

Memorandum

DATE: July 31, 2012
TO: Community Development Committee
FROM: Allison Bell, Manager of Corridors of Opportunity (651-602-1363)
SUBJECT: Response to CDC questions on the Corridors of Opportunity

On July 16th, the Council's Corridors of Opportunity Manager, Allison Bell and the Saint Paul Foundation's Corridors of Opportunity Project Director, Mary Kay Bailey, presented to the Community Development Committee about direct investments through the initiative. This presentation raised several questions about the structure and purpose of the initiative. This memo seeks to answer those questions in a brief yet detailed way.

1. How does Corridors of Opportunity relate to the Metropolitan Council?

"Corridors of Opportunity" refers both to an organizational unit within the Metropolitan Council and a 3-year initiative that is co-led by the Council and the McKnight Foundation.

Earlier this year, the Council created a permanent Corridors of Opportunity "work unit," analogous to Local Planning Assistance or Livable Communities. This unit is managed by Allison Bell and currently resides in the Community Development Division. The Corridors of Opportunity unit has three full-time staff, two interns and two vacant positions that will be filled in 2013. While the unit's staff members manage the 3-year grant-funded initiative, its duties go beyond the HUD grant's scope. The unit's work and long-term role within the Council are being more clearly defined through the TOD Strategic Action Plan, which will be completed in early 2013.

Corridors of Opportunity –the initiative— is a 3-year program led by the Metropolitan Council and the McKnight Foundation in collaboration with over two dozen partner organizations. The Metropolitan Council provides leadership for the initiative's Policy Board through Chair Haigh, as well as staff for the initiative, through the work unit described above. The Council is also the grantee of the \$5 million HUD Sustainable Communities Regional Planning Grant, which is one of the two funding sources for the initiative (Living Cities is the other). Two major requirements of this HUD grant are (1) for Corridors of Opportunity to be governed by a consortium of multi-sector partners, and (2) that these partners submit an updated regional plan as a deliverable. The Council agreed to these terms when it signed the cooperative agreement with HUD in early 2011.

For further description of the interaction between the Council and Corridors of Opportunity, see Figure 1 below.

Figure 1: Interaction between the Metropolitan Council and the Corridors of Opportunity initiative

	Metropolitan Council	Corridors of Opportunity
Regional policy & planning	Creates the long-range plan, Thrive MSP 2040	Collaborates on Thrive MSP 2040 via a task force; submits Thrive MSP 2040 to HUD as a deliverable
Transitways	Plans, develops and operates transitways	Contributes to transitway planning and development on 7 corridors
Innovation	Can choose to use lessons from Corridors of Opportunity	Tests promising approaches to equitable development
Leadership	Co-leads the Corridors of Opportunity Policy Board via Chair Haigh	Governed by a 25-member voluntary, multi-sector Policy Board
HUD Grant	Serves as the HUD grantee and financial manager	Local, county, and state government partners, as well as nonprofits are subgrantees
Staffing	A Met Council staff team from Community Development works closely with staff from MTS and Metro Transit, the Living Cities project director at St. Paul Foundation, and staff at partner organizations to manage the initiative.	

2. Who does the work of Corridors of Opportunity?

The work of Corridors of Opportunity happens at many levels, in many committees and project teams. At the leadership level, the Policy Board drives the high-level goals and direction of the initiative. Chair Haigh co-chairs this Policy Board (together with Lee Sheehy of McKnight Foundation). For a full list of Policy Board members and their organizations, see Attachment 1.

As described above, many members of the initiative’s core staff team reside at the Metropolitan Council. This staff team works closely and regularly with senior staff from all of the organizations represented on the Policy Board (and others).

Finally, the work of the Corridors of Opportunity also occurs at the project level, among sub-grantee organizations. Most of the funding from both HUD and Living Cities is passed on to these organizations. For a full breakdown of this funding by project and organization, see Attachment 2. Recent news stories, included in Attachment 3, highlight two projects funded with Corridors of Opportunity resources provided through the Council.

