

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

REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE
Monday, October 20, 2008

Committee Members Present: **Natalie Steffen, Chair, Richard Aguilar, Polly Bowles, Sherry Broecker, Georgeanne Hilker, Brian McDaniel, Annette Meeks, 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, October 20, 2008.

APPROVAL OF AGENDA AND MINUTES

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

It was moved by Broecker, seconded by Sanda, to approve the minutes of the October 6, 2008 regular meeting of the Community Development Committee. **The motion carried.**

BUSINESS

2008-272 City of Stillwater Comprehensive Plan Update Extension Request

Lisa Barajas, Senior Planner, explained the City of Stillwater's CPU submitted the required materials requesting an extension from the statutory submission date of December 31, 2008, to June 30, 2009, one month beyond that administrative review/approval date. She noted Stillwater has shown a pretty aggressive approach to developing their CPU, both online and in their submitted reports. The City indicated that early planning staff turnover and rehiring, in addition to additional effort and time spent on public involvement and review, delayed the planning progress by about one year. The City plans to have the draft completed by early December 2008, with the adjacent community and affected jurisdiction review being initiated by December 15, 2008. The 6-month review period would then be complete in mid-June, allowing the community time to make any necessary changes and the City Council to take action to submit the plan to the Council by June 30, 2009.

Broecker moved, seconded by Hilker that the Metropolitan Council extend Stillwater's comprehensive plan update submission deadline from December 31, 2008, to June 30, 2009.

Committee Chair Steffen urged staff to be aggressive in reminding cities that they need to get their drafts out to surrounding Cities, School Districts, Watershed Districts and WMO's for their 6 month review. The surrounding jurisdictions may be inclined to let it go into effect by default, instead staff should urge communities to aggressively pursue comments from adjacent and overlapping jurisdictions. Chair Steffen reminded committee members of the consequences of not getting comprehensive plans in as complete for review: comp plan amendments will not be accepted, and no new LCDA grant agreements will be initiated to communities. Council members agreed.

The motion carried.

2008-273 City of Maplewood CPA, Gethsemane Senior Housing Development

Barajas explained that the City of Maplewood submitted an amendment that affects a 6-acre area located on Stillwater Road just south of the Gethsemane Lutheran Church near the southeast corner of the intersection of Stillwater Road and Lakewood Drive in Maplewood. She explained that the CPA changes the land use from "Park" to "High Density Residential" in support of a 111-unit senior housing facility. The Gethsemane Lutheran Church and School currently owns 10 acres of land south of the church site that had been leased to the City for park purposes over the past 25 years. This CPA proposes to re-guide the western 6 acres of the property.

Barajas reported that 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.

Sanda moved, seconded by Hilker that the Metropolitan Council:

1. Adopt the attached review record and allow the City of Maplewood to put the Gethsemane Senior Housing comprehensive plan amendment (CPA) into effect.
2. Find that the comprehensive plan amendment does not change the City's forecasts.
3. Remind the City to include a description of its I/I program in its 2008 comprehensive plan update.

The motion carried.

2008-267 Acquisition Opportunity Grant request to purchase Baudin parcel for Lake Rebecca Park Reserve, Three Rivers Park District.

Arne Stefferud, Planning Analyst, explained that the Three Rivers Park District has asked for a Park Acquisition Opportunity Grant to help purchase the Baudin parcel for Lake Rebecca Park Reserve. This 1.59-acre parcel which includes a home and 207 feet of shoreline on the Crow River in Lake Rebecca Park Reserve is one of 12 inholding parcels remaining to be acquired in Lake Rebecca Park Reserve. Being this acquisition grant includes a residential structure, only the Land Acquisition Opportunity Account can be used to finance the grant. The total cost to acquire the parcel and related expenses is \$406,300. The Park District has requested \$304,725 to finance 75% of the cost to acquire this parcel. The Land Acquisition Opportunity Account would have a new balance of \$593,432 if \$304,725 was granted. There would be \$3,093,432 remaining in accounts which make up the Fund for future acquisition opportunities. Stefferud reported that the Metropolitan Parks and Open Space Commission unanimously recommended approving the grant at its meeting on October 7.

Hilker moved, seconded by Bowles that the Metropolitan Council authorize a grant of \$304,725 from the Land Acquisition Opportunity Account in the Park Acquisition Opportunity Fund to Three Rivers Park District to partially finance the acquisition of the 1.59-acre Baudin parcel for Lake Rebecca Park Reserve.

The Committee inquired about the equitable distribution of Park Acquisition Opportunity grants among the 10 regional park implementing agencies. Staff replied that rules for distributing these grants allowed any agency to request a grant to partially finance the acquisition of regional park land from willing sellers. The rules limited the amount an agency could request to \$1.7 million so that grants could be awarded to several park agencies during a specific time period. The rules and park agency limitation are currently in effect from July 1, 2008 to June 30, 2009.

