



Community Development Committee

Business Item

Item: 2008-133

Meeting date: June 16, 2008

ADVISORY INFORMATION	
Date:	June 11, 2008
Subject:	Revisions to LCA Grant Amendment Procedures - Extensions
District(s), Member(s):	All
Policy/Legal Reference:	Minnesota Statutes Section 473.25
Staff Prepared/Presented:	Guy Peterson, Community Development Director 651-602-1418 Paul Burns, Livable Communities Program Manager 651-602-1106
Division/Department:	Community Development/Livable Communities

Proposed Action

That the Metropolitan Council amend the *LCA Grant Amendment Procedures* to indicate that the attached criteria will be used to determine whether an LCA grantee may be granted a second extension, for a fourth year of grant eligibility for a Livable Communities Fund grant.

Background

At the May 5, 2008 Community Development Committee meeting, Livable Communities staff presented some options for addressing both requests for changes in end uses for projects and for addressing requests for time extensions for discussion. Staff was directed to bring back suggestions for addressing requests for additional extensions beyond the one year administrative extension previously authorized by the Council. The direction was to develop criteria for applicants to meet when coming before the Community Development Committee to seek an extension of an LCA grant agreement beyond a third year.

Rationale

The Committee has considered two extension requests recently and will be considering at least one more in June.

Funding

This change would not involve the amount of funding, only the process for extending the term of LCA grants.

Known Support / Opposition

Staff is not aware of any support or opposition.

LCA Grant Extensions Criteria

At least 45 days before the expiration of the LCA grant the grantee must: (1) submit evidence of unavoidable delay; and (2) provide reasonable assurances that the project for which grant funds were awarded will be completed in a timely manner.

(1) ***Unavoidable Delay.*** The Community Development Committee may consider a request for a second one-year extension if the grantee:

- Offers adequate information to support its' position that the delay is the result of decisions and/or actions by another public body or entity that were outside the reasonable control of the grantee, **or**
- Offers as adequate justification that the delay is the result of decisions and/or actions by another project partner, participant or other entity and that these decisions and/or actions were outside the reasonable control of the grantee, such as:
 - Failure to perform under the terms of a development agreement
 - Loss of control of the project site
 - Changes to the staging of other components of the project by other project participants that delay the grant-funded activity that is part of the project

(2) ***Reasonable Assurances.*** If the grantee demonstrates unavoidable delay, the Community Development Committee may grant a second one-year extension if the grantee also:

- Identifies how other investments have occurred in the project area, or to support the project, such as the establishment of a TIF district, issuance of local revenue bonds, or general obligation bonds, the awarding of other funding necessary to the project or the completion of other key components of the development end project,
and,
- Submits a resolution from the grantee's governing body requesting the second one-year extension that affirms that a development agreement is in place and the developer has control over the property for which the grant-funded activities are to be made,
and
- Submits a reasonably detailed schedule for completion of the grant-funded activities or work within the requested one-year extension period.