



## Request for City Council Committee Action from the Department of Community Planning and Economic Development - CPED

**Date:** January 15, 2013

**To:** Council Member Lisa Goodman, Community Development Committee

**Referral to:** Council Member Betsy Hodges, Ways and Means/Budget Committee

**Subject:** **2012 Metropolitan Council Livable Communities  
Demonstration Account (LCDA) Grants**

### **Recommendation:**

1) Accept and appropriate Metropolitan Council Livable Communities Demonstration Account (LCDA) grants of \$1,100,000 for the Seward Commons Infrastructure/Snelling Apartments project, \$1,000,000 for the West Broadway Curve project, and \$555,000 for the A-Mill Artist Lofts project.

2) Amend the 2013 General Appropriation Resolution by increasing the Community Planning & Economic Development Agency Fund 01600–Other Grants-State and Local (01600-8900220) by \$2,655,000 (distributed as noted above).

3) Increase the 2013 Revenue Budget for the Community Planning & Economic Development Agency Fund 01600–Other Grants-State and Local (01600-8900900-321513) by \$2,655,000 (distributed as noted above).

4) Authorize appropriate City staff to execute such agreements as may be necessary or desirable to implement the Metropolitan Council Livable Communities Demonstration Account (LCDA) grants with the Metropolitan Council, Seward Redesign, CommonBond, and Dominion (or affiliated entities).

### **Department Information**

Prepared by: Amy Geisler, Senior Project Coordinator, (612) 673-5266

Approved by: Charles T. Lutz, Deputy Director, CPED \_\_\_\_\_

Thomas A. Streitz, Director, Housing Policy & Development \_\_\_\_\_

Presenters in Committee: Amy Geisler, CPED, Housing Policy & Development  
Funding Source and Appropriation

Language Reviewed by Development Finance: \_\_\_\_\_

## Previous Directives:

- On June 15, 2012, the City Council authorized submission of three (3) LCDA grant applications to the Metropolitan Council (Seward Commons Infrastructure/Snelling Apartments, West Broadway Curve, and A-Mill Artist Lofts).
- For Seward Commons/Snelling Apartments, the City Council has previously awarded Affordable Housing Trust Funds and land sale approval.
- For West Broadway Curve, the City Council has previously awarded Affordable Housing Trust Funds, exclusive development rights, and preliminary Housing Revenue Bond approval.
- For A-Mill Artist Lofts, the City Council has approved Housing Revenue Bonds and acceptance of a number of brownfield cleanup grants.

## Financial Impact

- Action requires an appropriation increase to the Operating Budget  
Dept Name: Community Planning & Economic Development – 8900220 and 8900320  
Fund Name: 01600 - Other Grants-State and Local  
Amount: \$2,655,000
- Action provides increased revenue for appropriation increase  
Dept Name: Community Planning & Economic Development - 8900900  
Fund Name: 01600 - Other Grants-State and Local  
Amount: \$2,655,000
- Action is within the Business Plan
- Request provided to the Finance Department

## Community Impact

- Neighborhood Notification: All three projects have undergone neighborhood review.
- City Goals: A Safe Place to Call Home; Livable Communities, Healthy Lives
- Sustainability Targets: Affordable Housing Units; Air Quality; Bicycle Lanes and Paths; Permeable Surface.
- Comprehensive Plan: Section 4.1: Minneapolis will encourage reinvestment along major urban corridors as a way of promoting growth in all neighborhoods. Section 4.9: Minneapolis will grow by increasing its supply of housing. Section 4.10: Minneapolis will increase its housing that is affordable to low and moderate income households. Section 4.11: Minneapolis will improve the availability of housing options for its residents. Section 4.15: Minneapolis will carefully identify project sites where housing redevelopment or housing revitalization are the appropriate responses to neighborhood conditions and market demand.

## Supporting Information – 2012 LCDA Awards

On November 14, 2012, the Metropolitan Council awarded Livable Communities Demonstration Account (LCDA) development grants to Seward Commons Infrastructure/Snelling Apartments (\$1,100,000), West Broadway Curve (\$1,000,000), and the A-Mill Artist Lofts (\$555,000). Staff is now requesting City Council authorization to accept and appropriate the LCDA grant awards, and to enter into any necessary grant, loan, and related agreements.

## Grant Application and Award Process

The Livable Communities Demonstration Account was established by the Livable Communities Act [Minnesota Statutes Chapter 473.25, (b)]. The Demonstration Account provides funds to development or redevelopment projects that connect development with transit, intensify land uses, connect housing and employment, provide a mix of housing affordability, and provide infrastructure to connect communities and attract investment.

Application is open to cities participating in the Local Housing Incentives Program of the Livable Communities Act, on behalf of proposals in their communities.

In 2012, the Metropolitan Council received 11 applications competing for a total of \$7.5 million. Ultimately, the Metropolitan Council approved 9 LCDA grants totaling \$5.7 million, including \$2,655,000 (or 46%) to the City of Minneapolis. All submitted Minneapolis applications were fully-funded.

### **Project Summaries**

Seward Commons Infrastructure/Snelling Apartments (CPED/Seward Commons). Snelling Apartments is a 60-unit affordable senior rental project, which is Phase II of the redevelopment of the Bystrom Brothers industrial site near the Franklin Avenue LRT station. The site is owned by the City. LCDA funding will be used for street reconstruction, sidewalks, and associated design and engineering costs.

West Broadway Curve (CommonBond). CommonBond is proposing a 53-unit mixed-income rental project, which will include an Advantage Service Center. The building will be located at 1926-2022 West Broadway Avenue. The site is owned by the City. LCDA funding will be used for site preparation, stormwater management, placemaking elements, and other costs.

Pillsbury Lofts (Dominium). Dominium is proposing 252 affordable rental apartments for artists located on a portion of the historic Pillsbury Mill site. The project will also include 30,000 square feet of office/program space. LCDA funding will be used for bike and pedestrian improvements, sidewalks, and street improvements.