

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

LIVABLE COMMUNITIES ADVISORY COMMITTEE
SUMMARY NOTES
November 6, 2008

Committee Members Present: Chair Ruth Grendahl, Jim Barton, Gina Bonsignore, Glen Hardin, Donald Jensen, Janet Jeremiah, Peggy Lucas, Dan Marckel, Douglas Snyder, Blair Tremere, and Charleen Zimmer.

Committee Members Absent: Gary Fields and Lance Neckar

Others Present: **Staff:** Guy Peterson, Mark VanderSchaaf, Paul Burns, Joanne Barron, Linda Milashius, Deb Jensen, and Jan Bourgoin
Guests: Aaron Kovan, MWF Properties

Call to Order

The November 6th Livable Communities Advisory Committee meeting was called to order by Chair Ruth Grendahl at 9:05 a.m.

Approve Agenda/Summary Notes

Chair Grendahl called for the approval of the agenda and summary notes. Don Jensen made a motion to approve the November 6th agenda and the October 23rd summary notes, Jim Barton seconded. Upon hearing no discussion, the agenda and minutes were approved as written.

Review Final Evaluation Scores

Staff distributed the following final evaluation scores which were completed since the last meeting:

2008 Livable Communities Demonstration Account
Livable Communities Advisory Committee
Step 2 and Housing Performance Scores Combined
11/6/2008

| | | | LCAC Step 2 Scores | Housing Performance Score | Total Combined Score |
|------|--------------|-------------------------------|-----------------------------------|--|-------------------------------------|
| | | | (Up to 50 pts.) | | |
| A.5 | Minneapolis | Salem Redevelopment | 40.6 | 9.9 | 50.5 |
| A.2 | Minneapolis | Creekside Commons | 39.9 | 9.9 | 49.8 |
| A.1 | Minneapolis | Bystrom Brothers | 38.8 | 9.9 | 48.7 |
| A.3 | Minneapolis | Jackson Street NE Artists | 39.2 | 9.9 | 49.1 |
| A.9 | St. Paul | Schmidt Brewery | 38.8 | 9.8 | 48.6 |
| C.2 | Chaska | The Landing | 38.3 | 9.1 | 47.4 |
| B.2 | Apple Valley | Cobblestone Senior Housing | 38.3 | 8.5 | 46.8 |
| C.4 | Norwood YA | Oak Grove Dairy Redevelopment | 35.6 | 8.5 | 44.1 |
| A.10 | St. Paul | 2700 the Avenue | 33.8 | 9.8 | 43.6 |
| C.3 | Forest Lake | Forest Oak Apartments | 34.3 | 8.5 | 42.8 |
| C.1 | Centerville | Redevelopment of Block 8 | 30.7 | 8.5 | 39.2 |

| | | | LCAC Step 2 Scores | Housing Performance Score | Total Combined Score |
|-----|-----------------|------------------------|-----------------------------------|--|-------------------------------------|
| | | | (Up to 50 pts.) | | |
| B.5 | White Bear Lake | Boat Works Square | 29.0 | 7.4 | 36.4 |
| A.4 | Minneapolis | Linden Yards West | 26.8 | 9.9 | 36.7 |
| A.6 | St. Paul | Arlington Jackson West | 24.0 | 9.8 | 33.8 |

Staff explained that the housing performance scores did not significantly change the project rankings as ranked in the LCAC scoring. Chair Grendahl explained that as a result of the scoring process, B.5, Boat Works Square, White Bear Lake, A.4, Linden Yards West, Minneapolis, and A.6 Arlington Jackson West, St. Paul did not meet the threshold score of 30 points to be considered for funding and be considered in the next evaluation step, the readiness assessment. However, any of these three projects may be considered for funding if they are supported by a two-thirds vote of the committee (9 members). Grendahl asked if there was any interest in considering any of the three projects for funding. Don Jensen moved to re-consider A.4 Linden Yards West, Minneapolis, Dan Marckel seconded the motion. There were two votes to reconsider A.4; Linden Yards West for funding recommendation. Not meeting the required nine votes, the motion failed. Don Jensen moved to re-consider B.5 Boat Works Square, White Bear Lake; Peggy Lucas seconded the motion. There were seven votes to consider B.5 Boat Works Square, White Bear Lake, for funding. Not meeting the required two-thirds vote, the motion failed. After some discussion it was decided to revisit Boat Works Square, White Bear Lake during the funding recommendation discussion, if funding dollars were available.

