

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

**REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE**  
Monday, May 5, 2008

Committee Members Present: Chair, Natalie Steffen; Richard Aguilar; Sherry Broecker, Georgeanne Hilker; Brian McDaniel, Annette Meeks, Vice-Chair

**CALL TO ORDER**

A quorum being present, Committee Chair Steffen called the regular meeting of the Council's Community Development Committee to order at 4:00 p.m. on Monday, May 5, 2008.

**APPROVAL OF AGENDA AND MINUTES**

It was moved by McDaniel, seconded by Hilker to approve the agenda. **The motion carried.**

It was moved by Hilker, seconded by Broecker to approve the minutes of the April 21, 2008 regular meeting of the Community Development Committee. **The motion carried.**

**BUSINESS**

**2008-126 – 2008-2013 Capital Improvement Program and Capital Program and Budget Amendment.** On behalf of Alan Morris, principal financial analyst, who was absent, Arne Stefferud, planning analyst – Parks, briefed the committee on the projects that would be funded with this amendment. He noted that one project – a \$572,469 Land Acquisition Opportunity Grant to acquire land for the Bruce Vento Nature Sanctuary in the City of St. Paul had not yet been approved by the Metropolitan Council, but would be considered by the Metropolitan Parks and Open Space Commission on May 6. Stefferud expressed that the acquisition was consistent with the Council's *2030 Regional Parks Policy Plan* and, therefore, expected the MPOSC to recommend approving the grant. Their recommendation would be forwarded to the Community Development Committee on May 19 and be considered by the Metropolitan Council on May 28, concurrently with the recommendation for the rest of the capital budget amendment.

In response to a question from Chair Steffen and since the MPOSC had not yet considered the Land Acquisition Opportunity Grant to the City of St. Paul, the Community Development Committee amended the third recommendation by adding "...pending review and recommended approval by the Metropolitan Parks and Open Space Commission on May 6 for a \$572,469 Land Acquisition Opportunity Grant to acquire land for the Bruce Vento Nature Sanctuary in the City of St. Paul." The Committee unanimously supported the amended recommendations.

McDaniel moved, seconded by Hilker, that the Metropolitan Council:

- Amend the 2008 Authorized Capital Program (multi-year authorization) by adding \$23,199,298 in new spending authority for Parks and Open Space
- Amend the 2008 Capital Budget (annual appropriation) by adding \$9,745,000 in new appropriations for Parks and Open Space.
- Approve new projects and transfers between capital projects as detailed in Attachment 1 pending review and recommended approval by the Metropolitan Parks and Open Space Commission on May 6 for a \$572,469 Land Acquisition Opportunity Grant to acquire land for the Bruce Vento Nature Sanctuary in the City of St. Paul.

**The motion carried.**

**2008-80 – Establish Date for Public Hearing – 2009 Public Housing Agency Plan.** Beth Reetz, manager, housing and redevelopment authority, reported that federal regulation for the Section 8 and Public Housing programs require the Council to conduct a public hearing to receive comments on the PHA Plan modifications for Fiscal Year 2009. She reminded staff that the PHA Plan is a document required by the U.S. Department of Housing and Urban Development (HUD) and is a comprehensive guide to the HRA's policies, programs, operations and strategies for meeting the local housing needs. Reetz stated that this hearing would be held at the August 18, 2008, Community Development Committee meeting and will also be presented at the May 14, 2008, Metropolitan Council meeting as a consent item.

Meeks moved, seconded by McDaniel, that the Metropolitan Council:

Conduct a public hearing to discuss and receive comment on the FY 2009 Public Housing Agency (PHA) Plan on August 18, 2008, at 4:00 p.m. in the Chambers.

**The motion carried.**

**2008-93 – City of St. Paul Request to Amend the Redevelopment End Project for Minnesota Building #SG006-085.**

Chair Steffen provided an overview about this request, including a Review Panel update, and expressed that the city intended to keep these units affordable. Paul Burns, manager, livable communities, expressed that staff had re-evaluated this proposal based on the scoring criteria and determined that the proposal would have received a few less points but would have scored well within the range of the total points needed to be identified for funding.

Hilker moved, seconded by Broecker, that:

The Community Development Committee direct staff to amend the project description shown as Attachment A of Tax Base Revitalization Account Grant SG006-085 to incorporate City of St. Paul-requested changes to the project.

**The motion carried.**

**2008-113 – City of Chaska Request to Amend the Tax Base Revitalization Account Grants #SG006-174 and**

**#SG007-35.** Chair Steffen provided an overview about this request, including a Review Panel update. Paul Burns, manager, livable communities, indicated that the proposed change is from a mixed-use project including rental housing and ground level retail to a project consisting of ground level retail space. He provided an informational update about this project's score after staff re-evaluated the proposal. No additional funds are requested.

Broecker moved, seconded by McDaniel, that:

The Community Development Committee direct staff to amend the project description shown as Attachment A of Tax Base Revitalization Account (TBRA) Grants SG006-174 and SG007-035 to incorporate City of Chaska-requested changes to the project. That the staff is further directed to be in contact with the City to identify the actual final cost of the asbestos abatement and soil remediation, so that any grant funds not needed for the project might be relinquished by the City so that they could be used for other projects as soon as possible.