The Committee asked about how the amount of bonds issued by the Metropolitan Council to finance a portion of the Park Acquisition Opportunity Fund is determined. Staff replied that the Council issues \$7 million of bonds per year for regional park capital purposes. Half of that amount (\$3.5 million) is used for the Park Acquisition Opportunity Fund and the other half is used for the project specific regional parks capital improvement program. The portion used for the Park Acquisition Opportunity Fund is then split into two accounts. The State Acquisition Grant Account includes State funds appropriated to purchase raw land and is matched with Council bonds on a 60/40 basis. The Land Acquisition Opportunity Account is financed with the remaining Council bonds and used to acquire land and associated buildings.

The motion carried.

2008-268 Acquisition Opportunity Grant request to purchase Westerlund parcel for Lake Rebecca Park Reserve, Three Rivers Park District

Stefferd reported that the Three Rivers Park District has requested a Park Acquisition Opportunity grant to help purchase the Westerlund parcel for Lake Rebecca Park Reserve. This 9.5-acre parcel is one of 12 inholding parcels remaining to be acquired in Lake Rebecca Park Reserve. The total cost to acquire the parcel and related expenses is \$657,000. Using the rules for Park Acquisition Opportunity grants, the request of \$492,750 would finance 75% of the total acquisition costs. Stefferud explained that the amount is within the \$1.7 million agency limit for Park Acquisition Opportunity grants and that the acquisition includes a house as well as land, therefore the Land Acquisition Opportunity account financed with Metro Council bonds must be used to finance the grant request since the State Environmental Trust Fund appropriation prohibits using that money for buying a residential structure. Stefferud explained that if this grant is awarded, there would be \$100,682 left in the Land Acquisition Opportunity Account and that a portion of \$3.5 million of Council bonds issued in 2009 would be added to the Account. He further explained that if there was insufficient funds in the Account to make a

grant, park agencies could ask that up to 100% of acquisition costs could be considered for reimbursement in that agency's portion of a future regional parks CIP.

Committee asked who was responsible for awarding capital grants for the Regional Park System. Staff replied that the Council is authorized under State law to award capital grants for the Regional Park System. The Metropolitan Parks and Open Space Commission provides advice to the Council on awarding the grants. The Chief Financial Officer and Regional Administrator are responsible for disbursing and managing the awarded grant funds in accordance with applicable rules and regulations.

The Committee asked whether grants to the park agencies could be awarded at the beginning of the year based on the share an agency would receive from the regional parks capital improvement program. Staff replied that grants to the park agencies cannot be awarded at the beginning of the year for the following reasons:

1. Grants are awarded for land acquisition under the rules for the Park Acquisition Opportunity Grant program and those grants are only awarded when there is land to be purchased from a willing seller.
2. Grants for the regional parks capital improvement program are awarded once funds have been appropriated by the State legislature to partially finance those grants.

Bowles moved, seconded by Sanda that the Metropolitan Council authorize a grant of \$492,750 from the Land Acquisition Opportunity Account in the Park Acquisition Opportunity Fund to Three Rivers Park District to partially finance the acquisition of the 9.5-acre Westerlund parcel for Lake Rebecca Park Reserve.

The motion carried.

2008-269 Land Acquisition for Affordable New Development (LAAND) Loan Initiative Funding Recommendations
Paul Burns, Manager, Livable Communities, gave a brief summary of this program explaining that this is a new effort to help communities achieve their housing goals. Metropolitan Council partnered with MN Housing and the Family Housing Fund to provide loan financing to help communities acquire land for future housing projects. Implementation details were developed in cooperation with Minnesota Housing and the Family Housing Fund. The application for funds was done through the Minnesota Housing Community Revitalization Fund Standard Application and their Single Family Request for Proposal (RFP)

The Council made \$4 million available from the Livable Communities Demonstration Account (LCDA) on a one time basis, an anticipated amount of \$800,000 from MN Housing and \$1 million from Family Housing Fund. This funding initiative prioritized proposals with land that is close to job growth areas or significant numbers of lower wage jobs, allows for density that is consistent with achieving affordability, minimizes vehicle miles traveled, and implements the Green Communities criteria, Minnesota Overlay or comparable programs in the development process.

Member Sanda asked whether the Minnesota overlay is more restrictive. Staff responded that it isn't more restrictive but more adaptive to Minnesota's climate.