Checklist to Determine Feasibility of Project Funding Only With LCDA Grant

Chair Grendahl began going through the checklist for each project. There was a suggestion that some of the projects may require additional discussion before completing the checklist. It was agreed that any issues should have been taken care of in the scoring process. The committee agreed that because all of the project requests have been discussed in great detail during previous meetings, the committee was comfortable going through the list of eight questions, considering all projects at one time, and noting if there were any 'no's for any of the projects.

During discussions, committee members moved away from the table if they had a conflict of interest with one of the projects.

Following discussion for all eight questions, the committee answered 'yes' for all questions on the checklist. Grendahl indicated that she will sign the checklist forms attesting that, at the judgment of the committee, all proposals demonstrate that the proposed project is feasible at this time only with support of an LCDA grant. The completed "Checklist to Determine if Funding Request Substantially Demonstrates that Proposed Project is Feasible Only With LCDA Grant" follows:

**Livable Communities Demonstration Account 2008
Checklist to Determine
If Funding Request Substantially Demonstrates
That Proposed Project Is Feasible Only With LCDA Grant**

Project Names: A.5 Salem Redevelopment, Minneapolis; A.2 Creekside Commons, Minneapolis; A.1 Bystrom Brothers, Minneapolis; A.3 Jackson Street NE Artists, Minneapolis; A.9 Schmidt Brewery, St. Paul; C.2 The Landing, Chaska; B.2 Cobblestone Senior Housing, Apple Valley; C.4 Oak Grove Dairy Redevelopment, Norwood Young America; A.10 2700 the Avenue, St. Paul; C.3 Forest Oak Apartments, Forest Lake; C.1 Redevelopment of Block 8, Centerville; and B.5 Boat Works Square, White Bear Lake

| | | | |
|----|--|---|-----------------------------|
| 1. | Has the applicant submitted a resolution that includes the required language identifying the need for LCDA funding, such that the project element for which funding is requested could not proceed but for LCDA funding awarded in 2008? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 2. | Has the applicant satisfactorily described why the requested project component(s) will not occur within two years after a grant award unless LCDA funding is made available for this project at this time? (Application Section II A) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 3. | Has the applicant satisfactorily identified local sources of funding the applicant has considered to fund the LCDA request? (Application Section II F, question a.) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 4. | Has the applicant satisfactorily identified why the identified local sources cannot be used within the next two years to fund the requested project element? (Application Section II F., question a.) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 5. | Has the applicant satisfactorily identified non-local sources of funding the applicant has pursued to fund the LCDA request? (Application Section II F., question b.) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 6. | Has the applicant satisfactorily identified why the identified non-local sources cannot be used within the next two years to fund the requested project element? (Application Section II F., question b.) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 7. | Has the applicant submitted satisfactory documentation (e.g. letters, other documentation) to substantiate unsuccessful efforts to secure non-local funding? (Application Section II F., question b.) | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| 8. | Does the Livable Communities Advisory Committee accept the applicants' statement that the requested project component(s) would not be built in the market without public subsidy or grant funds? | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

In the judgment of the Livable Communities Advisory Committee, this proposal does does not demonstrate the proposed project is feasible at this time only with an LCDA grant.

Ruth Grendahl,
Chair, Livable Communities Advisory Committee

Date

Discuss Readiness for Projects Above Scoring Threshold

The committee discussed the eleven qualifying projects scoring 30 or more points, and determined that all of them do meet the readiness requirements for the elements requested and for progress within one year, and should proceed to funding recommendations.

Funding Recommendations

Discussion proceeded, beginning with the highest-scoring projects. Potential funding amounts were penciled in for each project. Chair Grendahl reminded the committee that it can recommend up to \$2,800,000 million for projects in Minneapolis and St. Paul, or 40 percent of the available \$7,000,000.

Committee members asked if certain line items could be deleted. Barron responded, yes, they can.

Ruth Grendahl moved to reconsider funding for B.5 – Boatworks Square, White Bear Lake. Peggy Lucas seconded the motion. There was discussion regarding the demonstration merits of this project, that if funding available this year is not recommended and awarded, it will roll over to next year funding process. There were 9 yes votes, 2 no votes to consider funding for Boat Works Square. The motion passed. Grendahl asked the committee to consider the checklist questions for Boat Works Square. The committee answered yes for all eight questions in the checklist for Boat Works Square. Grendahl asked the Committee to address readiness for this project. The committee determined that Boat Works Square, White Bear Lake, does meet the readiness requirement.

