

# Minutes

Community Development Committee



**Meeting Date:** December 18, 2023

**Time:** 4:00 PM

**Location:** 390 Robert Steet

## Members Present:

- Chair, Robert Lilligren, D7
- Vice Chair, Susan Vento, D11
- Judy Johnson, District 1
- Reva Chamblis, District 2

- Peter Lindstrom, District 10
- Chai Lee, District 13
- Toni Carter, District 14

- Tenzin Dolkar, District 15
- Wendy Wulff, District 16

## Call to Order

A quorum being present, Vice Chair Vento called the regular meeting of the Community Development Committee to order at 4:00 p.m.

## Approval of Minutes

It was moved by Carter, seconded by Lindstrom, to approve the minutes of the December 4, 2023, regular meeting of the Community Development Committee. **Motion carried.**

## Consent Business

1. 2023-295 Battle Creek Regional Park, Park Acquisition Opportunity Fund Award (McGuiness) Ramsey County (Jessica Lee 651-602-1621)

It was moved by Chamblis, seconded by Wulff that the Metropolitan Council Approve a grant of up to \$161,728 from the Park Acquisition Opportunity Fund to Ramsey County to acquire a 2.91-acre parcel located at 0 Ogden Avenue in Saint Paul for Battle Creek Regional Park.

Authorize the Executive Director of Community Development to execute the grant agreement and restrictive covenant on behalf of the Council.

### Motion carried.

2. 2023-296 Middle St. Croix Valley Regional Trail Long-Range Plan and St. Croix Valley Regional Trail Long-Range Plan Amendment, Washington County (Tracey Kinney 651-602-1029)

It was moved by Chamblis, seconded by Wulff that the Metropolitan Council:

Approve the Middle St. Croix Valley Regional Trail Long-Range Plan.

Approve the St. Croix Valley Regional Trail Long-Range Plan Amendment.

Require Washington County, prior to initiating any construction, to send preliminary plans to the Metropolitan Council Environmental Services Interceptor Engineering Assistant Manager.

Request that the County send to the Council for the Council's records the Joint Powers

Agreement between the County and Department of Natural Resources for use of the Brown's Creek State Trail once it has been executed.

Advise the County to consider implementing the recommendations for solar resources and transportation in the Advisory Comments section of the business item.

**Motion carried.**

3. 2023-307 City of Plymouth Former Prudential Insurance Site Comprehensive Plan Amendment, Review File 21855-8 (Freya Thamman 651-602-1750)

It was moved by Chamblis, seconded by Wulff that the Metropolitan Council adopt the attached Review Record and take the following actions:

1. Authorize the City of Plymouth to place its comprehensive plan amendment into effect.
2. Revise the City's forecasts upward as shown in Table 1 of the attached Review Record.
3. Revise the City's allocation of the regional affordable housing need to 890 units for 2021 - 2030.
4. Advise the City to implement the advisory comments in the Review Record for transportation.

**Motion carried.**

The Community Development Committee recommended approval of the proposed action without questions or discussion as part of its consent agenda.

### **Non-Consent Business**

1. **2023-269** Funding Recommendations for 2023 Local Housing Incentives Account (LHIA) Homeownership Program (Ashleigh Johnson 651-602-1106)

It was moved by Carter, seconded by Lindstrom that the Metropolitan Council: Award five homeownership Local Housing Incentives Account (LHIA) grants as shown in Table 1, totaling \$2,825,034.

Authorize the Executive Director of Community Development to execute the grant agreements on behalf of the Council.

**Motion carried.**

2. **2023-310** Funding Recommendations for 2023 Local Housing Incentives Account – Multifamily Grants (Ashleigh Johnson 651-602-1106)

It was moved by Wulff, seconded by Lindstrom that the Metropolitan Council: Award five multifamily rental Local Housing Incentives Account (LHIA) grants totaling \$2.5 million.

Authorize the Executive Director of Community Development to execute the grant agreements on behalf of the Council.

**Motion carried.**

3. **2023-308** Funding Recommendations for 2023 Round Two Tax Base Revitalization Account Grants (Marcus Martin 651-602-1054)

It was moved by Lindstrom, seconded Carter by that the Metropolitan Council:

1. Award 12 Tax Base Revitalization Account grants totaling \$2,818,800.
2. Authorize its Executive Director of Community Development to execute the grant agreements on behalf of the Council.

