

**METROPOLITAN COUNCIL**  
390 North Robert Street, St. Paul, Minnesota 55101

**REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE**

Monday, November 19, 2007

Committee Members Present: Richard Aguilar, Georgeanne Hilker, Annette Meeks, Vice-Chair; Tony Pistilli, Kris Sanda and Natalie Steffen, Chair

**CALL TO ORDER:**

Committee Chair Steffen called the regular meeting of the Council's Community Development Committee to order at 4:10 p.m. on November 19, 2007. Community Development Director, Guy Peterson, introduced Lisa Barajas, a newly hired planner, in the Local Planning Assistance unit.

**APPROVAL OF AGENDA:**

While waiting for a quorum of Community Development Committee members, Chair Steffen changed the order of the November 19 agenda to start the meeting with Information Item 2007-342, Livable Communities Demonstration Account (LCDA) Recommendations Presentation.

Steffen introduced and welcomed Ruth Grendahl, chair; Livable Communities Advisory Committee (LCAC), and informed CDC members that Item 2007-342 before them today was for informational purposes only. She further reported that this item would be before the committee for action at the December 3 CDC meeting and encouraged members to use this opportunity for any questions regarding the Livable Communities Demonstration Account (LCDA) recommendations. Steffen also indicated that Joanne Barron, planning analyst, who staffs the LCAC is also available for questions.

Chair Steffen then invited Dave Theisen, Council's legal counsel, to the table. She stated that Council members have seen the inquiries that were made about the use of eminent domain in one of the grant requests. She asked Mr. Theisen, who gave the legal opinion on this topic, to tell Met Council, CDC, and LCAC members what the policy is with regard to eminent domain. Dave Theisen stated that, as he understands the question, the issue is whether the Council's eminent domain policy on LCA grants would prohibit the Council from considering this grant application. He further stated that, in his opinion, it would not. The Council's policy as well as state law applies to eminent domain proceedings that were commenced prior to a certain date. Based on the information provided from the city, this grant application would be eligible under Council policy and state law.

**INFORMATION:**

**2007-342 – Livable Communities Demonstration Account (LCDA) Recommendations Presentation.**

Ruth Grendahl, chair; Livable Communities Advisory Committee (LCAC), started out by thanking the other 12 members who served on the LCAC. She indicated how the LCAC is a very committed group of people who put in many hours to do this work. Several members visited the project sites. She reported that 16 applications were received totaling \$18.4 million, with \$8 million available. The LCAC convened for six meetings in two months from September to November focusing on demonstration and innovation in the projects as directed in the criteria. Careful attention was paid to conflicts of interest. Advisory committee members declared conflicts orally and in writing. The advisory committee reviewed an eight point checklist to determine whether each project is feasible only with LCDA funding. All projects met the criteria and Grendahl stated, that as LCAC chair, she signed a completed checklist for each of the projects. She then explained the evaluation process. Fifteen proposals were read and evaluated (one application dropped out in the Step One evaluation conducted by staff). Scoring the projects gave the LCAC a starting point for discussion in selecting proposals to move to the next step—a Q & A interview with the advisory committee. The LCAC selected 11 of the 15 proposals to move on to the Q & A. Grendahl expressed during the Q & A that she asked each applicant why they could not do this project or the element they were requesting within two years without LCDA funds to confirm that LCDA funding was necessary. Advisory committee members also asked questions regarding readiness, more detail, or to get clarification.

Grendahl further reported that, during the Round Two Evaluation process, 9 of the 11 projects invited to the Q & A meeting scored at or above the 30 point scoring threshold required to move on to discussions about funding. The readiness of nine projects was also evaluated. The advisory committee was in agreement that all were ready to implement the project or the element requested.

Seven projects that scored at or above the 30 point threshold were recommended for funding. Two others were not recommended for funding by the advisory committee because the amount recommended would exceed the 40% of available funding the LCAC could recommend for projects in Minneapolis and St. Paul.