Lucas moved to recommend a request to the Metropolitan Council to change grant funds distribution percentages beyond the 40-60 split. Blair Tremere seconded the motion. The motion passed unanimously.

Peggy Lucas moved to pencil in a recommendation for Project A.10 2700 the Avenue, St. Paul, for \$250,000 after the other penciled -in amounts are totaled for the stormwater management and extension of sewer, water and telecommunications lines, and recommend the remaining amount, \$1,385,036, for B.5, Boat Works Square, White Bear Lake. Blair Tremere seconded the motion. There were 9 yes votes, 2 no. The motion passed. \$241,136 is the maximum amount the committee can recommend for 2700 the Avenue, because this amount reaches the 40 percent maximum dollars the Committee can recommend for projects in Minneapolis and St. Paul. When the recommendations are presented to the Community Development Committee of the Council, the Committee will suggest that an additional \$45,741 be awarded to 2700 the Avenue, St. Paul, for a total of \$250,000.

LCAC Funding Recommendations Worksheet for 2008 LCDA Applications

| Item | Project | City | Evaluation Score | Funding Requested | LCAC Funding Recommended | VOTE | Abstentions/Conflict of Interest |
|--------------|---------------------------------------|-----------------|------------------|-----------------------------|--------------------------|-----------------------------|----------------------------------|
| A.5 | Salem Redevelopment Creekside | Minneapolis | 40.6 | \$850,000 | \$850,000 | 11 – yes | Lucas and Snyder |
| A.2 | Commons Jackson Street | Minneapolis | 39.9 | \$211,764 | \$211,764 | 11 – yes | |
| A.3 | Artists | Minneapolis | 39.2 | \$408,977 | \$408,977 | 11 – yes | Snyder |
| A.1 | Bystrom Brothers | Minneapolis | 38.8 | \$550,000 | \$550,000 | 11 – yes | Snyder |
| A.9 | Schmidt Brewery Cobblestone Senior | St. Paul | 38.8 | \$575,000 | \$575,000 | 11 – yes | |
| B.2 | Housing | Apple Valley | 38.3 | \$556,834 | \$556,834 | 11 – yes | Grendahl |
| C.2 | The Landing Oak Grove Dairy | Chaska | 38.3 | \$241,136 | \$241,136 | 11 – yes | Bonsignore |
| C.4 | Redev. Forest Oak | Norwood YA | 35.6 | \$708,153 | \$708,153 | 11 – yes | |
| C.3 | Apartments | Forest Lake | 34.3 | \$500,000 | \$500,000 | 11 – yes 2 – no, 9 – yes | Bonsignore |
| A.10 | 2700 the Avenue Redevelopment of | St. Paul | 33.8 | \$1,986,250 | \$204,259 | Carried 2 – no, 9 – yes | |
| C.1 | Block 8 | Centerville | 30.7 | \$763,100 | \$763,100 | Carried | |
| B.5 | Boat Works Square | White Bear Lake | 29 | \$1,500,000 | \$1,385,036 | 11 – yes | |
| Total | | | | \$8,851,214 | \$6,954,259.00 | | |
| | | | | Available Difference | <u>\$7,000,000.00</u> | | |

REQUESTED

| | | |
|----------------------------|-------------|--------|
| Total A Communities | \$4,581,991 | 51.8% |
| Total B + C Communities | \$4,269,223 | 48.2% |
| | \$8,851,214 | 100.0% |

RECOMMENDED

| | | |
|--|-------------|--------|
| | \$2,845,741 | 40% |
| | \$4,154,259 | |
| | \$7,000,000 | 100.0% |

Evaluation Meeting – Thursday, December 11th

It was agreed the wrap-up meeting to debrief about this year's process and/or to make suggestions for next year is scheduled for Thursday, December 11th at 10:00 am in LLB, Robert St., Metropolitan Council. Chair Grendahl suggested that committee members meet for lunch following this meeting. Staff will follow up with meeting and lunch details.

Other Business

Chair Grendahl thanked committee members for their dedication and hard work during this process. Paul Burns also thanked the committee for their commitment.

Barron informed the committee that the committee's funding recommendations will be presented to the Metropolitan Council's Community Development Committee on November 17, 2008. The Community Development Committee is scheduled to take action on the grant recommendations on December 1, and the Metropolitan Council will act on the Community Development Committee's recommendations on December 10, 2008.

Adjourn

Chair Grendahl adjourned the meeting at 11:55 am.