For years, Hennepin County has been investing in the Southwest LRT corridor through a variety of funding programs. This investment in the corridor displays Hennepin County's commitment to the viability of the residents and businesses that live and work in the Southwest corridor. Many of the Hennepin County programs prioritize projects that enhance the use of transit, which has and will continue to lead to projects that are supportive of the Southwest LRT.

**Hennepin County Community Works**

Community Works projects are developed in partnership with communities, cities, and other stakeholders to focus public and private investment along designated corridors. The Southwest Community Works Project, like all Community Works projects, embraces five key principles:

- Stimulate Economic Development
- Promote effective planning and implementation
- Maintain and improve natural systems
- Strengthen community connections
- Enhance the tax base

*Right: The Midtown Greenway is an example of a successful Community Works project, which also connects to the Southwest LRT corridor at the West Lake Station.*

**Transit Oriented Development Program**

The Hennepin County Transit Oriented Development (TOD) Program was established to support redevelopment and new construction that enhances transit usage. To date, the TOD Program has awarded over $6 million to various projects in the Southwest corridor.

Projects and developments funded through the TOD Program can enhance transit by:

- Using compact development patterns
- Using available space efficiently
- Containing a diversity and mixture of uses within the development site
- Supporting pedestrian-friendly physical design
- Being located within walking distance of transit stations

*Left: The Natural (600 5th St. N, Minneapolis) is under construction near the Royalston Station and received funding through the Hennepin County TOD Program.*
Affordable Housing Incentive Fund Program
The Affordable Housing Incentive Fund (AHIF) Program provides capital funding to assist municipalities, nonprofit agencies, private and nonprofit housing developers, and lenders in the development of long-term affordable housing units. A major goal of the AHIF Program is to provide long-term affordable housing units for households with incomes at or below 50 percent of the area median income, with priority given to projects that develop units that are affordable to households with incomes at or below 30 percent of the area median income. Another major goal of the AHIF Program is to fund projects that promote the connection of affordable housing to transit, which directly relates this program to the Southwest Community Works project. As of 2013, the AHIF Program has awarded close to $6 million to various projects in the Southwest corridor.

HOME Investment Partnerships Program
The HOME Investment Partnerships Program (HOME) is a flexible grant program that allows Hennepin County to fund affordable housing for low-income families or individuals, homeless families, and persons with special needs. The HOME Program funds are allocated through a Request for Proposal (RFP) process, and funded activities can include new construction of affordable units, rehabilitation of owner or rental properties, and acquisition. Projects that align with other county priorities can receive priority in the RFP process. Affordable housing development can align with other county priorities by:

- Supporting sustainable communities through affordable housing development along major transit corridors like the Southwest LRT corridor
- Developing affordable housing in the form of Transit Oriented Development (TOD)
- Developing affordable housing that promotes active living through design that incorporates pedestrian-friendly infrastructure to encourage physical activity

To date, the HOME Program has awarded over $2.6 million to various projects in the Southwest corridor.

Environmental Response Fund
The Hennepin County Environmental Response Fund (ERF) is a grant program that funds the assessment and cleanup of contaminated sites. ERF grants allow for redevelopment in areas that otherwise may not have been financially feasible to do so, based on the hidden environmental costs of contaminated sites. Projects can receive priority in the ERF grant allocation process by redeveloping contaminated sites into public or green space, affordable housing, or any other redevelopment that promotes economic development. As of 2009, the ERF Program has awarded over $8.6 million to various projects in the Southwest corridor.

Right: The Marketplace & Main (10 7th Ave North, Hopkins) development received ERF funds for environmental cleanup.

Above, from top to bottom: Higher Ground (165 Glenwood Avenue, Minneapolis) and Heritage Park (1000 Olson Memorial Highway) both received funding from the AHIF Program.
May 3, 2016

Members of the Minnesota Legislature:

Thank you for your efforts over the past two years to pass a new, long-term funding package for Minnesota’s transportation infrastructure.

As representatives of Minnesota’s local chambers of commerce across the state, we work every day to help ensure our member businesses are able to thrive in our communities. We also know their success doesn’t depend solely on our work at the local level. Our members – no matter how big or small – are increasingly reliant upon access to goods, services, employees, and customers from other parts of the state, country, and world. Accordingly, we need a safe, reliable, efficient transportation system that works for the entire state.