Sanda moved, seconded by Bowles That the Metropolitan Council award Land Acquisition for Affordable New Development (LAAND) initiative loans from the Livable Communities Demonstration Account to the four projects listed below, totaling \$3,560,000. Each award amount is a maximum dollar amount and subject to an independent appraisal of properties prior to loan disbursement. Bowles asked that the recommendation be reworded to reflect that if the Forest Lake site does not meet the Metropolitan Council's LAAND criteria, the maximum award amount to the Washington County HRA will be up to \$440,000 for only the Woodbury parcel that meets the criteria.

1.	Minneapolis	Franklin Station/Bystrom Bros. Redevelopment Land Acquisition II	\$500,000
2.	St. Paul	Saint Paul Central Corridor LAAND Program	\$1,000,000
3.	Dakota County	CDA Lakeville Cedar Transit	\$1,000,000
3.	Washington Co.HRA	Washington Co. Strategic Land Acquisition Project	<u>\$1,060,000</u>
			<i>Total</i> \$3,560,000

The motion carried.

There was discussion whether the potential for contamination on the sites should be a factor in the evaluating applications for the loan funds. Staff indicated it would bring to the Committee a discussion of information to be requested of applicants and the evaluation focus before the next round of application are submitted, if the Council continues the LAAND initiative.

A question was also raised about the potential applicability to LAAND initiative of the LCA grant agreement restrictions recently put in place by the Council for projects located in communities that have not submitted comprehensive plan updates by December 31, 2008. Staff indicated that those restrictions were specifically made applicable to LCA grants only, and that the policy made no mention of loans made from LCA accounts or the LAAND initiative. Staff indicated it would look into the issue and that it would be reflected in the CDC recommendation as applicable.

INFORMATION

2009 LCCMR funding proposal for Park Acquisition Opportunity Fund Grants

Stefferedud presented an overview on the \$4 million proposal for Metropolitan Regional Park System Acquisition. He explained how the \$4 million of Environmental Trust Funds would leverage \$2.66 million of Metropolitan Council bonds and \$2.22 million of park agency or other funds for a total public investment of \$8.88 million, indicating that a dollar of Environmental Trust Fund money would leverage at least \$1.20 from other sources. Based on data provided by regional park agencies, about 370 acres could be acquired with \$8.88 million. He showed a map illustrating the parks and trails where land could be acquired within Metropolitan Council-approved regional park and trail master plan boundaries.

He explained how the 2007 Environmental Trust Fund appropriation of \$2.5 million played a key role in financing the acquisition of 528 acres at a total cost of \$20.6 million. He also had a pie chart illustrating other funds from the Metropolitan Council, State bonds & Metro Greenways grant, with a significant amount-- \$8.77 million provided by the regional park agencies to acquire this land. He explained there were five acquisitions financed with the 2007 Trust Fund appropriation:

1. 61 acres on the southwestern shore of Cedar Lake in Scott County for Cedar Lake Farm Regional Park and 170 acres of land was acquired from a nearby residential developer in exchange for the development rights to cluster 45 homes near the park.
2. 8.2 acres on a backwater of the Mississippi River for Grey Cloud Island Regional Park in Washington County.
3. 3 acres on the southern shore of Lake Waconia for Lake Waconia Regional Park in Carver County.
4. 456 acre Empire Wetlands Regional Park in Dakota County (this largest acquisition was an entire park)
5. 47 acres on the western shore of St. Catherine's Lake as part of the Doyle-Kennefick Regional Park in Scott County.

He concluded that \$4 million proposed for Metropolitan Regional Park System land acquisition would:

1. Leverage at least \$4.88 million of other funds. (Every dollar of ETF is matched with at least \$1.20 from other sources)
2. Help acquire about 370 acres.
3. Protect high quality natural resource lands

2008-286 - Status of 2030 Comprehensive Plan Update Submittals

Phyllis Hanson, Local Planning Assistance Manager, gave an update on the status of the Comp Plans, indicating that:

- 16 CPUs have been submitted to date
- 5 have been acted on by Metropolitan Council
- 11 other CPU's officially submitted:
 - 3 scheduled for CDC/Council
 - 7 currently "incomplete"
 - Minneapolis CPU was just received
- Anticipate receiving 92 CPUs between now and the end of December
 - (3 in October, 6 in November, and 83 in December)
- So far there have been 61 requests for extension
 - (56 to be completed by end of May 2009, and 5 after May 2009), and
 - No information has been received from 13 communities.

ADJOURNMENT

There will be no CDC meeting on Monday, November 3rd. The next regular meeting of the CDC will be held Monday, November 17, 2008, at 4:00 p.m. in the Council Chambers.

Business completed, Chair Steffen adjourned the meeting at 5:30 p.m.

Respectfully submitted,

Jan Bourgoin
Recording Secretary