

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

**REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE**  
Tuesday, February 16, 2010

Committee Members Present: **Chair Natalie Steffen; Vice-Chair, Tony Pistilli; Richard Aguilar; Sherry Broecker; Wendy Wulff**

**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 Tuesday, February 16, 2010.

**APPROVAL OF AGENDA AND MINUTES**

It was moved by Wulff seconded by Broecker, to approve the agenda. **The motion carried.**

It was moved by Pistilli, seconded by Wulff to approve the minutes of the January 19, 2010 regular meeting of the Community Development Committee. **The motion carried.**

**BUSINESS**

**2010-34** Amendment to Trout Brook Regional Trail master plan, City of St. Paul (Review No. 20658-1)

Planning Analyst Arne Stefferud presented the report and proposed actions to the Committee.

Wulff moved, seconded by Broecker that the Metropolitan Council approve the amendment to Trout Brook Regional Trail Master Plan, City of St. Paul (Review No. 20658-1) and request that the City of St. Paul submit a detailed set of construction plans for the trail and nature sanctuary to Metropolitan Council Environmental Services for review to determine whether an encroachment agreement will need to be obtained from the Metropolitan Council prior to construction.

The Committee asked if the development costs for the Gateway State Trail relocation associated with the reconstruction of I-35 E were included in the estimated trail development costs. Council staff replied these costs were not included in the master plan amendment. Those costs for the State Trail are not eligible for financing from the Metropolitan Council's regional parks capital improvement program and subsequently were not included in the master plan amendment. **The motion carried.**

**2010-37** Amending boundary of Spring Lake Park Reserve to acknowledge transferring land in the park for a Minnesota Dept. of Natural Resources Wildlife Management Area, Dakota County  
Planning Analyst Arne Stefferud presented the report and proposed actions to the Committee.

Wulff moved, seconded by Broecker that the Metropolitan Council approve an amendment to the Spring Lake Park Reserve development master plan and its boundary to allow the Mississippi River islands depicted on Figure 3 to be owned by the Minnesota Department of Natural Resources and managed under a joint powers agreement with Dakota County for wildlife management and other uses compatible with the wildlife management area. **The motion carried.**

The Committee had no questions.

**2010-63 LCA Local Housing Incentives Account Funding Recommendations**  
 Senior Planner, Linda Milashius presented the report to the Committee.

Steffen moved, seconded by Aguilar that the Metropolitan Council award Local Housing Incentives Account (LHIA) grants totaling \$1,800,000 as follows:

Project	City	Number of New Units	Number of Units to be Rehabilitated	LHIA Funding Recommendation
<b>Rental Housing Proposals</b>				
Northgate Woods	Blaine		75	\$400,000
Dover Hill Apartments	Golden Valley		234	\$150,000
Riverside Plaza	Minneapolis		1,303	\$575,000
East Side Commons	St. Paul	2	48	\$575,000
Boulevard Apartments	Wayzata		6	\$100,000
	<b>TOTAL:</b>	<b>2</b>	<b>1,666</b>	<b>\$1,800,000</b>

Committee members Wulff and Pistilli raised a concern about the high per unit costs related to the Northgate Woods project in Blaine. The development has a project-based Section 8 Housing Assistance Payment (HAP) contract for all of its 75 units, and is at risk of converting to market rate housing as the current owner has provided notice of their intent to opt-out of the Section 8 program. City of Blaine representative Bryan Schafer, and developer Ken Isaacson of Twin Cities Housing Development Corporation, responded that the high per unit cost is primarily due to the acquisition costs which are approximately \$70,000 per unit. The City and developer are paying fair market price to acquire the building in order to preserve this development as an affordable housing option within the city of Blaine.

Committee members Wulff and Pistilli voiced concerns about whether adding subsidies to acquire and rehabilitate a development that is heavily subsidized through a Section 8 HAP contract is the best use of public funds. Committee member Wulff questioned why the Council should subsidize a development with the proposed rent ranges when there are other vacant unsubsidized units throughout the region that rent for less. She provided an example of 400 vacant market rate 1 bedroom units in the southern portion of the Metro renting between \$400 and \$700 per month currently listed through the HousingLink.

Beth Reetz, Director of Housing and Livable Communities, explained that based on private market rents, a high level of subsidy is needed for extremely low income residents to acquire housing in the metro area. Although federal standards set income limits for households at 50% of area median income, the average income of households assisted by Section 8 and other federal rent assistance is under \$ 15,000 annually. The average rent affordable to Section 8 households served by the Metro HRA is approximately \$250 month and the private market does not offer rents at that level. Council Member Wulff asked why Section 8 vouchers aren't provided to enable eligible households to rent units in the private market. Reetz explained that the number of Section 8 vouchers is limited and the demand outweighs

the supply as demonstrated by the lengthy waiting list for Section 8 which exceeds five years. Preserving other affordable housing options, such as Northgate Woods, is essential to help meet the demand.