3. How does Corridors of Opportunity funding align with other Council funds and funds from other organizations?

A major goal of the initiative is to align with other organizations, funding sources, and initiatives to achieve greater impact. Several committees of Corridors of Opportunity staff and others work intentionally to achieve this alignment. For example, Community Development Director of Housing and Livable Communities Beth Reetz serves on a committee that ensures the Corridors of Opportunity funding is aligned with the Livable

Communities Act TOD (LCA TOD) funding. Figure 2 below illustrates how the Corridors of Opportunity funding is aligned and coordinated with other TOD funding in the region.

Figure 2: Alignment of Corridors of Opportunity funds with other funds creates greater impact

Feasibility / Planning	Environmental	Pre-development	Acquisition	Construction	Mini-Perm	Permanent
<ul style="list-style-type: none"> • LISC • GMHC • Cities/Counties • Philanthropy • Corridors of Opportunity (CoO) Local Implementation Capacity (LIC) • Metropolitan Council (LCDA & LCDA/TBRA TOD)** 	<ul style="list-style-type: none"> • DEED • EPA • Counties (ERF) • Metropolitan Council (TBRA)** 	<ul style="list-style-type: none"> • CoO loan fund • CoO LIC • LISC • GMHC • MN Nonprofits Assistance Fund • NDC • Cities/Counties • Philanthropy • Metropolitan Council (LCDA & LCDA TOD)** 	<ul style="list-style-type: none"> • CoO loan fund • TCC Land Bank • LISC • Family Housing Fund • Cities/Counties • Minnesota Housing • Private Banks • Metropolitan Council (LCDA & LCDA TOD)** 	<ul style="list-style-type: none"> • CoO loan fund • TCC Land Bank • Banks • Minnesota Housing • Family Housing Fund (MacArthur Preservation Loans)* 	<ul style="list-style-type: none"> • TCC Land Bank • Banks 	<ul style="list-style-type: none"> • Banks • Metropolitan Council ** • Minnesota Housing • Family Housing Fund • HUD • Fannie Mae • Freddie Mac • Life Insurance/ Pension funds

* Funding available may be for nonprofits only

**Funding available must be requested by cities participating in the Livable Communities program

Another example of this alignment is the Local Implementation Capacity (LIC) project within Corridors of Opportunity, which provided nearly \$1 million for predevelopment and planning of TOD projects in the region. The purpose of LIC is similar to that of the LCA TOD program; therefore staff ensured that the funding recommendations were aligned by using very similar ranking criteria. In fact, as Figure 3 below illustrates, three of the nine projects funded through LIC were also funded through LCA TOD:

Figure 3: Alignment of Local Implementation Capacity with the Livable Communities TOD Fund

	Local Implementation Capacity	LCA TOD
Hamline Station Project	\$200,000	\$2,500,612
Prospect Park Masterplan/Boeser Site	\$300,000	\$2,720,307
Hopkins 8 th Avenue Corridor	\$50,000	\$1,307,000

These projects and the other six LIC-funded projects leverage an additional \$210,514,000 in public and private investment from cities, MN Housing funding and others.

4. How does Corridors of Opportunity approach diversity?

A key strategy of the initiative is to increase the diversity at decision making tables, not just for the sake of engagement itself but ultimately to create more equitable development in the region. Earlier this year, the Corridors of Opportunity Policy Board reviewed its membership and determined that greater racial diversity was needed, as well as greater diversity of professional backgrounds. This led to the appointment of four

additional members, including three additional people of color (these new members are denoted with ** in Attachment 1).

Another way the Corridors of Opportunity seeks to increase diversity at decision making tables in the region is through its Community Engagement work. Capacity building through community based organizations that are Corridors of Opportunity sub-grantees is leading to new and emerging leaders. For example, two community engagement sub-grantees were recently appointed to the Southwest LRT Community Advisory committee.

5. How can the lessons from Corridors of Opportunity inform the Council's work?

One of the major expected outcomes of Corridors of Opportunity is for the initiative to inform the partners' ongoing work within their organizations. Within the Council, that connection is expected to happen in several ways. In each of the examples described below, the Council remains the decision-making entity while Corridors of Opportunity provides innovative ideas and partnerships for support and implementation.

