

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

REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE
Monday, September 15, 2008

Committee Members Present: Natalie Steffen, Chair; Richard Aguilar; Polly Bowles; Sherry Broecker; Georgeanne Hilker, Brian McDaniel, Tony Pistilli and Kris Sanda

CALL TO ORDER

A quorum being present, Chair Steffen called the regular meeting of the Council's Community Development Committee to order at 4:00 p.m. on Monday, September 15, 2008.

APPROVAL OF AGENDA AND MINUTES

It was moved by Sanda, seconded by Broecker, to approve the agenda. **The motion carried.** It was moved by Hilker, seconded by McDaniel, to approve the minutes of the August 18, 2008 regular meeting of the Community Development Committee. **The motion carried.**

BUSINESS

2008-82 Approval of 2009 Public Housing Agency Plan

Beth Reetz, HRA manager, explained that the PHA Plan is a comprehensive guide to the Metropolitan Council's Housing and Redevelopment Authority's programs, policies, operations and strategies for meeting local housing needs and goals. Per the direction of HUD, the Streamlined Annual PHA Plan template was used as a basis to complete the Fiscal Year 2009 PHA Plan.

A public hearing was held at the Community Development Committee meeting on Monday, August 18, 2008, in order to receive public comment on the 2009 PHA Plan for the Section 8 and Family Affordable Housing Programs. The public comment period remained open until September 2, 2009. No comments were received.

Bowles moved, seconded by Hilker, that the Metropolitan Council approve the Public Housing Agency Plan (PHA Plan) for 2009, authorize the Metropolitan Council Chairman to execute the required certifications and direct staff to submit the final Plan to the U.S. Department of Housing and Urban Development (HUD). **The motion carried.**

2008-171 Request to Broaden Scope of Three River Park District's 2008-09 CIP Allocation for Additional Capital Improvements at Lake Rebecca Park Reserve

Arne Stefferud, planning analyst, parks, explained that the 2008-09 Regional Parks Capital Improvement Program (CIP) allocation for Three Rivers Park District is \$3,634,000. On May 28, 2008 the Metropolitan Council approved an amendment to its 2008 Unified Capital Improvement Program and authorized a grant for this amount to the Park District. The scope of the grant was the construction phase for rehabilitating roads, parking lots and trails at Lake Rebecca Park Reserve as part of the Park District's pavement management program. Due to a very competitive bidding climate, the cost of this project is \$3,240,000, which leaves a balance of \$394,000 in the grant. The Park District has requested that the scope of the grant be broadened to allow these remaining funds to finance the construction phase for rehabilitating the play area at Lake Rebecca Park Reserve. Stefferud noted that the Metropolitan Parks and Open Space Commission reviewed this proposal at its September 8th meeting and unanimously approved the recommendation.

Stefferd explained this proposed change in scope of this grant is consistent with the conditions of section 6.06 because the Park District has notified the Council why a change should be made, and the use of this grant for additional rehabilitation work at Lake Rebecca Park Reserve is consistent with the Council's action of May 28, 2008 to fund rehabilitation projects at Lake Rebecca Park Reserve.

The Committee asked if the Metropolitan Council considers reallocating grants or portion of grants previously approved for one park agency and giving it to another park agency when the original grant project can be funded for less money. Staff replied that the Council does not reallocate awarded regional park capital improvement grants to another park agency because the Council allocates a specific portion of the regional park capital improvement program to each park agency.

Broecker moved, seconded by Sanda that the Metropolitan Council authorize a change in the scope of the 2008-09 CIP allocation to Three Rivers Park District to allow the \$3,634,000 allocation to be used for rehabilitation of roads, parking lots, trails and the play area at Lake Rebecca Park Reserve. **The motion carried.**

2008-243 –Revising scope of two capital grants to partially finance development at Silverwood Special Recreation Feature and in turn reduce future Metro Council CIP reimbursement eligibility amount, Three Rivers Park District.

Steffered, planning analyst- parks summarized that in 2006, the Metropolitan Council approved two grants that totaled \$1,531,000 for the development of a visitor center at Noerenberg Garden Special Recreation Feature (SG-2006-134 for \$792,000 and SG-2006-172 for \$739,000). Due to design and operational limitations at the Garden, the Three Rivers Park District Board has put that construction project on hold in order to further determine what would be the optimal facility for that location. The Park District has asked that the scope of these grants be revised by using the funds to partially finance construction costs at Silverwood Special Recreation Feature.

