

Business Item

Transportation Committee



Committee meeting date: October 27, 2025

For the Metropolitan Council: November 12, 2025

Business Item: 2025-271

Approval of Minneapolis, FTA Pilot Program for TOD Planning (Blue Line Extension) 24I050

District(s), member(s):	District 7, Council Member Yassin Osman
Policy/legal reference:	FM 14-2 Expenditures for the Procurement of Goods and Services, Expenditures for Contracts with Other Governmental Entities; TOD Policy
Staff prepared/presented:	Lesley Kandaras, General Manager, 612-349-7513 Nick Thompson, Deputy General Manager Capital Program, 612-349-7507 Michael Krantz, Senior Manager, TOD, 612-349-7392 Jason Schmidt, Senior Project Manager, TOD, 612-349-7509
Division/department:	Metro Transit / Transit Oriented Development Office

Proposed action

That the Council authorize the Regional Administrator to negotiate and execute a pass-through Subrecipient Grant Agreement (SGA) 24I050 with the City of Minneapolis for the \$700,000 FTA Pilot Program for a TOD Planning grant award.

Background

As the designated recipient of Federal Transit Administration (FTA) funds for the region, Metro Transit/Metropolitan Council often applies for federal funds on behalf of other agencies. In order to pass these funds through to complete the project, Metro Transit/Metropolitan Council must have an executed SGA with a Subrecipient agency, in this case, the City of Minneapolis.

Metro Transit was awarded, through a federal competitive process, a grant for the FTA Pilot Program for TOD Planning in May of 2024. The award is for \$700,000 in FTA funding with no required local match.

These grant funds will be used for advanced station area planning and developing implementation strategies along the planned METRO Blue Line Extension stations in the City of Minneapolis as described in the grant application. Through a series of key activities including stakeholder engagement, visioning, housing and economic strategies, multimodal transportation planning, and resilience efforts this project will guide the development of the Blue Line corridor to ensure broad and environmentally sustainable growth. The anticipated outcome is a unified, actionable plan that will help shape future development, ensure broad access to resources, and contribute to the long-term vitality of the region.

Station area planning was separately completed for the eight planned METRO Blue Line Extension stations outside of Minneapolis under an earlier FTA Pilot Program grant.

Rationale

The SGA allows Metro Transit/Metropolitan Council to pass through FTA funds to agencies other

than the Council to complete the work identified in the federal award.

Thrive lens analysis

On Feb. 12, 2025, the Council adopted Imagine 2050, which builds on policy direction in Thrive MSP 2040. Under the Thrive lens, the proposed SGA and FTA Pilot Program for TOD Planning funding will advance multiple Thrive Outcomes, including Prosperity, Stewardship, Equity, and Livability. Significant examples for the advancement of each of these Thrive goals include:

- **Prosperity:** The station area planning and community engagement activities pursued with this grant program on the planned METRO Blue Line Extension will set the stage for appropriate community development along the transitway. The location of jobs, housing, and essential services along the transitway can create a community where needs can be met using transit, thereby reducing transportation costs for the corridor community.
- **Stewardship:** The \$700,000 in federal funds for station area planning seeks to leverage the federal and local investment in the METRO Blue Line Extension project.
- **Equity:** The community engagement efforts as part of the grant will focus explicitly on underserved populations to ensure their perspectives and needs are integrated into the station area plans and implementation strategies. The housing market analysis and feasibility study will focus on the creation of products to support the expansion of homeownership opportunities within dense developments, and rental housing products that are affordable to existing residents in medium and high-density mixed-use projects.
- **Livability:** The grant will advance livability with the creation of a multimodal action plan around the Blue Line stations. The creation of a multimodal action plan will identify infrastructure enhancements for all transportation modes with a focus on people walking, rolling and biking to facilitate connections to and from transit and estimate costs and prioritization of the projects for implementation.

Funding

The grant includes a federal allocation of up to \$700,000. The FTA funding will be passed through from Metro Transit to the City of Minneapolis on a quarterly reimbursement basis for the duration of the grant activity, December 2025 through December 2027.

Small business inclusion

Due to the requirements of the Interim Final Rule issued by the USDOT on October 3, 2025, no DBE goal will be assigned to this subrecipient grant award.