First, the collaboration between Corridors of Opportunity and the Council on Thrive MSP 2040 provides the chance for the lessons from the initiative to inform the regional vision. Over the three-year initiative, many lessons on transitway development, housing and economic development have emerged that can inform Thrive MSP 2040.

The lessons from Corridors of Opportunity can be applied to the Council's work in ways that go beyond Thrive MSP 2040. For example, the innovative community engagement techniques piloted in Corridors of Opportunity can inform Council strategies for engagement on a variety of infrastructure and planning projects.

Finally, as Allison Bell reported to the Community Development Committee on May 7th, the Council's Corridors of Opportunity work unit is now staffing Regional Administrator Pat Born to lead the Council's "TOD Strategic Action Plan." This plan, which is assisted by consultants from PB Placemaking and the Center for Transit-oriented Development, will chart the way forward for the Council in the area of TOD. Specifically, it seeks to identify the most value-added roles that the Council can play in TOD, and how the Council can be better coordinated in this realm. This TOD Strategic Action Plan is led by the Council and will be informed by outside stakeholders, especially via Corridors of Opportunity.

6. How can I learn more?

An effective way to gain a better understanding of Corridors of Opportunity is to attend a policy board meeting, which are always open to the public. The schedule for the remaining meetings of 2012 is follows:

- September 19th from 11:00 – 1:00 at the McKnight Foundation, 710 South Second Street, Suite 400, Minneapolis, MN 55401
- October 24th from 12:30-2:30 at the McKnight Foundation, 710 South Second Street, Suite 400, Minneapolis, MN 55401
- November 28th from 12:30-2:30 at the Metropolitan Council Chambers, 290 Robert Street North, Saint Paul MN 55101

In addition, Corridors of Opportunity staff are always available to provide more information. Please contact Allison Bell, Manager of Corridors of Opportunity, at 651-602-1363 or Allison.bell@metc.state.mn.us.

Finally, the Corridors of Opportunity Policy Board members can provide their leadership perspective. Please find the list of members in Attachment 1.

Attachment 1: Corridors of Opportunity Policy Board Members

1	Susan Haigh, Chair, Metropolitan Council (co-chair)
2	Lee Sheehy, Program Director, The McKnight Foundation (co-chair)
3	Andriana Abariotes, Executive Director, Twin Cities LISC
**4	Colleen Carey, President, The Cornerstone Group
**5	Yvonne Cheung Ho, CEO, Metropolitan Economic Development Association (MEDA)
6	Caren Dewar, Executive Director, Urban Land Institute of Minnesota
7	Mary Hamann-Roland, Mayor, Apple Valley; Representative, Livable Communities Advisory Committee
**8	Chris Ferguson, Chair, Central Corridor Business Resources Collaborative (BRC)
**9	Louis King, President and CEO, Summit Academy OIC
10	Jim McDonough, Commissioner, Ramsey County
11	Laurie McGinnis, Director, Center for Transportation Studies, University of Minnesota; Ex Officio, Data and Evaluation Team
12	Peter McLaughlin, Commissioner, Hennepin County; Chair, Counties Transit Improvement Board
13	Repa Mekha, Executive Director, Nexus Community Partners; Representative, Community Engagement Team
14	Ann Mulholland, Vice President, Grants and Programs, the Saint Paul Foundation
15	Mark Phillips, Commissioner, Minnesota Department of Employment and Economic Development (DEED)
16	Sandra Oakes, President and CEO, Twin Cities Community Land Bank
17	Jim Roth, Executive Director, Metropolitan Consortium of Community Developers
18	Elizabeth Ryan, Vice President, Family Housing Fund
19	R.T. Rybak, Mayor, City of Minneapolis
20	Nancy Schouweiler, Commissioner, Dakota County; representing Counties Transit Improvement Board
21	Mihailo "Mike" Temali, President and CEO, Neighborhood Development Center
22	Mary Tingerthal, Commissioner, Minnesota Housing
23	Nancy Tyra-Lukens, Mayor, City of Eden Prairie
24	Paul Williams, Deputy Mayor, City of St. Paul
25	Charlie Zelle or Jay Cowles, Members, The Itasca Project