On April 23, 2008 the Metropolitan Council approved the development plans for Silverwood and said it would consider reimbursing the Park District up to \$12,056,000 in future capital improvement programs for the park's development, revising the scope of these two grants to allow \$1,531,000 to be used for development at Silverwood would reduce the Council's future expected reimbursement amount to \$10,525,000 as well as efficiently use the grants awarded to the Park District for regional park capital projects.

The proposed change in scope is consistent with the conditions of section 6.06 because the Park District has notified the Council why a change should be made and the use of these grants for Silverwood SRF development instead of Noerenberg Gardens SRF development is consistent with the Council's action of April 23, 2008 to consider reimbursing the Park District for development at Silverwood SRF. The Metropolitan Parks and Open Space Commission reviewed this proposal at its September 8th meeting and unanimously approved the recommendation.

In response to Committee questions, staff noted the Metropolitan Council is not obligated to provide a specific amount when it allows an amount to be considered for future reimbursement in a regional park agency capital improvement program. Consequently, the Committee amended the recommendation with the addition of the word "potential" reimbursement. Also, the reference to a reimbursement "obligation" in the August 28 Metropolitan Parks and Open Space Commission memorandum was deleted.

Hilker moved, seconded by Broecker, that the Metropolitan Council authorizes a change in the scope of grants SG-2006-134 and SG-2006-172 to be used to partially finance development at Silverwood Special Recreation Feature (SRF). This change in scope reduces the potential_reimbursement amount the Metropolitan Council would consider for Silverwood SRF development it approved on April 23, 2008 by \$1,531,000 to a new amount of \$10,525,000. **The motion carried.**

2008-227 Request for CIP Reimbursement Consideration for Match to Federal Trail Construction Grant of Dakota Rail Regional Trail, Carver County

Steffered explained that on August 8, 2007 the Metropolitan Council approved a master plan for the Carver County portion of the Dakota Rail Regional Trail (Referral No. 20027-1). The Dakota Rail Regional Trail is 44 miles in length and runs from Wayzata in Hennepin County to Hutchinson. Carver, Hennepin and McLeod County Regional Rail Authorities acquired their respective portions of the railroad corridor in 2001 to preserve the corridor for future transit operations. The segment of the corridor in Carver County is 12.4 miles long and extends through the northern portion of the County.

The trail will generally utilize the existing rail bed. Site preparation will require standard construction preparation, tree trimming, minor excavation, sub-grade preparation and miscellaneous removals. Minimal grading will be necessary along the rail bed centerline to accommodate the typical trail section. The trail will be designed in accordance with applicable guidelines from the American Association of State Highway Transportation. The trail will have a bituminous surface.

The Dakota Rail corridor has five trestles that connect the rail bed across wetlands, creeks and rivers as it crosses Carver County. The County intends to repair damaged trestles at the time of construction as needed for structural integrity. The necessary trestle retrofits to accommodate a trail include adding safety fencing and rub rails to the sides and timber planking or bituminous overlay on the tread surface.

The Committee clarified that each portion of the Dakota Rail Regional Trail right of way is owned by the Hennepin, Carver and McLeod County regional rail authorities and leased back to a park agency to manage for trail purposes. The Committee asked what McLeod County was doing with their section of this trail. Carver County Parks Director Marty Walsh replied that McLeod County was negotiating with the Minnesota Dept. of Natural Resources to have them manage the McLeod County portion of the trail. The Metropolitan Parks and Open Space Commission reviewed this proposal at its September 8th meeting and unanimously approved the recommendations

Hilker moved, seconded by Sanda, that the Metropolitan Council consider reimbursing Carver County up to \$1,072,000 for the match to a \$1,976,000 Federal Transportation Enhancement grant to construct the Carver County portion of the Dakota Rail Regional Trail in future regional parks capital improvement programs. 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. **The motion carried.**

2008-228– City of Eagan Comprehensive Plan Amendment, Wensman/Carriage Hills, Review File No. 18274-21

Tori Dupre, planner – community development, explained that the 120-acre CPA site is located south of Yankee Doodle Road, east of Lexington Avenue and west of Dodd Road. The land use change from Park, a former golf course, to Special Area proposes accommodating 480 residential units within 30 acres of Low Density Residential, 30 acres of Medium Density Residential, and 30 acres of High Density Residential, and the remainder in open space. The comprehensive plan amendment (CPA) does not change the City’s forecasts.

The Metropolitan Council reviewed the City’s 2020 Comprehensive Plan (No. 18066-1; 2000-445) on December 13, 2000. The City has submitted 21 CPA’s, affecting more than 800 acres to the Council for review since the 2020 plan. The *2030 Regional Development Framework* identifies Eagan within the Developing planning area. The Metropolitan Council forecasts the City to add 2,000 people between 2000 and 2030, reaching 69,000 by 2030. In the same period, the Council forecasts the city to grow from 23,773 households (2000) to 29,000 (2030), and from 42,114 (2000) to 54,200 jobs (2030)

The proposed CPA conforms to regional system plans, is consistent with Council policies, and is compatible with the plans of other local communities and school districts.