Two projects scored lower than 30 points and were not recommended for funding by the advisory committee. The LCAC can move a project into the funding-eligible group by a two-thirds vote. Grendahl stated that she asked the advisory committee at two different meetings if there was a motion to move either of the two projects that scored lower than 30 points into the group eligible for funding. At the second meeting, there was a motion to move Northwest Quadrant, New Brighton into the funding-eligible group. The motion failed.

It was further explained that the LCAC looked carefully into the use of eminent domain in connection with one of the projects, Stonebridge Core Block East in Rosemount. The city was asked to give an explanation in writing when they came in for their Q & A. The explanation provided was reviewed by staff, who checked with legal counsel, and it was determined that the city's use of eminent domain in this case was consistent with Council policy and state law.

Grendahl provided an overview regarding the process used for making funding recommendations. The LCAC started with the highest scoring projects and penciled in dollar amounts as the discussion proceeded before the final voting. During its discussion, the advisory committee considered how each requested element would contribute to the innovation and demonstration represented by the project. Five of the projects were then recommended for full funding. Partial funding for one of the projects, A.6., West Broadway Curve, Minneapolis, was arrived at by selecting line item requests most appropriate to the demonstration represented by the project. The Rivoli Street, St. Paul project also was recommended for partial funding because the total for Minneapolis and St. Paul projects had reached the maximum of \$3.2 million (40% of the available \$8 million) that the LCAC could recommend for Minneapolis and St. Paul projects. However, the advisory committee is suggesting that the Council award an additional \$143,897 to Rivoli Street, St. Paul, to fully fund this project.

The recommendations are listed in order of how the projects scored.

<b>ID #, Applicant City</b>	<b>Project Name</b>	<b>Recommended Amount</b>
A.4. Minneapolis	Longfellow Station	\$500,000
C.3. Rosemount	Stonebridge Core Block East	\$1,587,500
A.8. St. Paul	Dale Street Village	\$1,050,000
A.6. Minneapolis	West Broadway Curve	\$1,325,000
C.2. Forest Lake	Washington County Senior Housing/Headwaters	\$700,000
A.9. St. Paul	Rivoli Street	\$325,000
B.4. Roseville	Har Mar Apartments	\$305,000
<i>Projects are listed in point rank order A – Center Cities, B – Developed Cities, C – Developing Cities</i>		<b>Total \$5,792,500</b>

Chair Grendahl concluded by stating that the recommendations total \$5,792,500 – leaving \$2.2 million unspent, or just over \$2 million if the CDC agrees to recommend the additional amount for the Rivoli Street, St. Paul project. She expressed the LCAC's opinion that projects that do not meet the funding thresholds should not be funded simply because there is money remaining. She also commented that fewer applications

were received this year. The advisory committee felt they saw less innovation and demonstration perhaps because, in these market conditions, there is a lower threshold of risk.

Grendahl then invited Joanne Barron to provide a brief overview about each project. Barron reviewed the eligible uses of funds including funding details. A copy of the PowerPoint presentation was made available. Upon the conclusion of her presentation, Barron welcomed further questions.

Steffen called for the pleasure of the committee and restated that CDC is not acting on this issue today. This item will come before the CDC on December 3 and the question will be presented whether to award \$5,792,500 in grant funds. Also, the LCAC is further recommending that the Rivoli Street project in St. Paul receive an additional \$143,897 which would still leave just over \$2 million that has not been committed this year. Remaining funds would be rolled over into the next grant cycle in 2008.

Sanda stated that she represents New Brighton and noted that she received many communications from New Brighton regarding their proposal. She further commented that some of the projects did not score well enough to meet the threshold, and yet money is being left not granted to applicants. Grendahl revisited the scoring the New Brighton project received (27 points out of 50) and expressed that the LCAC did not see innovation and demonstration in this project that would support a recommendation for funding. Steffen also interjected that this project did not meet the threshold, scoring below the 30 points needed to move forward. Grendahl restated that LCAC members were asked at two different meetings if they wanted to make a motion to reconsider the Northwest Quadrant and Centerville projects. There was a motion to move the Northwest Quadrant up for discussion, and the motion failed.