****New members added in 2012**

Attachment 2: Corridors of Opportunity Projects and Sub-grantees

Project	Amount	Subgrantee/Partner Agency
HUD SUSTAINABLE COMMUNITIES FUNDED PROJECTS		
1	Community Engagement and Outreach	\$750,000 Managed by Nexus Community Partners, Alliance for Metropolitan Stability, the MN Center for Neighborhood Organizing; dozens of community organizations as subgrantees
2	Corridors of Opportunity Evaluation	\$75,000 U of MN (CURA, CTS)
3	Local Implementation Capacity	\$953,000 Managed by the Met Council; 9 sub-grantees
4	Program of Projects	\$150,000 Counties Transit Improvement Board (CTIB)
5	Southwest LRT Community Works	\$800,000 Hennepin County
6	Bottineau Transitway	\$150,000 Hennepin County
7	Gateway Corridor Analysis of Ridership Opportunities and Issues	\$150,000 Ramsey County
8	Cedar Ave. BRT Market & Development Standards Study	\$200,000 City of Apple Valley
9	Northstar Commuter Rail Transit-Oriented Development Strategy	\$125,000 Northstar Corridor Development Authority
10	Jobs Central: An Employment & Workforce Cluster Project on Central Corridor	\$247,000 Ramsey County
11	Transit Corridors: Alternative Energy Models	\$150,000 District Energy
12	Improving Energy Efficiency in Multifamily Rental Housing	\$20,000 Minnesota Housing
13	Central Corridor: Stormwater & Green Infrastructure Planning	\$370,000 City of Saint Paul
14	Further Fair Housing	\$100,000 Minnesota Housing
15	Enhance HousingLink Services	\$100,000 Minnesota Housing
16	Location Efficient and Energy Efficient Mortgage Products	\$60,000 Minnesota Housing
17	Research on How to Achieve System-Level Jobs-Housing Balance	\$100,000 U of MN (CURA, CTS)
18	Regional Plan for Sustainable Development	\$0 Led by Metropolitan Council in collaboration with consortium partners

Living Cities Integration Initiative Funded Projects

1	Affordable Housing & TOD	\$1.25M (grants); \$14.3M (loans)	TCC Land Bank; Twin Cities LISC; Family Housing Fund
2	Small Business Support	\$450K (grants); \$700,000 (loans)	Neighborhood Development Center
3	Southwest LRT Support	\$255,000	Urban Land Institute - Minnesota
4	Corridors of Opportunity Evaluation	\$250,000	Saint Paul Foundation / Wilder Research
5	TOD Strategic Acquisition Fund & CDFI landscape study	\$25,000	Saint Paul Foundation
6	Corridors of Opportunity Communications	\$26,000	Saint Paul Foundation

Attachment 3: Recent news stories about Corridors of Opportunity work

Planners take stock of housing along Southwest LRT

By: Drew Kerr
Finance & Commerce
July 18, 2012



At left: The Excelsior & Grand apartment complex in St. Louis Park is just north of a planned station area for the Southwest Light Rail Transit line. (File photo: Bill Klotz)

Just who lives along the proposed [Southwest Light Rail Transit](#) line?

Community leaders are looking to answer the question as they set out to complete a housing inventory of the area surrounding the planned 15-mile LRT line between downtown Minneapolis and Eden Prairie.

Bids for the analysis – which will also look at demographics such as age and income – are being accepted through July 25, and a consultant to complete the study will be selected in August. The \$25,000 study, funded by a Metropolitan Council grant, should be finished within two months of the

contract award, according to a [request for proposal](#) put out this month by Hennepin County.

Officials working to develop the Southwest LRT– which remains in the early planning stages – say the inventory is needed to establish baseline housing data, set goals and come up with strategies that could encourage a diversity of housing options along the corridor.

“We’ve been having a lot of really good, robust conversations about housing, but we realized that if we wanted to take these discussions to the next level we needed to know what exists empirically, not just anecdotally,” said Tara Beard, the community development director in Hopkins and a member of the Southwest LRT Community Works committee.

