

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

**REGULAR MEETING OF THE COMMUNITY DEVELOPMENT COMMITTEE**  
December 5, 2011

Committee Members Present: **Gary Cunningham, Chair; Jon Commers, Vice-Chair; Steven T. Chávez, Steven Elkins, Richard Kramer, Sandra Rummel, Roxanne Smith, Wendy Wulff**

**CALL TO ORDER**

A quorum being present, Chair Cunningham called the regular meeting of the Council's Community Development Committee to order at 4:00 p.m. on Monday, December 5, 2011.

**APPROVAL OF AGENDA AND MINUTES**

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

It was moved by Rummel, seconded by Smith to approve the minutes of the November 21, 2011 regular meeting of the Community Development Committee. **The motion carried.**

**BUSINESS**

**2011-344** City of Dellwood Comprehensive Plan Update 2008 Review File No. 20463-1  
Senior Planner Tom Caswell presented the staff report and proposed actions to the Community Development Committee.

Commers moved, seconded by Rummel that the Metropolitan Council adopt the Advisory Comments and Review Record and take the following actions:

**Recommendations of the Community Development Committee:**

1. Authorize the City of Dellwood to put its Comprehensive Plan Update 2008 into effect.
2. Adopt the revised forecasts for population, households, and employment for the City, as detailed in the Forecast Table of the attached Review Record.
3. Advise the City to implement the advisory comments for Parks, Surface Water Management, Subsurface Sewage Treatment Systems, and Water Supply.

Mr. Caswell presented the staff report, and explained that the City is in the Diversified Rural Area and relies on individual water wells and subsurface sewage treatment systems. The Update notes that the City has only enough vacant land to accommodate approximately 40 homes additional homes.

The committee asked about the fact that the City is identified as being in a vulnerable area for water supply. Caswell explained that the general area of White Bear Lake, Dellwood, and the City of Grant may have limited quantities of groundwater for drinking. The Review Report suggests the City work cooperatively with its neighboring communities on managing drinking water resources. **The motion carried.**

**2011-345** City of Oakdale Comprehensive Plan Amendment, Tartan Crossing

Review File No. 20281-2

Planning Analyst Lisa Barajas presented the staff report and proposed actions to the Community Development Committee.

Rummel moved, seconded by Kramer that the Metropolitan Council:

1. Adopt the attached review record and allow the City of Oakdale to put the Tartan Crossing comprehensive plan amendment (CPA) into effect.
2. Find that the proposed CPA does not change the City's forecasts.

Representatives from the City were not in attendance. Committee member Rummel remarked on the enthusiasm that the City and its residents have for the redevelopment of this site. There were no further questions or discussion. **The motion carried.**

**2011-346** Adoption of the LCA Affordable and Life Cycle Housing Goals Resolution

LCA manager Paul Burns presented the staff report and proposed actions to the Community Development Committee.

Elkins moved, seconded by Smith that the Metropolitan Council approve the attached Resolution 2011-43 adopting the Livable Communities Act Local Housing Incentives Account (LCA LHIA) Affordable and Lifecycle Housing goals that have been adopted by the City of Orono to participate in the Livable Communities Act for 2012-2020. **The motion carried.**

No questions from the Committee.

**2011-347** 2011 Livable Communities Demonstration Account (LCDA) Funding Recommendations

Livable Communities Advisory Committee Chair Mary Hamann-Roland and Livable Communities staff presented information about each of the recommended awards and proposed actions to the Community Development Committee.

Chávez moved, seconded by Commers that the Metropolitan Council award 6 Pre-Development and 14 Development Livable Communities Demonstration Account (LCDA) grants, as follows:

Pre-Development Projects	Applicant	Points	Recommendation
Lyndale Garden Center	Richfield	42.71	\$100,000
Louisiana Avenue LRT Station	St. Louis Park	38.33	80,000
Development Area Highway 36 Corridor Master Plan	North St. Paul	37.11	100,000
Zoning Framework for the Saint Paul Ford Site	Saint Paul	36.63	100,000
Old Stock Lumber	Hugo	32.44	73,000

Site Mixed-Use Redevelopment West Bank Station Development Parcel Creation	Minneapolis	31.44	100,000
<b>Total for Pre-Development projects</b>		<b>\$553,000</b>	

Staff summarized the expected outcomes from the 2011 LCDA funding, which will include the creation of 1,965 construction jobs, 619 post-construction living-wage jobs, 1,041 affordable housing units, and 1,061 market rate units. All told, the LCDA projects will leverage over \$362 million in other public and private investment.

Committee Member Rummel asked why the top-rated Development project was considered to be such a good demonstration of Livable Communities principles. Staff responded that the project site is limited to a half-block depth, which will be a common occurrence for development and redevelopment along the Central Corridor, and that in spite of the shallow site the project design will incorporate innovative stormwater management techniques. Committee Member Chávez asked how the jobs data were verified. Staff explained that the LCDA application requires applicants to project the number of jobs. Council Research staff can verify jobs within specific areas after development is complete. **The motion carried.**

#### 2011-348 LCA Local Housing Incentives Account Funding Recommendations

Senior Planner Linda Milashius presented the staff report and proposed actions to the Community Development Committee.