Meeks noted that on the Dale Street Village project, three private properties are being acquired for demolition. She asked if the property owners were willing sellers. Barron responded that no eminent domain issues are involved. Steffen invited Patty Lilledahl, City of St. Paul, to the table. Lilledahl stated there was a holding company developed by the neighborhood groups involved in the redevelopment of this project. They temporarily bought the buildings with bridge money, and they will become part of the new limited partnership developing the project, so they are willing sellers. Meeks also asked for clarification, for the record, about two projects—both of which were in Minneapolis--that did score over 30 points but were not recommended for funding. Grendahl responded that these two projects would have exceeded the 40% limit the LCAC can recommend for awards to Minneapolis and St. Paul. To be clear, Meeks asked if the ranking in the table was the ranking of Minneapolis or was that the ranking of the final LCAC recommendation point-wise that listed those two projects as #1 and #2? Grendahl replied that these Minneapolis projects not being recommended (A.3, Jackson Street Artists Housing; and A.2., Bystrom Brothers) were lower down in the scoring. Upon no further questions, Steffen thanked Grendahl and the LCAC members for their hard work.

#### **APPROVAL OF MINUTES:**

Steffen entertained a motion to approve the minutes. A quorum being present, it was moved by Meeks, seconded by Sanda, to approve the minutes of the October 15, 2007, regular meeting of the Community Development Committee. The motion carried.

#### **BUSINESS:**

**2007-375 - Hassan Township Comprehensive Plan Amendment, Stones Throw Phase 1, Review File No. 18119-3.** Freya Thamman, senior planner, reported that Hassan Township's 2020 Comprehensive Plan (Review No. 18119-1) was reviewed by the Council on May 22, 2002. In 2000, the Township had 2,463 residents in 778 households and 627 jobs. The Township has an orderly annexation agreement with the City of Rogers. The agreement between the Township and City is for growth management, orderly annexation and the exercise of joint powers for the extension of municipal services and transportation improvements. According to the phasing of the orderly annexation agreement, the Comprehensive Plan Amendment (the "CPA") area is scheduled to be annexed to Rogers between January 2004 and August 2010. The entire Township is scheduled to be annexed to Rogers by August 15, 2030. However, according to recent discussions between the Township and City of Rogers, it is likely that the

Township will be annexed to Rogers before 2030. Thamman also noted that Hassan Township submitted a Comprehensive Plan Amendment that guides 48 acres from commercial/industrial to urban mid-density (3-7 units/acre), and 15 acres from single-family to urban mid-density. The remaining land will be dedicated right-of-way and wetland. The CPA area is located in southeast Hassan Township abutting the southeast corner of Rogers on both sides of Territorial Road, south of the railroad and east of Fletcher Lane (CR 116). The CPA area is part of a 1,043-acre final Alternative Urban Areawide Review (FAUAR) that the Metropolitan Council reviewed, with no objections, in July 2007.

Steffen questioned if the orderly annexation was reflected in the Rogers or Hassan numbers now and is the Council revising them? Thamman responded that the orderly annexation numbers should be reflected within the systems statement but, with this AUAR area, the town is suggested to meet with Council staff to evaluate their future forecasts so the forecast could change in the future.

Meeks moved, seconded by Sanda, that the Metropolitan Council adopt the following:

1. Allow Hassan Township to put the Comprehensive Plan Amendment into effect with no modifications.
2. Accept and revise Hassan Township's 2010 forecasts as outlined in this review.
3. Advise Hassan Township to revise its local surface water management plan to meet the 2008 comprehensive plan requirements.

Motion carried.

**2007-323 – City of Shakopee CPA – Bluffs of Marystown File 18241-16.** Tom Caswell, senior planner, stated that the City of Shakopee is located in northern Scott County, adjacent to the Minnesota River and south of Eden Prairie and Chanhassen. The City is forecasted to grow by nearly 14,000 households and almost 32,000 people by 2030. The City has experienced significant growth since the completion of the Hwy. 169 by-pass and its associated river crossing. It was noted that the comprehensive plan amendment (CPA) changes the land use plan for 323 acres from Urban Expansion (1/40) to low and medium density urban residential and 20 acres of commercial in southwest Shakopee. The City annexed this property from Jackson Township in 2006 and is a regular participant in the Council's plat monitoring program. Since 2000, the City has permitted 4,343 units on 1,083 net acres of land for an average net density of 4.0 units per acre.

