

Internal Memorandum

DATE: December 1, 2010

TO: Metropolitan Council Community Development Committee Members

FROM: Beth Reetz, Director, Housing and Livable Communities

SUBJECT: Livable Communities Demonstration Account Funding Recommendations –
Information from Advisory Committee, Applicant Cities and Metropolitan Transportation Services Staff

On November 15, 2010 the Metropolitan Council Community Development Committee met to hear funding recommendations for the Livable Communities Demonstration Account. Ruth Grendahl, Chair of the Livable Communities Advisory Committee, and Paul Burns, Manager, Livable Communities, reviewed Business Item 2010-402 (attached), and provided a short overview of projects recommended for funding.

Members of the Community Development Committee voiced concern about proposals that focused on pre-transit/rail, transit oriented development, and other development studies indicating that the outcome of the recent election may have impacted the appetite for transit investments, and more specifically, rail in the near future. The Committee tabled the recommendations until December 6, 2010 and asked staff to gather additional information and specifically to poll members of the Advisory Committee to determine if their scores would differ in light of the election outcomes.

All LCAC members scoring the pre-development proposals, with the exception of one, indicated their scores would not have changed. Several LCAC members expressed concern about being asked to score based on a hypothetical future or political climate or if they would change their evaluation of a proposal given the outcome of an election.

Staff also contacted the Applicant Cities for the four pre-development projects related to pre-transit/rail, TOD and other development studies. All applicants indicated that, despite the elections outcomes, they would not change the activities for which they are seeking grant assistance, or the time frame for the completion of their proposed activities, and the City would continue to commit the in-kind or cash match requirement of the grant.

MTS staff also provided the following observations relative to the pre-development projects recommended by the LCAC:

- Council adopted regional plans support Transit Oriented Development and transit-supportive land use planning and development.
- The Federal Transit Administration urges communities applying for New Starts funding to be proactive in supporting development and redevelopment around proposed transitways. The FTA's New Starts funding selection process places substantial emphasis on the level of transit-supportive land use planning and development initiatives around future transitway stations, helping raise the rating for those projects (land use planning and economic development in proposed transitway corridors receive 40 percent

of transitway project justification rating in the New Starts application process). FTA's favorable rating of Central LRT's land use and economic development elements rating helped assure its status as a recommended project.

- The Council approved selection of the preferred alternative in the Southwest Corridor and made application to the FTA for New Starts funding for LRT in August of 2010.
- The Council has long supported land use and development policy and programs that provide for more cost efficient regional systems, including, and especially, those like transit-supportive development that maximize the benefits of transitway investments.
- The TPP supports commuter rail, stating "One additional commuter rail corridor could be built by 2030." Although none of the proposed commuter rail projects at this point are justified by sufficient ridership, land use planning and development implementation of those land use plans could result in additional ridership demand that might make those commuter rail projects feasible.
- The benefit of providing land use planning and predevelopment planning funds to communities along potential LRT, BRT and other transitway corridors is the communities undertake upfront planning that maximizes the benefits created by the future transitway investments by generating additional ridership for transit.

Lastly, at the November 15, 2010 Community Development Committee meeting, Jason Ziemer, City Administrator, Maple Plain, addressed the Committee and requested the remaining funds (~\$183 K) be awarded to the Maple Plain Downtown Redevelopment project to enable the City to acquire a parcel for which the City had negotiated a soon-to-expire purchase agreement. Staff advised the Committee that the proposal had not met the 30-point minimum to be considered for funding, and that three projects (Saint Paul, Minneapolis, and Shoreview) had ranked higher than the Maple Plain proposal and had met the 30-point minimum score needed for funding consideration. (See attached scoring spreadsheet.)

The Committee asked staff to poll the LCAC members to determine if their scoring of the readiness component for the Maple Plain and Shoreview projects would have changed in light of this request from the City of Maple Plain. Staff polled the LCAC members and 11 of the 13 members stated that their scores for the readiness components of the Maple Plain and Shoreview proposals would not have changed in light of the request and information from the City of Maple Plain.

In addition, staff from the City of Shoreview expressed to LCA staff that if the Community Development Committee chooses to award the remaining funds, they too have one or more components of their grant request that could benefit by an award to the City of the remaining funds and believe that their higher score from the LCAC justifies strong consideration for award of the remaining funds.

LCDA Development Grant Funding Recommendation Worksheet

Applicant	Project	Land use	Catalyst	Readiness	Scoring total	Housing Performance Score	Total	Rounded	Total requested	Amount recommended	Running totals	Central Cities
St. Paul	PPL West 7th Housing	26.462	8.923	8.385	43.769	9.900	53.669	54	233,550	\$ 233,550	\$ 517,550	233,550
Minneapolis	J. Jerome Boxleitner	26.100	8.100	9.100	43.300	9.800	53.100	53	284,000	\$ 284,000	\$ 284,000	284,000
Minneapolis	Franklin Portland Gateway	25.700	8.100	7.700	41.500	9.800	51.300	51	793,900	\$ 793,900	\$ 1,311,450	793,900
Woodbury	City Walk Apartments	24.667	7.750	8.750	41.167	7.500	48.667	49	78,000	\$ -	\$ 2,345,450	-
Minneapolis	Hi-Lake Triangle	24.583	8.417	8.083	41.083	9.800	50.883	51	1,034,000	\$ 1,034,000	\$ 2,345,450	1,034,000
Richfield	Woodlake Plaza	24.308	7.231	8.615	40.154	6.800	46.954	47	352,000	\$ 352,000	\$ 2,697,450	-
St. Paul	5th Street Lofts	23.923	6.385	7.077	37.385	9.900	47.285	47	361,000	\$ 361,000	\$ 3,058,450	361,000
Osseo	Block 6 Redevelopmnet	22.538	8.154	6.692	37.385	7.200	44.585	45	626,000	\$ 626,000	\$ 3,684,450	-
Oakdale	Oakdale Mall	20.923	8.231	7.692	36.846	6.700	43.546	44	1,171,566	\$ 1,171,566	\$ 4,856,016	-
Chaska	Cooper's Grocery	20.077	8.538	7.923	36.538	8.400	44.938	45	500,000	\$ 500,000	\$ 5,533,016	-
Minneapolis	MPHA 4th Ave	19.727	6.636	8.091	34.455	9.800	44.255	44	177,000	\$ 177,000	\$ 5,033,016	177,000
Burnsville	Valley Ridge	18.077	7.692	8.308	34.077	7.600	41.677	42	800,000	\$ 800,000	\$ 6,333,016	-
St. Paul	West Side Flats	19.462	5.538	6.769	31.769	9.900	41.669	42	950,000		\$ 6,333,016	
Minneapolis	The Machine Shop	19.500	7.417	4.750	31.667	9.800	41.467	41	220,000		\$ 6,333,016	-
Shoreview	Midland Terrace	18.077	6.231	6.385	30.692	5.400	36.092	36	1,189,550		\$ 6,333,016	-
Maple Plain	Downtown Redevelopment	16.077	7.000	5.231	28.308	6.800	35.108	35	1,396,772		\$ 6,333,016	-
Anoka	Rum River Trail	15.692	4.000	6.308	26.000	8.300	34.300	34	71,300		\$ 6,333,016	-
Maplewood	Gladstone Neighborhood	15.538	4.769	5.615	25.923	8.300	34.223	34	1,450,000		\$ 6,333,016	-
									11,688,638	6,333,016		2,883,450