**The motion carried.**

**INFORMATION**

**LCDA Affordable Housing Land Acquisition Loan Initiative.** Guy Peterson, director, community development, provided an overview about the Affordable Housing Land Acquisition Loan Initiative. Peterson noted that Tonja Orr, Assistant Commissioner, Minnesota Housing, was in the audience and would be happy to address questions. He stated that this initiative was suggested by Chair Peter Bell and is an effort that has been under ongoing discussions between the Metropolitan Council and Minnesota Housing since last fall. Peterson explained that this topic was discussed by the Livable Communities Demonstration Account work group that consisted of Chair Bell and Council Members Steffen and Meeks. The work group suggested that \$4 million of LCDA funding for 2008 could be used for this effort as the Council works with Minnesota Housing and the Family Housing Fund to make loans available to local government to buy land for future affordable housing development. Peterson explained the requirements and parameters of the Land Acquisition for Affordable New Development (LAAND) initiative including information about its priorities, revolving loan repayments and next steps for the program. Holding costs encumbered by cities who choose to participate in this program were outlined. This business item will be heard at the May 19 Community Development Committee and May 28 Metropolitan Council meeting.

Steffen asked for clarification about how the MUSA line criteria would be applied in communities with their own wastewater systems. Peterson stated that he would follow-up to clarify this point in the summary of this initiative. Steffen also asked how the application process would be handled and Peterson responded that it would be through the MHIG RFP process just as the LHIA grants are handled. Hilker inquired that if clean-up costs were involved, could applicants apply for a TBRA grant to which Peterson said, “Yes.”

McDaniel asked who the owner of the land would be prior to development and would it be subject to reclamation by the legislature if deemed necessary. Peterson explained that local government would be the owner until they transfer the title of that property to a developer to commence developing. Peterson indicated he could not respond to the second question but would follow-up with legal counsel for an answer for committee member McDaniel.

**LCA Grant Extension Review Policy.** Chair Steffen provided a brief overview about this issue and stated this follow-up was in response to a question raised by Council Member Pistilli at a prior meeting regarding housekeeping matters for grant extension requests. Paul Burns, manager, livable communities, reported that staff was directed to develop options for revising the process for reviewing and acting upon requests from grantees to extend or amend the outcomes to Livable Communities Act grants. In the last few months, two grantees have received approval from the Community Development Committee for extensions beyond the one-year administratively-approved extension available to grantees, and two grantees requests for changes to their end projects have presented their case to a Review Panel. Burns stated that the last change in procedures for addressing Livable Communities grants was made in September, 2007, and that staff is working on developing options for the Committee to consider that might change the way staff and the Committee address future requests for grant agreement amendments.

Burns discussed a handout with the committee and provided an overview of three possible modifications to the LCA grant amendment procedure. Discussion followed. Guy Peterson, director, community development, stated that absent some particular criteria or questions that are asked, the Council doesn't have any particular criteria for granting a fourth and fifth year extension. He explained that staff is suggesting that, at a minimum, even if the process remains the way it is with the grantee coming before the full CDC, perhaps criteria need to be established for asking consistent questions so that the Council is comparing applicants' reasons for extension requests fairly.

Meeks suggested that staff use modification option 3 as a tool. Steffen asked if staff had checked with legal counsel about modifying the grant extension procedure process since two extensions have already been granted by the CDC for the cities of Mound and Ramsey. Peterson indicated that staff would revisit this question with legal counsel but that counsel has indicated that the Council has the ability to establish and change criteria as it chooses. The committee discussed possibly revisiting the extension policy in September to determine if changes are warranted. Peterson explained that numerous grant extension inquiries are on the rise due to the current market downturn. He stated that staff would provide more detail about this issue and present it as an action item at the Community Development Committee on May 19.

**Regional Cooperation in the Winnipeg Area.** Mark VanderSchaaf, director, planning & growth management, provided a briefing on regional issues, planning and development in the Winnipeg area. He reported that staff was issued an invitation to attend a “Working Across Boundaries” conference at Winnipeg's expense on April 10-11, 2008. The purpose of this conference was to build and share knowledge about regional cooperation. VanderSchaaf noted that 150 local officials conferred about how to do regional planning. The conference worked with five regions in Manitoba and considered three models, with a special focus on the Winnipeg region. He then provided an overview about the three models discussed and explained that the Metropolitan Council was invited because of its work on water issues and because it represents the model of a formal regional government.

VanderSchaaf provided background information about Winnipeg's major regional issues – the largest being its wastewater system and shared what Winnipeg liked about the Metropolitan Council Model. He noted that Winnipeg also had much interest in the region-wide GIS (Metro GIS) system. VanderSchaaf concluded by providing information about Winnipeg's next steps. VanderSchaaf will learn more about Canadian planning at the national conference of the Canadian Institute of Planners this summer. General discussion about the Red River, flooding, water quality, and other issues followed.

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Guy Peterson announced that nominations are being sought for two vacancies on the Livable Communities Advisory Committee (LCAC). One seat is in the expertise category of local government planning, economic or community development; the other category is transportation and development relationship. Committee members are welcome to offer their suggestions for recruitment to LCA manager, Paul Burns, by Monday, May 19.

Chair Steffen announced that Vice-Chair, Annette Meeks, will chair the May 19, 2008, CDC meeting since she will be unavailable.

**ADJOURNMENT**

The next meeting of the Community Development Committee is Monday, May 19, 2008 at 4:00 p.m. in Chambers.

Business completed, Chair Steffen adjourned the meeting at 5:20 p.m.

Respectfully submitted,

Diane Jadwinski  
Recording Secretary