

C Community Development Committee

For the Metropolitan Council meeting of December 10, 2008

Item: 2008-270

ADVISORY INFORMATION

Date Prepared: December 3, 2008

Subject: Livable Communities Demonstration Account (LCDA) Funding Recommendations

Proposed Action:

That the Metropolitan Council award twelve grants from the Livable Communities Demonstration Account, as listed below, as amended by the Community Development Committee, to include the award of an additional \$45,741, at the suggestion of the Livable Communities Advisory Committee (LCAC), to the 2700 the Avenue project and that the grant agreement for the Boat Works Square project specifically state that not less than 50 percent of the top level of the parking ramp be a green roof.

ID, Project Name	Applicant	Requested Amount	Recommended Amount
A.5 Salem Redevelopment	Minneapolis	\$850,000	\$850,000
A.2 Creekside Commons	Minneapolis	\$211,764	\$211,764
A.3 Jackson Street Artists Housing	Minneapolis	\$408,977	\$408,977
A. 1 Bystrom Brothers/Franklin Station	Minneapolis	\$550,000	\$550,000
A.9 Schmidt Brewery	St. Paul	\$575,000	\$575,000
B.2 Cobblestone Senior Housing	Apple Valley	\$556,834	\$556,834
C.2 The Landing	Chaska	\$240,636	\$240,636
C.4 Oak Grove Dairy Redevelopment, Norwood Young America	Carver County CDA	\$708,153	\$708,153
C.3 Forest Oak Apartments	Forest Lake	\$500,000	\$500,000
A.10 2700 the Avenue	St. Paul	\$1,986,250	\$250,000
C.1 Redevelopment of Block 8	Centerville	\$763,100	\$763,100
B.5 Boat Works Square	White Bear Lake	\$1,500,000	\$1,385,036
A – Center Cities, B – Developed Cities, C – Developing Cities			
Projects are listed in point rank order			Total \$6,999,500

Summary of Committee Discussion / Questions:

At the Nov. 17 meeting Chair Ruth Grendahl of the Livable Communities Advisory Committee (LCAC) presented the committee's recommendations. There were no questions.

At the December 1 meeting, chaired by Kris Sanda, staff explained that an additional \$45,741 for the 2700 the Avenue project would bring the total award for that project to \$250,000, which would fully fund two project elements. The additional amount is above the 40 percent the LCAC can recommend for projects located in Minneapolis and St. Paul, according to the Council-adopted LCDA criteria. However, the funding criteria state that the Council may award more than 40 percent of the funding in a grant cycle to projects located in Minneapolis and St. Paul, provided the project has been determined by the LCAC to be an exemplary demonstration and has satisfactorily met the advisory committee's readiness assessment. The increase in funding for the 2700 the Avenue project would result in 40.7 percent of the available 2008 funding being awarded to Minneapolis and St. Paul projects, a slight increase from the 40 percent figure. The table above reflects the addition of the \$45,741 to the 2700 the Avenue project.

Staff also brought to the Committee's attention that a \$500 discrepancy in one of the applications accounts for the recommendations totaling \$6,999,500, leaving \$500 remaining of the total \$7 million available for 2008 awards.

Member Broecker asked Associate General Counsel David Theisen to explain Minnesota statute 103.B establishing the White Bear Lake Conservation District, and whether the City should have obtained a review by the Conservation District before submitting the application. Theisen said the requirements under this statute are a local issue for the city. If any needed permits are not obtained or requirements satisfied and the Boat Works Square project does not go forward, the city would need to return any grant funds awarded. Jim Robinson, White Bear Lake community development director, said the city is working with two watershed districts on issues related to the project.

Aguilar asked about the status of development plans for the St. Paul Schmidt Brewery project. Diane Nordquist, project manager for the City of St. Paul, said that although the Brewtown partnership has pulled out of the project, Dominion Group is proceeding with plans to develop townhouses in the former brewery head house.