Steffen commented that some conversation about the public utilities that provides water in this area has surfaced at another committee she is serving on. In some cases, the planning between that public utility and the cities has not always gone really well because cities have gone on with their plans and not found out if they can have water supplied to them. She questioned if the public utilities provides any kind of planning to the Council. Caswell responded that the Public Utilities Commission develops water supply plans for each of the cities to which it supplies water. It may include Savage and part of Prior Lake as well. The PUC, as well as all the cities and the county in that area are part of the southwest groundwater group. So there is a lot of communication and coordination over water supply questions and issues in this particular part of the region.

Meeks moved, seconded by Sanda, that the Metropolitan Council adopt the following actions:

1. Allow the City to put the Bluffs of Marystown comprehensive plan amendment into effect.
2. Advise the City that:
  - a. City staff work with Council staff to ensure that the City of Shakopee socio-economic data is assigned to Transportation Analysis Zones (TAZs) correctly for future years.
  - b. Future wastewater capacity for this portion of Shakopee (Jackson Township) will be reviewed with the submission of the City of Shakopee's 2008 Comprehensive Plan Update.
  - c. The 2008 Water Supply Plan must be consistent with the City's 2008 Comprehensive Plan. If there are discrepancies between the submitted 2008 Water Supply Plan and the 2008

- Comprehensive Plan. The Shakopee Public Utilities Commission will need to submit amendments to its Water Supply Plan to the Council.
- d. Shakopee should include a description of activities in its 2008 Comprehensive Plan Update that it plans to carry out aimed at identifying and reducing sources of excessive I/I.
  - e. This plan amendment does not change the City's forecasts to 2030.

Motion carried.

**2007-370 – Comprehensive Plan Amendment Proposal for the City of Inver Grove Heights, Argenta Hills, Review File 18495-37.** Patrick Boylan, senior planner, presented the City's proposal. The *2030 Regional Development Framework* identifies the City as both Developing and Rural Residential. The City proposes to amend the 2020 comprehensive plan land use designation of 69.9 acres from Planned Unit Development (PUD) to accommodate a proposed mixed-use development. The applicant proposes to regrade 22 acres of the 69.9 acres of the existing PUD to residential and 47.9 acres of "industrial park" to "community commercial." Boylan highlighted the changes to the forecasts that the amendment would require. Council staff recommends an increase to the population, households, and employment forecasts as presented in the written report.

Steffen questioned whether there is a time limitation on when they have to do things. Boylan responded that for the updated forecast, the Metropolitan Council will act and then it is incumbent upon the city to do so; however, he is not exactly sure what the procedure is at this time. Steffen replied that she would appreciate hearing about the process.

Hilker moved, seconded by Meeks, that the Metropolitan Council adopt the following:

1. Allow the City to put the Comprehensive Plan Amendment (CPA) into effect.
2. Advise the City to include a copy of the final adopted local surface water management plan as a 2008 comprehensive plan component.
3. Adopt the revised forecasts included in this review record.
4. Require the City to submit an updated allocation of the forecast data to the correct transportation analysis zones (TAZs).
5. In its 2008 Comprehensive Plan Update Inver Grove Heights needs to include a description of activities that it plans to carry out aimed at identifying and reducing sources of excessive I/I.

Motion carried.

**2007-376 – St. Jude Medical Complex CPA, City of Little Canada, Metropolitan Council Review No. 16845-3.** Bob Mazanec, planning analyst, indicated that the City of Little Canada is located in northeast Ramsey County. Adjacent communities are Vadnais Heights, Maplewood, Roseville, and Shoreview. Little Canada is a developed community in the 2030 Regional Development Framework. In 2000 the City's population was 9,771 with 4,375 households and 5,693 jobs. According to its metropolitan systems statement the 2030 population is expected to be 12,800 with 5,700 households and 7,300 jobs. Mazanec further reported that the City of Little Canada proposes to change land use on 10 acres from Public/Institutional to Regional Commercial to accommodate expansion of the St. Jude Medical Complex. The City shows an employment increase of 600 in the 2010 time period for the building to be located on the 10-acre parcel. The CPA also shows an increase in sewer flow projections due to the entire 47-acre project.