The inventory will focus on a two-mile area surrounding the line, where planners hope to [concentrate residential and commercial development](#) if or when the \$1.2 billion transit line is built.

In some cities along the corridor, such as St. Louis Park, that will mean looking at nearly the entire community. In places such as Edina, where there are no planned transit stations, it means looking at small slivers where there may be little opportunity for additional housing.

The Southwest LRT has been largely promoted as a link to large employment centers, such as UnitedHealth Group’s growing campus in Eden Prairie, but officials say there also is potential for new housing to be built along the corridor.

“Jobs are a big component of the southwest corridor, but anywhere there are jobs there are opportunities for more housing,” said Cathy Bennett, who works on Southwest LRT housing issues on behalf of the [Urban Land Institute of Minnesota](#). “We want to make those connections seamless.”

While the opportunities for single-family homes are limited, officials in several communities along the proposed route say high-density, multifamily housing could be ideally suited for the transit line.

The larger question is how cities can align such housing with community goals, particularly affordable housing.

“We really want housing that will serve a full range of incomes – not just the lower end or the higher end,” said Michele Schnitker, the housing supervisor in St. Louis Park. “This survey is just the first part of trying to eventually create some strategies that encourage that kind of mixed-income approach.”

In Hopkins, where 65 percent of housing units are rental properties, officials say more family housing, with three to five bedrooms, is needed.

After the inventory is done, officials plan to talk about strategies to meet such housing goals. Tax-increment financing, grants and zoning changes could be used to encourage housing development along the corridor.

And while housing construction has slowed in recent years, officials say they are encouraged more proposals will come forward. “The idea is to show developers what could be there, and to let them take off with their own imaginations,” said Kathy Nelson, a city council member in Eden Prairie who sits on the Southwest LRT’s Community Works committee.

Bennett, of the Urban Land Institute, said she didn’t expect communities to compete for housing, but to instead work together on strategies that encourage development along the entire line.

“There’s always a bit of competition, but I don’t think that’s a big concern in this case,” she said. “This group has a shared understanding that if one community is successful, all will be successful.”

Downtown Minneapolis is seen as drowning in a sea of parking lots

Minneapolis will evaluate at least 140 parking lots, which officials say stunt area's growth.

By: Maya Rao
Star Tribune
July 24, 2012



This surface parking lot at S. 2nd Street is one of many on 5th Avenue S. in downtown Minneapolis facing a new city review.

The fences, shrubs and trees that line the sidewalk on 5th Avenue S. do little to hide the vast parking lots that Chris Keimig considers blemishes on downtown Minneapolis.

The asphalt is so abundant that the St. Paul English teacher has made a hobby out of snapping photos of the frequently deserted parking lots and posting them on his new blog, ["Empty Lots,"](#) along with catalogues of other missed opportunities in urban planning. Now city planners are considering how to transform the lots into the kind of dense, urban development needed to meet the city's aim of doubling the downtown population over the next decade.

Minneapolis recently won a \$43,250 grant from the Met Council to examine the large surface parking lots near the Metrodome light-rail station. In its grant application, the city described them as the most prominent barrier to building up the area.

"These are all prime development sites, and we are seeing no movement on them," said downtown city planner Beth Elliott, who wrote Minneapolis' grant proposal.

A city map shows at least 140 surface parking lots scattered around downtown, from the Metrodome to the Mississippi to Nicollet Mall, where cars aren't even allowed. Many of them offer parking as cheap as \$6 a day. Some, including lots owned by the Star Tribune, take up entire blocks. One lot on S. 2nd Street, near the waterfront, takes up two.

Wildflowers and other greenery lining the sidewalk hardly spruce up the drab vista from the Central Library entrance on Nicollet Mall, where visitors see surface parking lots on two sides of the building and two parking ramps nearby. The surface lots are half empty by the end of the workday.

The parking lots multiplied after World War II, when Minneapolis and other American cities pursued policies hostile to urban development and friendly to suburbanization, said Tom Fisher, dean of the College of Design at University of Minnesota. Many of downtown's buildings were torn down to make way for parking, he said, noting the Nicollet Hotel was razed two decades ago for one of the parking lots next to the library.