Wulff stated she did not have issue with four of the five recommendations but could not support the Northgate Woods proposal due the level of subsidy per unit. She suggested removing it from the recommendation. Chair Steffen made a motion to move the recommendation in its entirety onto the Council without a recommendation. **The motion carried.**

#### **2010-64 Land Acquisition for Affordable New Development (LAAND) Initiative Funding Recommendation**

Livable Communities Manager Paul Burns presented the report to the Committee.

Pistilli moved, seconded by Wulff that the Metropolitan Council award a Land Acquisition for Affordable New Development (LAAND) initiative loan, in an amount of up to \$440,000, to the City of Hopkins for their Park Nicollet Site proposed project.

The available funding, \$440,000 was the amount left over from the 2008 awards. The original funding for this loan program was a one-time shift of Livable Communities Demonstration Account funds. This program is being implemented jointly with Minnesota Housing. The application for funds was done through the Minnesota Housing Community Revitalization Fund Standard Application. The application from the City of Hopkins was the only application received for 2009 funding. **The motion carried.**

#### **2010-51 Carver County & Townships 2030 Comprehensive Plan Update**

Review File No. 20668-1 and Laketown Township Tier II Comprehensive Sewer Plan

Planning analyst and sector representative Jim Uttley presented the staff report and proposed actions to the Community Development Committee.

Wulff moved, seconded by Aguilar that the Metropolitan Council adopt the attached Advisory Comments and Review Record, and the following:

##### **Recommendations of the Community Development Committee**

1. Authorize Carver County to put its 2030 Comprehensive Plan Update into effect.
2. Authorize the following townships to put their 2030 Comprehensive Plan Updates into effect: Benton, Camden, Dahlgren, Hancock, Hollywood, Laketown, San Francisco, Waconia, Watertown and Young America.
3. Adopt the advisory comments for transportation and land use presented in those sections of the review record.
4. Accept the revised forecasts as shown in Table 1, 2 and 3 of this report.

##### **Recommendations of the Environment Committee**

Approve Laketown Township's Tier II Comprehensive Sewer Plan.

Committee chair Steffen asked about Table 4 in the staff report which shows a decline in the acreages of open water and wetlands between 2008 and 2030. Staff responded that the decline is the result of the annexation of open water and wetland into cities within the county.

**The motion carried.**

#### **2010-52 City of Inver Grove Heights 2030 Comprehensive Plan Update**

Tier II Comprehensive Sewer Plan Review File No. 20614-1

Senior Planner Patrick Boylan presented the report to the Committee.

Wulff moved, seconded by Broecker that the Metropolitan Council adopt the attached

Advisory Comments and Review Record, and the following:

**Recommendation of the Community Development Committee:**

1. Authorize the City of Inver Grove Heights to put its 2030 Comprehensive Plan Update into effect;
2. Implement the advisory comments noted in the Review Record for Transportation and Forecasts.

**Recommendation of the Environment Committee:**

Approve the City of Inver Grove Heights' Tier II Comprehensive Sewer Plan.

The Committee did not have any questions. **The motion carried.**

**2010-55** City of North Oaks 2030 Comprehensive Plan Update, Tier II Comprehensive Sewer Plan Review File No. 20449-1

Senior Planner Tori Dupre presented the report and proposed action to the Community Development Committee.

Broecker moved, seconded by Wulff that the Metropolitan Council adopt the attached Advisory Comments and Review Record, and the following:

1. Authorize the City of North Oaks (City) to put its 2030 Comprehensive Plan Update into effect;
2. Adopt the revised forecasts as described in the Review Record;
3. Change the geographic planning area from Developing to Developed and Rural Residential;
4. Advise the City to implement the advisory comments in the Review Record under local surface water management, land use and housing;
5. Approve the City of North Oaks' Tier II Comprehensive Sewer Plan.

Chair Steffen asked about sewer service to the City's eastern area and the City's Tier II sewer plan and service timing. Staff responded that the City's plan update does identify future sewer areas, which the Update does include a Tier II sewer plan that the Environment Committee approved on Feb 9, and that the future sewer service to the City's eastern area is provided by White Bear Township.

**The motion carried.**

**2010-56** City of Lilydale 2030 Comprehensive Plan Update, Tier II Comprehensive Sewer Plan Review File No. 20575-1

Senior Planner Denise Engen presented the report to the Committee.

Aguilar moved, seconded by Wulff that the Metropolitan Council adopts the attached Advisory Comments and Review Record, and the following:

1. Authorize the City of Lilydale (City) to put its 2030 Comprehensive Plan Update into effect;

2. Adopt the revised forecasts for the City of Lilydale as shown in Table 2 in the Review Record, and adopt the City's revised share of the region's affordable housing need as detailed under Forecasts in the Review Record;
3. Advise the City to Participate in Council activities to monitor redevelopment in developed communities; and
4. Approve the City of Lilydale's Tier II Comprehensive Sewer Plan.