We all have local projects we hope to see accomplished with new investment into the transportation system. But we understand that each of those projects – whether a road, bridge, or transit route or line – is part of a much larger, interconnected, and interdependent transportation system in the state that serves all of our communities, increases mobility, and helps ensure the success of all of our members.

We strongly support sustained, increased investment in our roads, bridges, and transit systems. The state’s historic budget reserve and surplus give us the opportunity to invest in our infrastructure and reach compromise on how to bring new resources into the transportation system. In addition, we support investment in transit services in Greater Minnesota and efforts to build consensus for an additional metro funding source for metro area transit – recognizing that any new transit investment in the metro must allow for flexible use and be tied to documented efficiencies and reform in the delivery of services. Transit services, whether in the Twin Cities metro area or Greater Minnesota, are vital links in our state’s transportation system and ensure mobility of workers and customers. We strongly believe that a comprehensive transportation funding package must include the state’s transit needs.

Last month, many of us traveled to St. Paul to participate in the Minnesota Chamber of Commerce’s Transportation Day at the Capitol. That event kicked off with a thorough discussion about the current state of play on this issue between Senator Scott Dibble and Representative Tim Kelly, chairs of their respective chambers’ transportation committees. We were very pleased with the positive, optimistic tone of their remarks and with the clear commitment to work constructively together to find compromise and pass a comprehensive transportation funding bill this legislative session. After lunch, roughly 300 business leaders from across the state fanned out across the Capitol to meet with individual legislators about transportation funding. Once again, we were pleased with the level of commitment we found among you and your colleagues to taking advantage of the unique opportunity we have this session to pass a transportation funding bill.

We write today to give further encouragement to you in the work that’s being done to bring this important work to a successful conclusion before the 2016 session adjourns. Transportation – roads, bridges, and transit – is essential to a healthy, vibrant business climate in Minnesota. Investing in economic and physical infrastructure is essential to making Minnesota ready for the future – ready for change and ready to grow.

(Over)
We thank you for your continued commitment to this important issue, and we stand ready to assist you and your colleagues in any way we can to ensure a long-term, comprehensive transportation funding bill is passed and signed into law in the coming weeks.

Albert Lea-Freeborn County Chamber of Commerce
Apple Valley Chamber of Commerce
Austin Area Chamber of Commerce
Belle Plaine Chamber of Commerce
Bemidji Area Chamber of Commerce
Bloomington Chamber of Commerce
Brainerd Lakes Chamber
Burnsville Chamber of Commerce
Cloquet Chamber of Commerce
Dakota County Regional Chamber of Commerce
Duluth Area Chamber of Commerce
Eden Prairie Chamber of Commerce
Elk River Area Chamber of Commerce
Faribault Area Chamber of Commerce & Tourism
Grand Rapids Area Chamber
Greater Mankato Growth Inc.
Hastings Area Chamber of Commerce & Tourism Bur
Hibbing Area Chamber of Commerce
I-94 West Chamber of Commerce
International Falls Area Chamber of Commerce
Laurentian Chamber of Commerce
Litchfield Chamber of Commerce
Marshall Area Chamber of Commerce
MetroNorth Chamber of Commerce
Minneapolis Regional Chamber of Commerce
Minnesota Chamber of Commerce
New Ulm Area Chamber of Commerce
North Hennepin Area Chamber of Commerce
Northfield Area Chamber of Commerce
Owatonna Area Chamber of Commerce and Tourism
Redwood Area Chamber & Tourism
River Heights Chamber of Commerce
Rochester Area Chamber of Commerce
Saint Cloud Area Chamber of Commerce
Saint Paul Area Chamber of Commerce
Shakopee Area Chamber
SouthWest Metro Chamber of Commerce
Twin Cities North Chamber of Commerce
TwinWest Chamber of Commerce
Waconia Chamber of Commerce
Waseca Area Chamber of Commerce
White Bear Area Chamber of Commerce
Willmar Lakes Area Chamber of Commerce
Winona Area Chamber of Commerce
Worthington Area Chamber of Commerce
You are invited to attend a transportation discussion with

Lt. Governor Tina Smith, Met Council Chair Adam Duininck & local legislators

Monday, May 9 at 8:00 AM

Eden Prairie City Center
Heritage Room
8080 Mitchell Road
Eden Prairie, MN 55344

The Lieutenant Governor and Met Council Chair are meeting with business and community leaders to learn more about local transportation challenges and opportunities and engage in a discussion on transportation funding issues, including the importance of the Southwest LRT project.

Please RSVP to lori.brown@epchamber.org