And as Minneapolis struggled to compete with the suburbs that were stealing its population, the city also began requiring parking minimums in 1963 for new development.

The city since has taken some steps to tame the spread of parking lots. In 1999, Minneapolis barred new commercial parking lots downtown. In 2009, it eliminated minimum parking requirements for buildings in the downtown zoning district.

Still, on 5th Avenue in particular, "it's a sea of parking lots," Downtown Council President Mark Stenglein said. "It's like you're floating among parking lots."

Will stadium trigger growth?

Several managers of downtown lots say the business actually isn't so lucrative -- and the whole point is to wait for a developer to come along with an attractive offer.

"It's obvious that kind of property is not the highest and best use," said Doug Swanson, chief financial officer and vice president of Benson Parking Service Inc., which operates six downtown surface lots. "There's no doubt about it -- they're eyesores." Some anticipate that the planned Vikings stadium will spark new construction on the lots to better connect the Downtown East area with the more vibrant areas to the west. At least a dozen square blocks with substantial surface parking, including Star Tribune-owned property, sit near the stadium.

City leaders do not want to make the same mistakes they did with the Metrodome, said Fisher, who is also co-chairman of the stadium implementation committee.

"We absolutely cannot have just big asphalt surface parking lots around the new stadium or we will have failed," said Fisher, suggesting they find a more creative, urban way to allow tailgating.

In Minneapolis and around the country, he said, land values downtown are increasing as more people move in, and "a lot of these surface lots are in kind of a holding pattern as land prices go up and demand increases."

Part of the problem is that it is far cheaper to build parking on the ground.

A 2003 report by Transit for Livable Communities titled "The Myth of Free Parking" citing Minneapolis planners said one surface parking unit costs \$3,000, an above-ground parking garage space costs \$15,000 and an underground parking unit costs \$27,000. The study noted that free or abundant parking discourages people from carpooling and using public transit.

Today, the rate of commuting to work using public transit is 15 percent in Minneapolis, ahead of Portland, Atlanta and Los Angeles, but behind Seattle, Baltimore and Pittsburgh, according to a census survey.

What the city might do

The city wants more people using public transportation, however, and has high hopes for the area around the Metrodome/Downtown East light-rail station.

The city's master plan for Downtown East and the North Loop calls for a so-called "complete community" at the light-rail station, promoting the reduction of car dependency and restoring a pedestrian-friendly neighborhood of houses, offices, shops and parks. The area around the station currently lacks major destinations other than the Metrodome, Elliott wrote in her proposal to the Met Council.

Even with the Mill District to the north and offices to the west, both "feel miles away due to the inhospitable uses a pedestrian is forced to walk past."

The grant will pay for the city to hire a consultant to examine alternate tax structures -- parking lots are currently taxed at a more favorable rate than built-up property -- and come up with a list of development strategies for a report due out in 2013. The consultant will also study how other cities around the country have addressed surface parking.

'Not a good place to walk'

Keimig, 28, a Maryland native, noticed the abundance of parking soon after moving to Minneapolis in 2009 to attend graduate school at the University of Minnesota.

Downtown "is supposed to be the densest, most vibrant area of our city, and when you insert these large ... parking lots you diminish that vibrancy," Keimig said.

"A lot of people I know here come from outside the Twin Cities, and we've all sort of had this similar experience where we're traveling a certain distance, it's maybe far, but not too far, where we say, 'If we were in New York, we would walk this, or if we were in D.C., we would walk this,' but there's a very subtle thing from a planning perspective that sort of communicates to you that this is not a good place to walk," Keimig said.

As more high-end apartments spring up downtown, Keimig questions whether the city can meet its goal of doubling the area's population to 70,000 by 2025 without making better use of its parking lots.

"They're asking people to pay a premium for housing, much less housing that you can get not just in the suburbs, but in Uptown and Northeast right across the bridge, and you're not really providing a built environment," he said.

<http://www.startribune.com/local/minneapolis/163640936.html?page=all&prepage=1&c=y#continue>