**Motion carried.**

4. **2023-311** Adoption of Livable Communities Act Affordable and Life-Cycle Housing Goals for 2021-2030, Resolution 2023-30 (Sarah Berke 651-602-1198)

It was moved by Wulff, seconded by Carter that the Metropolitan Council approve attached resolution 2023-30 adopting Livable Communities Act Affordable and Life-Cycle Housing Goals for 2021-2030 adopted by the City of Mayer for participation in the Livable Communities Act programs for 2024-2030.

The Community Development Committee recommended approval of the proposed action without questions or discussion.

**Motion carried.**

5. **2023-309** Approval of Joint Powers Agreement for the Metropolitan Housing Opportunities Program (Terri Smith 651-602-1187)

It was moved by Carter, seconded by Chamblis that the Metropolitan Council:

Approve a Joint Powers Agreement, substantially in the form of the attached, between the Metropolitan Council, the Minneapolis Public Housing Authority (MPHA) and the City of Plymouth governing the transfer and conversion of Metropolitan Housing Opportunity Program units.

Authorize the Community Development Director to execute the Agreement on behalf of the Council.

Motion carried.

Council Member Chamblis asked for some history, timelines, and any plans to convert units for senior housing.

Smith explained the multiple agencies and how some units remain public, and other for other programs.

## Information

2040 Comprehensive Plan Amendment Annual Report (Michael Larson 651-602-1407:  
Katelyn Champoux 651-602-1831)

Local governments amend their 2040 comprehensive plans as the need arises. Most amendments are related to development proposals that are supported by the City but are not consistent with the current guiding land use or other policies in their adopted Plan. Other reasons for amending plans include the incorporation of more detailed planning (e.g., neighborhood or station area plans); refinement of policy; or changes in the timing, location, or staging of development.

Council staff review amendments for conformance with regional system plans, consistency with regional policy, and compatibility with affected jurisdictions. Many of these are reviewed administratively by staff, but amendments with larger impacts require consideration by the Community Development Committee and full Council, consistent with the Council's adopted

## Administrative Review Guidelines.

Council staff have been compiling information related to comprehensive plan amendments to better understand and report on themes related to amendments. The ongoing inventory and analysis of amendments help staff provide assistance to local governments as well as help craft future regional policies and practices.

### Types of Amendments

The amendments submitted by communities often have multiple components. They may include one or more of the following:

- Changes in guiding land uses:
  - o Parcel-specific changes to accommodate development proposals (most common amendment)
  - o Modifying many parcels as a result of a small area planning exercise
  - o Assigning a guiding land use as a result of annexation (infrequent)
  - o “Correcting” a guiding land use to better match the existing use (uncommon)
- Adjustments to the Metropolitan Urban Service Area (MUSA) or staging areas of the Plan based on development interest or lack thereof
- Adjustments to the density range of an existing guiding land use to accommodate market conditions for these locations
- Increases to the community’s forecasts related to a development proposal and/or policy changes that create more favorable conditions for development given market demand

Less common amendments also occur, such as:

- Creation of a new guiding land use category.
- Infrastructure-related amendments, like the incorporation of a new bicycle plan.
- Change in Community Designation for a parcel(s).

### Findings

When communities submit amendments for Council review, they might include multiple policy changes or actions. For example, a City might submit a proposed amendment for the reguiding of properties for two unrelated developments. Council staff have disaggregated this information for reporting and analysis.

### The Big Picture for 2040 Plans

- The Council has authorized 322 amendments<sup>1</sup>, consisting of 360 actions. Of the 322 amendments, 80 required Council action and 242 were reviewed administratively by staff.
  - o Communities within the MUSA account for 88% of amendments.
  - o The Council authorized the highest number of amendments in Emerging Suburban Edge (73) communities, followed by Suburban (67) and Suburban Edge (60).
- The number of amendments has declined since its peak in 2021 (Figure 2).
  - o Only three amendments were submitted in 2019, as most plans were still under review for the 2040 decennial update.
  - o Amendments grew to 47 in 2020 and peaked the following year with 115 amendments.
  - o Amendments declined in 2022 and 2023 with 81 and 76 amendments, respectively.
- The most frequently submitted amendments included changes in guiding land use, including those associated with a development (170) and those without a specific development proposal (90). There were 82 amendments related to changes in the text, such



as the creation of a new guiding land use or revisions to density ranges.

- Of the 322 total amendments to 2040 Plans, the Council has found 14 amendments to be inconsistent with regional policy.

- o Nine amendments created inconsistencies with housing policy.

- o Two amendments created inconsistencies with natural resources policy.

- o One amendment created an inconsistency with land use policy.

- o One amendment created an inconsistency with both land use and natural resources policies.

- o One amendment created an inconsistency with agricultural preserves policy.