Hilker asked what elements of the Boat Works Square, White Bear Lake project are set. Jim Robinson said that the restaurant, marina building, and parking structure are set. Hilker asked Robinson if the parking to be constructed in the ramp will meet the need and if there is community support for the project. Robinson said the new ramp parking will meet the need for the area and the marina, and that the community supports the project. Pistilli asked about a pending lawsuit in the area. Robinson clarified that the pending lawsuit does not affect the subject property. Pistilli asked what is the cost of the green roof. Robinson said the city had determined the weight load and cost would be about the same as a regular parking level, and estimated the green roof cost at \$500,000.

Members noted that the LCAC expressed a preference for a combination of parking and green roof on the top ramp level. Theisen asked for clarification on the committee's intent regarding this. Members said they concurred with the intent of the advisory committee and concurred with suggested language for inclusion in the grant agreement for Boat Works Square that would specifically state the project would have: "not less than 50 percent green roof on the top level."

Pistilli asked how bonus points for items added to the criteria this year were factored into the evaluation process. Grendahl said the committee was working through a process for incorporating the Minnesota Sustainable Building Guidelines into the process. Staff said that green building criteria and other criteria were built into the Step One scoring process, resulting in projects having these features receiving extra points. Pistilli said he would like to see a process more clearly stating which projects receive bonus points. Hilker said she would like to see the items that are considered in the evaluation, such as "clean and green", laid out better. Pistilli said he would like to see a focus on the 2030 transportation plan and green concepts. Acting Chair Sanda suggested that the Council should specify what it is looking for in projects. Other discussion included the balance between central city and suburban projects, and weighting of criteria.

C Community Development Committee

Meeting date: December 1, 2008

For Metropolitan Council meeting of Dec. 10, 2008

ADVISORY INFORMATION

Date:	November 25, 2008
Subject:	Livable Communities Demonstration Account (LCDA) Funding Recommendations
District(s), Member(s):	All
Policy/Legal Reference:	Livable Communities Act, Minnesota Statutes 473.75
Staff Prepared/Presented:	Paul Burns, Manager, Livable Communities Program Joanne Barron, Planning Analyst Linda Milashius, Senior Planner
Division/Department:	Community Development, Housing & Livable Communities

Proposed Action

That the Metropolitan Council award twelve Livable Communities Demonstration Account (LCDA) grants as follows:

ID, Project Name	Applicant	Requested Amount	Recommended Amount
A.5 Salem Redevelopment	Minneapolis	\$850,000	\$850,000
A.2 Creekside Commons	Minneapolis	\$211,764	\$211,764
A.3 Jackson Street Artists Housing	Minneapolis	\$408,977	\$408,977
A. 1 Bystrom Brothers/Franklin Station	Minneapolis	\$550,000	\$550,000
A.9 Schmidt Brewery	St. Paul	\$575,000	\$575,000
B.2 Cobblestone Senior Housing	Apple Valley	\$556,834	\$556,834
C.2 The Landing	Chaska	\$240,636*	\$240,636
C.4 Oak Grove Dairy Redevelopment	Carver County CDA	\$708,153	\$708,153
C.3 Forest Oak Apartments	Forest Lake	\$500,000	\$500,000
A.10 2700 the Avenue	St. Paul	\$1,986,250	\$204,259
C.1 Redevelopment of Block 8	Centerville	\$763,100	\$763,100
B.5 Boat Works Square	White Bear Lake	\$1,500,000	\$1,385,036
A – Center Cities, B – Developed Cities, C – Developing Cities			
Projects are listed in point rank order			Total \$6,953,759

Background

The Livable Communities Demonstration Account awards grants once annually to support projects that that achieve connected development patterns that demonstrate innovative ways of meeting 2030 Regional framework goals and strategies to achieve connected, efficient land-use patterns in communities throughout the region.

The Livable Communities Advisory Committee is appointed by the Council and is charged with reviewing LCDA funding proposals and making funding recommendations to the Council, based on criteria adopted by the Council each year in the LCA Annual Distribution Plan. The staff evaluation process and Livable Communities Advisory committee review process is described in the Application and Review Process attached.