There were no questions from the committee. Hilker moved, seconded by Meeks, that the Metropolitan Council adopt the following:

1. Allow the City of Little Canada to put the St. Jude Medical Complex Comprehensive Plan Amendment into effect with no required plan modifications.
2. Advise the City that its 2008 comprehensive plan update needs to reflect revisions of Metropolitan Council forecasts contained in this report.

3. This comprehensive plan amendment revises the City's employment forecasts per this report.
4. This comprehensive plan amendment revises the City's sewer service projections per this report.
5. In its 2008 Comprehensive Plan Update Little Canada needs to include a description of activities that it plans to carry out aimed at identifying and reducing sources of excessive I/I.

Motion carried.

**2007-372 – Request for Acquisition Opportunity Grant to Partially Finance the Acquisition of Parcel #6 in Battle Creek Regional Park and Request for Reimbursement Consideration in Future Regional Parks CIP for Local Match, Ramsey County.** Arne Stefferud, planning analyst, stated that Ramsey County has negotiated the purchase of a 3.04-acre parcel within the boundary of Battle Creek Regional Park, hereafter referred to as the Parcel #6 property. The cost to purchase the property and to finance related costs for the appraisal and other items is \$291,522. The County has requested an Acquisition Opportunity Grant to finance a portion of the acquisition cost, and to have the County's share of financing the acquisition be considered for reimbursement in a future regional parks capital improvement program. On November 13, the Metropolitan Parks and Open Space Commission considered the request against the current rules for distributing grants from the Acquisition Opportunity Fund and the new rules proposed in agenda item 2007-221. The Commission unanimously chose to recommend a grant under the existing rules. The Commission also chose to lay over consideration of the new rules to their December 4 meeting to provide an opportunity for regional park agency policy boards to comment on the proposed new rules. Since this acquisition was time sensitive, Ramsey County staff asked the Commission to recommend a grant under the existing rules.

There were no questions from the committee. Meeks moved, seconded by Sanda, that the Metropolitan Council:

Authorize a grant of up to \$116,609 from the Park Acquisition Opportunity Fund to Ramsey County to finance 40% of the costs to acquire Parcel #6 in Battle Creek Regional Park as shown on Attachment 1. The grant is financed with \$116,609 of Metropolitan Council bonds in the Acquisition Opportunity Account.

Allow up to \$174,913 which is 60% of the acquisition costs of Parcel #6 to be eligible for reimbursement consideration in a future regional park CIP. However, the Council does not under any circumstances represent or guarantee that reimbursement will be granted, and expenditure of local funds never entitles a park agency to reimbursement.

Motion carried.

**2007-373 – Additional Revisions to Livable Communities Program Grant Administration Procedures – Changes to End Projects.** Jan Gustafson, manager, Livable Communities Program, stated that on September 26 the Metropolitan Council approved a Community Development Committee (CDC) recommendation directing staff to implement grant administration procedures to address requests for revisions to the end projects originally proposed as the development or redevelopment outcome in proposals assisted by Livable Communities grant awards. The procedures included a process to determine whether the requested amendment was significant and, if it was, included having the grantee present the proposed amendment to a CDC Review Panel convened to determine whether or not the amendment should be approved.

To date, the review panel has been convened once to review a request to amend the end redevelopment project for two Livable Communities grants (one from the Tax Base Revitalization Account and one from the Livable Communities Demonstration Account) for the Longfellow Station project. In that instance, the review panel recommended, and the CDC approved, the amendments.