## 2. Livable Communities Act 2024 Fund Distribution Plan: Highlights of Proposed Program Changes (Sarah Berke 651-602-1198)

The Livable Communities Act (LCA) requires that the Council prepare an annual plan, the Fund Distribution Plan (FDP), for distribution of the Livable Communities funds that includes funding availability, program guidelines, and scoring criteria.

This report highlights proposed program changes that staff will include in the 2024 FDP draft. A draft of the full proposed scoring criteria for all LCA programs will be presented to the Committee for discussion at the regularly scheduled meeting on January 15, 2024, and for final approval on February 5.

Staff have been in conversation with the Committee as well as applicants and other stakeholders about larger, structural changes to the LCA programs throughout 2023. As discussed in a December 4, 2023, update to the Committee, staff will recommend only minor changes in 2024. To allow for engaged decision making and reviewing the potential impacts of proposed changes, staff is not recommending implementing any larger changes until the 2025 FDP cycle.

Proposed Program Changes for 2024

Proposed program changes are organized by program area below.

LCDA and LCDA-TOD Programs

Single Step Scoring Process: The Livable Communities Demonstration Account (LCDA), including the Transit Oriented Development Account (LCDA-TOD), have both used a two-step scoring process to score applications. The first step was done by an internal staff review panel comprised of staff from across the Council. The second round of review has been conducted by a 15-member external review panel, the Livable Communities Advisory Committee (LCAC). Drawing on subject matter experts from across the region, the LCAC members have scored projects using a different set of criteria than the internal staff review.

Managing a two-step review is not only resource intensive for staff and reviewers, but it also significantly extends the waiting period for applicants. A single-step review process will be more streamlined for staff, reviewers, and applicants.

Staff highly value the perspectives of external reviewers and the importance of having community involved in the scoring process. External reviewers will continue to be involved in the process and will score alongside Council staff. Rather than scoring on all categories, external reviewers will be asked to score a specific category that best matches their experience and expertise. This model will be extended to the Homeownership program as well. (Note: Currently, LCAC by-laws define specific committee seats based on domains of expertise that do not fully align with current LCA priorities; e.g. it does not include any



homeownership seats. To better align LCAC members' expertise with current program priorities, staff may propose adjustments to the LCAC bylaws later in 2024).

**Consolidating Teams and Process Scoring Sections:** In 2021 the LCDA and LCDA-TOD scoring was restructured to focus on What, How, and Who. The What assessed the project's tangible outcomes, the How assessed the project development process, and the Who assessed the project team. In reviewing application answers and reviewers, staff are proposing to consolidate the How and the Who sections. The two sections were scoring on very similar project components which led to redundancy in application answer and reviews. Combining the two sections and consolidating review criteria will eliminate redundancy and help to clarify the scoring criteria for applicants and reviewers.

### Homeownership Program

**Homeownership Scoring and Selection Process:** Applicants, Council Members, and staff have recognized the need for adjustments to the scoring process in response to evaluation of the initial two years of this pilot program. In a continued effort to align processes across LCA accounts, the homeownership applications will be scored using a process more aligned with LCDA and LCDA-TOD. A review panel of both internal and external reviewers will evaluate applications, scoring on the criteria that best match their experience and expertise.

**Homeownership Match and Award changes:** For its first two years, the Homeownership program has required a 1:1 local match; this has posed an administrative burden to applicants and is not a requirement in most LCA programs. In lieu of this match, but with similar effect, staff propose capping per-unit support at no more than 50% of total development costs. (While statute requires a 1:1 match for grant awards made from the Local Housing Incentives Account, the LCA Homeownership program is funded by general LCA program reserves, not from LHIA, and therefore does not have this legal requirement). Staff will also investigate options to impose per-unit or per-applicant award caps, based on demand for and availability of funds in a particular year.

### TBRA Programs

**Scattered Site Investigation Pilot:** For the TBRA Site Investigation program, staff intends to pilot a scattered-site award option that could be used by an applicant for multiple sites within a Target Area, with a maximum award of up to \$50,000 per project or up to \$250,000 per applicant for multiple scattered sites. Applicants would be required to expend 80% or more of awarded funds before being eligible to reapply. Staff believes this could lead to greater applicant interest in the site investigation program, because it would reduce the timeline required to identify funding for projects that are often lower-cost and relatively time-sensitive.

### Adjournment

Business completed; the meeting adjourned at 6:00 p.m.

### Certification

I hereby certify that the foregoing narrative and exhibits constitute a true and accurate record of the Community Development Committee meeting of December 18, 2023.

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### Council Contact:

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