000)



Livable Communities Project Summary

Grant # SG
Type: LCA Pre-Development
Applicant: City of Hopkins
Project Name: Sustainable Missing Middle Housing – Hopkins Project
Location: 501 Mainstreet
Council District: 8 – Cameron

Project Detail	
Project Overview	38-unit Phius-certified infill multifamily housing development. The project will redevelop a vacant lot in downtown Hopkins into a sustainably built housing project. 10% of the units will be affordable at 60% AMI or below.
Use of Funds	
Award Amount	Uses & Deliverables
\$300,000	Uses Alternative energy systems, passive building design concept planning or landscape planning to conserve natural resources and prioritize native plantings; Community Engagement; Soil testing on project site to determine feasible land uses; Market study; Architectural design; Development of project-specific Stormwater Management Plan
	Deliverables Design for Phius compliant Mechanical, Plumbing and Electrical systems; Whole Building Energy Model; Community Engagement and workshops related to alternative transportation methods and project design, Engagement Report; Geotechnical Report; Market Study Housing; Architectural Design Development and Schematic Design; Design of the stormwater retention and grey water reuse system