In the case of the two Longfellow Station grants, the City of Minneapolis had not expended any of the awarded grant funds prior to the review panel's approval of requested grant amendments. However, given

that Livable Communities funding is awarded early in the life of a project, it is likely there will be instances when the request to change will occur after some or all of the awarded grant funds had been expended by the grantee. This item suggests additional information to be included in the LCA grant administration procedures to clearly describe the Council's response in such instances. Livable Communities staff consulted with the Council's legal counsel, David Theisen, and auditor, Katie Shea to prepare the proposed language. Gustafson stated that both Theisen and Shea are present today if there are questions.

For reasons stated in the memo, everyone agreed that LCA grants should be administered with the assumption that the grantee accurately described the end project at the time of application and spent the funds in good faith, and that they will inform the Council of changes to the end project when and if they occur. If the request to amend the end project is approved, the grant would be amended and funding would continue. If the Community Development Committee denied a request to amend an end project, staff propose that further encumbrance of funds by the grantee should stop and further expenditures should be discontinued. However, the Council should reimburse the grantee for any documented eligible expenses incurred prior to the date of the CDC's action and no attempt should be made to recover funds already paid to grantees for documented eligible activities.

Finally, as noted in the last paragraph of the memo, there may be instances in which the intended end project will be terminated in its entirety during the two-year term of the grant. In such circumstances, staff recommend that the grantee be reimbursed for any eligible costs encumbered or expended up to the point where the end project is terminated.

Staff further recommend that remaining grant funds be reserved for the grantee—and held by the Council—until the two-year term of the grant expires in order to provide the grantee with the opportunity to replace the original project with a similar project that could be reviewed and approved by the Community Development Committee.

If the grant agreement expired without a new CDC-approved end project in place, no further extension of the grant agreement deadline would be authorized and all unencumbered or unexpended funds would be returned to the fund account from which the grant was awarded. In such cases, the grantee could reapply for funding during a future grant round if and when a viable project were developed.

Gustafson also reported that if the procedures were approved, Dave Theisen would include additional language in the Livable Communities grant agreement informing grantees that they are required to advise the Council of any changes to end projects in a timely manner.

Gustafson concluded that these procedures are being recommended as being consistent with the Council's intent to partner with local governments to meet regional and local objectives and also so that the Council is clear, up front, to both current grantees and future applicants as to the Council's grant administration procedures.

Steffen raised two questions: 1) When the procedures say a similar project reviewed and approved by the CDC, is the thought that the grantee would come before this committee, would they go before the committee Ms. Grendahl chairs, or would they come before the "special" committee? Gustafson responded that the proposal envisions this as a continuation of the process recently set in place in which the grantee would make a presentation in detail to the review panel as Minneapolis did in the case of Longfellow, and that panel would make a recommendation to the CDC. Steffen then stated that the Council has in the past put some special conditions on grants that a city must do. She asked Dave Theisen, legal counsel, 2) would this in any way negate a special condition on a grant? Theisen responded that he did not believe so. When the Council or the committee has placed special conditions on a grantee, special provisions are made in the template grant agreement to accommodate those, and either the grantee complies with those requirements or they don't. If they don't, they would have an opportunity to come back to the committee and say why not and ask for something different. It would not be negated.

Hilker expressed concern about the section stating that, if the project were terminated, the grantee would be able to hang onto the grant and come up with another project. She also is not comfortable in having this new project come before the review panel when the review panel hasn't been in the business of reviewing projects in their entirety. Gustafson stated that often what happens in situations like this is that the grantee has no project and they relinquish the funds. However, grantees have requested to keep funding, promising that a similar project is pending. This procedure proposes putting some parameters around the length of time a grantee could keep the awarded funding—only during the two year period of the original grant agreement. The Council pays on a reimbursement basis, so the money is being held by the Council while the grantee is given an opportunity to come forward with a project that would then be reviewed under those same guidelines that are set forth in the procedures approved in the fall. Steffen indicated this is basically the same process that is in place now.

Meeks expressed that she shares Council Member Hilker's concern. She asked for clarification as to how this differs from the procedures already in place. Gustafson replied that this is different because when the CDC dealt with the case of Longfellow Station, none of the awarded money had been spent. Whether it was decided to let that project go forward or not, the money had not changed hands. However, it did raise questions about instances in which the end project change happened after some or all of the money had been spent. These are additional steps to clarify what would happen in those circumstances.