Chair Steffen opened the discussion and welcomed Mayor Tom Swain to the meeting. Senior Planner Denise Engen presented the report and proposed actions to the Committee. Council Member Wulff asked the Mayor whether the City contracted for services, or if they had facilities such as a city hall building. The Mayor answered that the City contracted for most services, that they had one full-time staff person and that they did have a city hall building. Council Member Wulff asked the Mayor whether the City had considered becoming part of Mendota Heights. The Mayor answered that the City had probed that question, but wished to remain on its own. The Mayor commented that the City supported the comprehensive planning process and recognized its importance, but that it was a costly process for them. The Chair acknowledged this concern. Council Member Aguilar thanked the Mayor for the good work done by the Mayor and the City on their Update. There was no further discussion.

The Committee unanimously adopted the proposed actions, amending item 2 to read adopting the forecasts "as shown in Table 2 in the Review Record".

**The motion carried.**

**2010-54** City of Champlin 2030 Comprehensive Guide Plan Update, Tier II Comprehensive Sewer Plan, Review File No. 20615-1

Senior Planner Tom Caswell presented the report to the Committee.

Wulff moved, seconded by Broecker that the Metropolitan Council adopt the attached Advisory Comments and Review Record, and the following:

1. Authorize the City of Champlin to put its 2030 Comprehensive Plan Update into effect;
2. Advise the City to implement the advisory comments in the review record for transportation;
3. Accept the revised forecasts in Table 1 of the review record;
4. Forward the Council's Critical Area plan review and recommendations to the Minnesota Department of Natural Resources and National Park Service for their records; and
5. Approve the City of Champlin's Tier II Comprehensive Sewer Plan.

There were no questions. **The motion carried.**

**2010-53** City of Mahtomedi 2030 Comprehensive Plan Update, Review File No. 20582-1  
Tier II Comprehensive Sewer Plan

Senior Planner LisaBeth Barajas presented the staff report and proposed actions to the Community Development Committee.

Broecker moved, seconded by Wulff that the Metropolitan Council adopt the attached Advisory Comments and Review Record and take the following actions:

**Recommendations of the Community Development Committee:**

1. Authorize the City of Mahtomedi to put its 2030 Comprehensive Plan Update into effect.
2. Advise the City to:
  - a. Implement the advisory comments in the Review Record for Transportation and Surface Water Management.
  - b. Participate in the Council's activities to monitor redevelopment in Developed communities.

The Committee did not have any questions

**The motion carried.**

**2010-62** City of Anoka Comprehensive Plan Amendment, Transit Oriented Development (TOD), Review File No. 20444-2

Planning Analyst, Susan Hoyt, presented the report to the Committee.

Wulff moved, seconded by Broecker that the Metropolitan Council

1. Adopt the attached review record and allow the City of Anoka (City) to put the Transit Oriented Development (TOD) comprehensive plan amendment (CPA) into effect.
2. Finds that the CPA does not change the City's forecasts.
3. Advise the City to participate in the redevelopment monitoring program.

The Committee asked no questions.

**The motion carried.**

**INFORMATION**

LCDA Pre-development Grant Category

Livable Communities Manager Paul Burns presented this information item to the Committee.

The current economic slowdown has resulted in a reduced number of applications for development projects or potential applicants with projects that are not quite ready or fully designed. The availability of funding for better analysis of market viability, project feasibility and better project design should result in better projects, with a higher degree of readiness and potential for success.

This concept is supported by the Livable Communities Advisory Committee and they have communicated their support to Chair Bell. Staff is therefore suggesting the concept of predevelopment grants be re-established.

The Committee expressed concerns regarding Communities frustration with the Demonstration account, vacant land after grants, funding allocation, and subsidies.

TBRA Investigation Grant Category

Senior Planner, Marcus Martin Presented this information item to the Committee.

The Tax Base Revitalization Account (TBRA) awards grants for the cleanup of contaminated land and buildings. A broader availability of TBRA funds for environmental site investigation program is proposed in order to improve the effectiveness of this brownfield cleanup program.

The costs of environmental site investigation are a barrier to redevelopment. Contamination investigations are a required pre-requisite for applying for contamination cleanup funding. In order to improve access to Council contamination cleanup funding and encourage the redevelopment of

properties anticipated to be contaminated an environmental investigation grant category independent of the cleanup grant category is proposed.

The Committee asked for a definition of "green remediation". Mr. Martin explained the many green efforts being used.

Community Development Committee 2010 Work Plan  
Community Development Director Guy Peterson presented this information item to the Committee. This is an opportunity for the Committee members to express ideas and requests for information relevant to the Community Development Committee.

The Committee did express the need to assist Cities on how to monitor their ordinances.

## **ADJOURNMENT**

The next regularly scheduled CDC meeting will be held on March 1, 2010 at 4:00 p.m. in the Council Chambers.

Business completed Chair Steffen adjourned the meeting at 6:20 p.m.

Respectfully submitted,

Michele Wenner  
Recording Secretary