Kramer moved, seconded by Commers that the Metropolitan Council award Local Housing Incentives Account (LHIA) grants totaling \$2,300,000 as follows:

Project	City/Applicant	Number of New Units	Number of Units to be Rehabilitated	LHIA Funding Recommendation
<b>Rental Housing Proposals</b>				
Maple Village Phase II	Maple Grove	48		\$300,000
Currie Park Lofts	Minneapolis	208		\$400,000
Spirit on Lake	Minneapolis	46		\$250,000
St. Albans Park	St. Paul	74		\$400,000
Legacy Townhomes	Wayzata	6		\$300,000
<b>Sub-total:</b>	<b>308</b>	<b>74</b>		<b>\$1,650,000</b>
<b>Ownership Housing Proposals</b>				
City of Lakes	Minneapolis	7		\$175,000
<b>Community Land Trust</b>				
Dayton's Bluff	St. Paul	8		\$175,000
Homes Within Reach	Suburban Hennepin Co.	5		\$150,000

Two Rivers Community Land Trust	Washington County	5	\$150,000
<b>Sub-total:</b>	<b>25</b>		<b>\$650,000</b>
<b>TOTAL</b>	<b>308</b>	<b>99</b>	<b>\$2,300,000</b>

Committee Member Rummel asked for clarification regarding how land trusts operate. Staff responded that the land trust models the Council has worked with create affordable homeownership opportunities by removing the cost of the land from the purchase price, separating ownership of the land from the home and its improvements. The land trust acquires the property, retains ownership of the land, and sells the home on the land to qualified families. If the homeowners decide to sell at some point, they receive a portion of the equity that has accumulated to invest in another home. The land trust is then able to offer that home once again as an affordable homeownership opportunity to another family. Committee Member Smith added that through her experience working with the West Hennepin Affordable Housing Land Trust she has learned that they offer homeowners 30% of the equity accrued in the home plus the total of any home repairs/improvements the owner has made to the property. **The motion carried.**

**2011-349** Land Acquisition for Affordable New Development (LAAND) Initiative Funding Recommendation

Paul Burns, Livable Communities Manager, presented the staff report and proposed actions to the Community Development Committee.

Rummel moved, seconded by Smith that the Metropolitan Council award a Land Acquisition for Affordable New Development (LAAND) loan, in an amount of up to \$1,000,000, to the City of Minnetonka for their Ridgedale YMCA Redevelopment proposed senior housing project. (The award amount is a maximum dollar amount and subject to an independent appraisal of the property prior to loan disbursement)

The committee had no questions. **The motion carried.**

**2011-350** Section 8 Project Based Assistance Award Recommendations

HRA manager Terri Smith presented the staff report and proposed actions to the Community Development Committee.

Project	City	Number of Units in Project	Number of PBV Units Requested	Targeted Population
City Walk Apartments	Woodbury	45	4	Long Term Homeless
Maple Village II	Maple Grove	48	4	Long Term Homeless
Sunset Hill Apartments	Minnetonka	64	4	Long Term Homeless
Total			12	

Chávez moved, seconded by Rummel that the Metropolitan Council approve proposals for Section 8 Project Based Voucher Assistance (PBV) and authorize staff to execute necessary documents with the U.S. Department of Housing and Urban Development and the project owners to assign a total of 12 Section 8 Vouchers in three (3) projects as follows:

Council Member Rummel asked how the need for affordable housing is quantified so the Council can see how its efforts impact the overall need. Staff reported that work, in conjunction with Minnesota Housing, has just begun to determine the best methodology for quantifying both the existing need and the need based on growth projections for the metro area and Greater Minnesota. **The motion carried.**

**2011-351** Amendment to the Livable Communities Act (LCA) 2011 Fund Distribution Plan – TOD Grant Category

Elkins moved, seconded by Chavez that the Metropolitan Council adopt the attached amendment to the Livable Communities Act (LCA) 2011 Fund Distribution Plan <http://www.metrocouncil.org/services/livcomm/2011LCAFundDistributionPlan.pdf> to add a new category of Livable Communities Demonstration Account (LCDA) and Tax Base Revitalization Account (TBRA) grants specifically for LCA eligible activities in support of Transit Oriented Development (TOD).

reviewed the TOD grant category with the Committee noting changes made to the criteria stemming from the Committee’s discussion on November 21, 2011 as well information covered in previous program overviews on September 9, 2011 and August 15, 2011. Council Member Commers and Elkins indicated support for the program and suggested flexibility as the program is launched to respond to real estate market signals and the distances people are willing to walk or bike to access transit. Council Member Elkins asked Mr. Peterson if he thought there would be sufficient additional interest in the program so soon after cities had submitted their regular LCDA applications and if greatest need is anticipated

for site assembly. Mr. Peterson responded affirmatively to both. Council Member Smith stated she would like to submit suggested wording to be included with the application materials. Council Member Wulff observed an emphasis on site acquisition with the TOD grant category and wondered how developers would feel about the public competing for land proximate to transit. Mr. Peterson responded that when cities control land they are better able to ensure desired community outcomes. Council Member Wulff expressed her disagreement with the Council incorporating the goals and vision of the Corridors of Opportunity into a Council program without going through the process typically used by the Council to establish policy. Wulff also expressed concern with the number of points available based on performance of a City rather than on the merits of a given project. Other members indicated they felt that a City's performance should be a focus of this program especially as it relates to land use decisions. **The motion carried** with one dissenting vote.

## **ADJOURNMENT**

The next regularly scheduled CDC meeting will be held on December 19, 2011 at 4:30 p.m. in the Council Chambers.

Business completed Chair Cunningham adjourned the meeting at 6:00 p.m.

Respectfully submitted,

Michele Wenner  
Recording Secretary