The Community Development Committee recommended and the Metropolitan Council approved the 2008 LCA Annual Distribution Plan on April 9, 2008. Changes to the criteria this year incorporated recommendations of the LCDA Work Group that included Council Chair Peter Bell, who chaired the work group, Council members Steffen and Meeks, LCAC Chair Ruth Grendahl, and LCAC Vice-Chair Dan Marckel. The three categories of changes are to:

1. More deeply integrate applicable state policies into the LCDA process. These include policies and initiatives of Minnesota Housing, MnDOT, Departments of Commerce and Administration, Human Services, Natural Resources, and the Minnesota Pollution Control Agency.
2. Give bonus points to projects located within one-half mile of transit stations and stops on transitways and express bus commuter system corridors identified in the 2030 Transitway System.
3. Incorporate the Minnesota Sustainable Building Guidelines to encourage more sustainable development practices in the evaluation of funding proposals.

The criteria retained a change made in 2005 that the LCAC may recommend up to 40 percent of the total LCDA funds in a grant cycle for projects located in Minneapolis and St. Paul (40 percent is the average yearly percentage of total funds awarded to the two cities during the first nine years of the program before this criterion was established). The criteria also state that the Council may award more than 40 percent of the total available funding to projects in Minneapolis and St. Paul, provided that the projects are exemplary demonstrations of the program criteria, and have satisfactorily met the LCAC's evaluation assessment for readiness.

Rationale

Twelve projects are recommended for funding by the Livable Communities Advisory Committee, totaling \$6,954,259. Ten of the twelve projects are recommended by the advisory committee to receive the full amount of their funding requests. Partial funding for one project, A.10, 2700 the Avenue, St. Paul, is recommended to keep the recommended amount at the 40 percent of total available dollars the advisory committee can recommend for Minneapolis and St. Paul projects. However, the advisory committee suggests that the Community Development Committee consider awarding an additional \$45,741 to 2700 the Avenue to fund two requested elements for this project, bringing the total for 2700 the Avenue to \$250,000, or 13 percent of its \$1,986,250 request. If the \$45,741 is added by the Community Development Committee, the awards would total \$6,999,500, resulting in awarding nearly all of the available dollars. The second project recommended for partial funding, B.5, Boat Works Square, White Bear Lake, was the lowest-scoring of the recommended projects, and is recommended to receive the dollars remaining after other funding recommendations had been determined. Boat Works Square is recommended to receive 92 percent of its request.

Funding

The approved 2008 LCA Annual Fund Distribution Plan included available funding of \$7 million for LCDA demonstration grants. The Fund Distribution Plan allocated an additional \$4 million from the Demonstration Account, at the recommendation of the LCDA Work Group, for a one-time Land Acquisition for Affordable Housing (LAAND) initiative to award loans to enable LCA participant cities to purchase land for future affordable housing.

Known Support / Opposition

Resolutions supporting each of the applications submitted were received from the respective cities and development authorities. LCA staff was contacted by a White Bear Lake citizen opposed to the Boat Works Square project submitted by the City of White Bear Lake, who indicated he would be providing

information to point out deficiencies in the project. No such information has been received to date. Staff also received communication from another White Bear Lake citizen in support of the Boat Works Square project.

- [Link to Applications Received and Recommended](#)
[Summary of Application and Review Process](#)
[Summaries of Projects Recommended and Not Recommended](#)
[Step One Evaluation Scoring Summary](#)
[Advisory Committee Evaluation Form](#)
- [Link to Checklist to Determine Feasibility of Project Only With LCDA Grant](#)
- [Link to Conflict of Interest Record for Advisory Committee members](#)
- [Link to Funding Criteria & Selection Process](#)
- [Link to Pre-Application](#),
- [Link to Application Form, Eminent Domain Certification, Sample Resolution](#)
- Link to Summary Notes of Advisory Committee meetings
[09-11-08](#), [10-02-08](#), [10-09-08](#), [10-23-08](#), [11-06-08](#)

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