

City of Minneapolis
Request for Committee Action

To: Community Development & Regulatory Services
Date: 1/19/2016
Referral: Ways & Means
From: Community Planning & Economic Development
Prepared by: Shalaunda Holmes, Senior Project Coordinator
Presented by: Shalaunda Holmes, Senior Project Coordinator
File type: Action
Subcategory: Grant

Subject:

2015 Metropolitan Council Livable Communities Demonstration Account (LCDA) and Transit-Oriented Development (LCDA-TOD) Grant Awards.

Description:

1. Accepting and appropriate Metropolitan Council LCDA grants of \$500,000 for the Great River Landing development; \$841,852 for the Youthlink development and LCDA-TOD of \$395,000 for the Superior Plating development.
2. Amending the 2016 General Appropriation Resolution by increasing the Community Planning & Economic Development Agency Fund 01600- Other Grants-State and Local (01600-8900220) appropriation by \$1,736,852 (distributed as noted above)
3. Increasing the 2016 Revenue Budget for the Community Planning & Economic Development Agency Fund 01600-Other Grants-State and Local (01600-8900900-321513) by \$1,736,852 (distributed as noted above).
4. Authorizing appropriate City staff to execute such agreements as may be necessary or desirable to implement the LCDA and LCDA TOD grants with the Metropolitan Council, PPL Inc., Beacon Interfaith Housing Collaborative and Lennar Multifamily Communities.

Previous Actions:

On April 21, 2015, the City Council authorized submission of three LCDA and three LCDA TOD grant applications to the Metropolitan Council. Great River Landing, Youthlink and Superior Plating were among the six applicants.

Ward/Address:

Ward 3
315 1st Ave NE
Ward 5 - 813 5th Street North and 41 12th Street North

Background/Analysis:

Community Impact- All applicants were asked to provide information on the status of neighborhood review of their developments.

City Goals- A Safe place to Call Home; Jobs and Economic Vitality; Eco-Focused; Livable Communities; Healthy Lives; Many People One Minneapolis; A City That Works.

Sustainability Targets: Affordable Housing Units; Air Quality; Bicycle Lanes and Paths; Permeable Surface.

Comprehensive Plan-1.5 - Promote growth and encourage overall city vitality by directing new commercial and mixed-use development to designated corridors and

districts; 1.13: Support high density development near transit stations in ways that encourage transit use and contribute to interesting and vibrant places; 3.2: Support housing density in locations that are well connected by transit, and are close to commercial, cultural and natural amenities; 3.6: Foster complete communities by preserving and increasing high-quality housing opportunities suitable for all ages and household types.

Supporting Information – 2015 LCDA and LCDA-TOD Awards

On December 18, 2015 the Metropolitan Council awarded LCDA grants to the Great River Landing (\$500,000) and Youthlink (\$841,852) developments as well as a LCDA TOD grant to the Superior Plating development (\$395,000). Staff is now requesting City Council authorization to accept and appropriate the LCDA and LCDA TOD grant awards, and enter into any necessary grant, loan and related agreements.

Grant Application and Award Process

The Metropolitan Council provides funding to development projects through their Livable Communities Demonstration Account (LCDA) and the Transit Oriented Development (TOD) program. Funded projects 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. LCDA grants have no geographic requirements, while TOD funds may only be awarded to projects that meet proximity requirements to transit. Funds are intended to be used for projects that demonstrate innovative and new ways to achieve and implement these statutory objectives. Cities may submit applications for projects to be undertaken directly by the City, or may sponsor applications submitted by private developers.

In 2015, the Metropolitan Council received seven applications to the LCDA program. The Council awarded six LCDA grants totaling \$4,979,852, including \$1,341,852 (or 26%) to the City of Minneapolis. Also in 2015, the Metropolitan Council received six applications to the TOD program. The Council awarded four TOD grants totaling \$4,295,000 and 1 of the developments is in the City of Minneapolis (or 1%).

Project Summaries - LCDA Development Awards

Great River Landing (Beacon Interfaith, \$500,000) – Located at 813 5th Street North, the proposed project is affordable housing serving households at 30% AMI or below, mostly homeless households. Better Futures Minnesota, who primarily serves high-risk African American men, will be the service provider. The project consists of six-story, 45,000 sf building with 72 efficiency/supportive housing units. The development team includes a minority owned architectural firm, 4RM+ULA, and an artist associated with Juxtaposition Arts. They are requesting funds for land acquisition.

YouthLink Supportive Housing (PPL Inc., \$841,852) - Located at 41 12th Street North the proposed development is affordable housing serving homeless youth between the ages of 18-23. YouthLink operates the Youth Opportunity Center which provides supportive services to youth. The project consists of an addition to their existing building that will house 46 new efficiency/supportive housing units. The ground floor will be re-oriented to provide additional community and office spaces, and a new highly visible entry area with garden. They are requesting funds for energy efficiency components, sewer and water line modifications, stormwater infrastructure, and placemaking enhancements for the site.

Project Summaries – LCDA TOD Development Awards

Superior Plating (Lennar Multifamily Communities \$395,000) – Located at 315 1st Avenue NE , the proposed project is a mixed-use development consisting of a low-rise base of commercial and residential building as well as an 18-story building set back from the street. It will include 22,000 sf of commercial space and a total of 253 residential units. The design incorporates a widened streetscape with landscaping and outdoor seating along 1st Avenue NE. They are requesting funds for further brownfield remediation due the history of this particular site as a Superfund site.

Financial Review:

Additional appropriation required.

- Action requires an appropriation increase to the Operating Budget
Dept Name: Community Planning & Economic Development – 8900220
Fund Name: 01600 – Other Grants-State and Local
Amount: \$1,736,852
- Action provides increase revenue for appropriation increase
Dept Name: Community Planning & Economic Development – 8900220
Fund Name: 01600 – Other Grants-State and Local
Amount: \$1,736,852
- Grant administrative fees will be generated from the Great River Landing, Youthlink and Superior Plating developments.

- Action is within Business Plan
- Request provided to the Finance Department

Future budget impact anticipated.

Approved by the Permanent Review Committee.

Meets Small and Underutilized Business Program goals.