The Committee asked questions about the lawsuit associated with the CPA site and the risks to the Metropolitan Council. The Council’s legal staff briefed the Committee on the lawsuit and the settlement agreement. The settlement agreement terms end on the date of the Metropolitan Council’s September 24 2008 final action on the CPA. Staff reaffirmed that the site was formerly a privately-owned golf course; The CPA does not change the City’s system statement forecasts and therefore, does not change Eagan’s affordable housing needs number.

Sanda moved, seconded by McDaniel that the Metropolitan Council:

1. Adopt the review record and allow the City of Eagan to put the comprehensive plan amendment (CPA) into effect.
2. Find that the CPA does not change the City’s forecasts.
3. Remind the City to address stormwater inflow and infiltration (I/I) into the wastewater system as a part of its 2030 Comprehensive Plan Update. Including identification of sources of excessive inflow, and goals to reduce that flow. **The motion carried.**

2008-246 – City of Minneapolis Request to Amend the TBRA Redevelopment End Project for 2nd and Plymouth. Chair Steffen explained that a Review Panel met prior to this meeting to discuss the City of Minneapolis’ request to an end use change to NWIP 2nd and Plymouth project. The proposed change is from a multi-tenant office/industrial building to a single-tenant office/warehouse building. No additional funds are requested. Paul Burns, livable communities manager explained that the revised project meets the TBRA eligibility requirements and would have received a score sufficient to warrant a recommendation for funding in the fall 2007 funding cycle.

The expected benefits of the original proposal included the development of a 47,400 sq. ft. multi-tenant office/industrial building with a projected increase of \$94,875 in net tax capacity and \$4.8M of private investment. Funds are to be used for additional environmental investigation, soil remediation, and soil vapor mitigation.

The revised redevelopment project submitted by Lupe Development proposes to build a 31,755 sq. ft. single-tenant office/warehouse building with a footprint similar to the prior development proposals accepted by the city. The Minneapolis City Council has directed staff to finalize the terms of a redevelopment contract with the new owner, Standard Heating and Air-Conditioning project and is expected to close on the sale of the city-owned parcels of the project by September 30, 2008. Standard Heating also has a signed purchase agreement in place to purchase the adjacent Midwest Steel property.

Committee members asked questions about the degree of change to the project and whether the net result of the changes actually resulted in as significant a benefit to the community as suggested. Staff was directed to provide additional information to Committee members regarding these questions.

Hilker moved, seconded by Sanda that the Community Development Committee direct staff to amend the project of Tax Base Revitalization Account (TBRA) grant SG007-138 to incorporate changes to the project and authorize the execution of a TBRA grant award of \$11,400 to the City of Minneapolis for the NWIP III 2nd and Plymouth redevelopment for cleanup of the city-owned parcels that comprised the original project site in 2007 (1300 2nd Street North, 1316 2nd Street North and 109 14th Avenue North)

Bowles raised some process and general procedure questions and after some discussion the **motion carried**. Bowles abstained her vote.

INFORMATION

Libby Starling, research manager with Community Development, presented on Regional Trends in Housing Production, describing the patterns among the 1.17 million housing units in the Twin Cities and, in specific, the 120,000 housing units added on net since 2000. Key trends of note:

- ❖ 60 percent of the net housing unit growth over 2000-2007 occurred in the developing communities;
- ❖ Nearly 60 percent of the net growth in site-built construction over 2000-2007 has been in townhomes and other multifamily housing units;
- ❖ In the central cities and the developed area, multifamily development was 92 percent and 79 percent of all net new units respectively over 2000-2007;
- ❖ In many communities – mostly in the developed area – the majority of housing unit growth has been in multifamily;
- ❖ In some communities, nearly all of the net growth in multifamily housing units over the decade has been in townhomes.

Starling hypothesized that an aging population interested in “aging in place” is behind the trend toward multifamily and townhome development this decade.

Sanda requested future presentations be more of a summary of information, explaining what all the data means, rather than the detailed data/numbers.

Committee discussion and comments followed. Chair Steffen thanked Starling for this very interesting presentation.

ADJOURNMENT

The next regular meeting of the CDC will be held Monday, October 6, 2008, at 4:00 p.m. in the Council Chambers.

Business completed, Chair Steffen adjourned the meeting at 5:15 p.m.

Respectfully submitted,

Jan Bourgoin
Recording Secretary