Pistilli clarified that the CDC won't see projects back where the money had already been spent. It would only see those projects that have all or some of the money still held by the Council. In fact, if the city spends money, the Council would hold them harmless if their plans change. Peterson responded that if there are still some unrequested funds, it would come before the review panel. If all the funds have been expended, such as a polluted site cleanup after which the development changes three years later, the CDC would not be looking at it. Theisen further expressed a technical point – in all cases, the legal and audit departments would look to ensure that the Council is or has reimbursed for eligible expenses.

Meeks then asked, theoretically, why a city would ever come in those two years to ask the Council to change a project? Why wouldn't they just go ahead with the project and then once it's built, know that the Council is not going to come back after them? Peterson stated that the grant agreement is going to specifically charge grantees with the responsibility to tell the Council during the two-year term of the grant if they are going to change the end project. Otherwise, they would be in violation of the grant agreement. Gustafson also stated that because these are publicly funded and visible projects, whether the Council heard from the city or not, we would be reading about changes in the paper or would see them in the *Minnesota Business Journal*. Staff has many ways to monitor the projects. Hilker expressed that she is still a little uncomfortable with this.

Theisen stated that the other leverage the Council has is the statutory authority. The Council establishes who is eligible for a grant or a loan and can determine that a particular grantee is ineligible for future LCA grants if they violate a grant agreement.

Meeks commented that she shared Hilker's concern, is not quite comfortable with this yet, and asked if the CDC could put some teeth into the procedures. Hilker again expressed her concern around the project being terminated in its entirety and then giving the grantee time to come up with a new project and then the review panel being in the position of looking at a new project that it would have to consider. Steffen requested Hilker to think about it again in the terms of the example Pistilli used. If the money that went to Ramsey had been used to acquire property, and then, after buying land, the city said they were not going to put this kind of housing/retail on it, then they would have to be in front of the review panel to talk about the change in order to get approval. If they didn't ask for approval, the Council would revert to Mr. Theisen's comments about the Council's statutory authority.

Meeks asked how the CDC could enforce this? Can it blacklist a community for future grants if the community is participating in a program that makes them eligible? Theisen stated that he believes the Council can do this. The legislation says that the Council shall establish guidelines and that gives the Council authority to say who is eligible or ineligible.



Steffen stated that it was her feeling the committee was really not very comfortable with some things right now and that they would like to see something stated in writing such as what Mr. Theisen talked about. She stated that there ought to be a warning in writing to cities so that cities know what they are risking by not informing the Council of changes. She directed staff to revise the item to include those consequences so that members would be more comfortable making a decision.

**Committee & Liaison Reports:**

There were no reports.

**OTHER BUSINESS:**

Steffen announced that the chair has been approached with a request to change the start time of the CDC meeting. A number of start times have been suggested from anywhere between noon and 3:00 p.m. Steffen inquired if the CDC could arbitrarily set a new meeting time. Theisen stated that the bylaws require the Council to establish the regular meeting dates for the committee and then the bylaws permit the committee chair to establish times and locations. Meeks made a plea on behalf of Council Member McDaniel, who is absent, and herself/others who have to register as lobbyists – a noon time is impossible for us starting February 12 through the end of May. Sanda expressed that of the survey she took today, two members are absent, for two members it would be extremely difficult to change, and for four members it was alright to change the time due to winter driving conditions, rush hour, etc. Sanda expressed that even an hour earlier start would be preferable. Steffen requested CDC members to inform Mr. Peterson about their preferences before leaving the meeting today and directed him to let the Management Committee know the results prior to November 28.

Steffen thanked staff and the committee for their time and attention. The next meeting of the Metropolitan Council's CDC is December 3 at 4:00 p.m. in Chambers.

**ADJOURNMENT:**

Business completed, the meeting adjourned at 5:35 p.m.

Respectfully submitted,  
Diane Jadwinski  
Recording Secretary