

METROPOLITAN COUNCIL’S
HIAWATHA LIGHT RAIL TRANSIT (LRT)
LAND ASSEMBLY FUND
GRANT APPLICATION GUIDE

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Metropolitan Council Hiawatha LRT Land Assembly Project Manager – Karen Lyons (651-602-1703 or karen.lyons@metc.state.mn.us)

Hiawatha LRT Land Assembly Fund Grant Application Guide

Hiawatha LRT Land Assembly Fund grant applicants (City of Minneapolis, City of Bloomington, and/or Hennepin County) should complete and submit to the Metropolitan Council:

- A. A Hiawatha LRT Land Assembly Fund Application (Attachment A) for each individual land assembly project, following the attached format and addressing the specific selection criteria, along with required support materials.
- B. A resolution that indicates that land assembly funds are essential to proceed with the transit-oriented development (TOD) in a timely manner, would not occur “but for” the availability of these land assembly funds, and would not occur within two years of a grant award unless land assembly funding is made available for this project at this time. (See Attachment B.)

Once projects are awarded by the Metropolitan Council, the applicant will be required to negotiate a grant/funding agreement for each land assembly project.

An overview of the Hiawatha LRT Land Assembly Fund, and guidance for making application, follows:

Section 1: BACKGROUND AND PURPOSE

In 1999, the Metropolitan Council and its Transportation Advisory Board, with the support of Federal Transit Administration (FTA), made available Congestion Mitigation Air Quality (CMAQ) funds for land assembly to promote transit friendly development around Hiawatha Corridor LRT stations. The land assembly fund is meant to leverage local and private commitments to transit-oriented, pedestrian friendly development to reinforce the Metropolitan Council’s investment in LRT. Using these funds to assemble land for creating opportunities for compact, mixed use, pedestrian and transit-oriented developments (TOD’s) within a walk of LRT will result in increased use of transit and other alternatives to the automobile. Up to \$3.5 million will be available to successful applicants of land assembly projects who propose TOD’s (generally, within 1,500 feet from LRT stations). Each individual land assembly project’s grant request must have a local match of at least 20 percent of the total acquisition price. Applicants with land assembly projects that have potential to reinforce the region’s transit investment with developments that result in the greatest amount of transit use, thereby decreasing automobile use and auto-related air pollution, are encouraged to apply.

Section 2: ELIGIBLE APPLICANTS

The cities of Bloomington and Minneapolis, and Hennepin County (and their housing and redevelopment authorities, port authority, and economic development authorities) are eligible recipients. Neighborhood development organizations and private sector developers/partners are not directly eligible for the land assembly funds, but could work in partnership with the city or county as a “subrecipient” of these funds. The cities or county, to the extent practicable, should provide for competition amongst developers for the development that results from the land assembly project. The funding applicant must describe the way in which competition amongst developers will be incorporated, or rationale, if a competitive process is not deemed feasible.

Section 3: ELIGIBLE GRANT COSTS, FUNDING AVAILABILITY, CLOSING & DEVELOPMENT TIMING

Hiawatha Land Assembly Funds must be spent on purchase of one or more properties/land parcels for the purpose of creating TOD. Grant funds will be made available at the time of closing of the property with a letter requesting awarded funds for a project. **Closing on properties must occur at least by March 31, 2007, and development of the property must begin by March 31, 2009.** Should a grant recipient not close on properties, or initiate development of the assembled property by these dates, the Council reserves the right to withhold funding, or require pay-back of the grant to the Metropolitan Council.

Section 4: APPRAISALS & LOCAL MATCH REQUIREMENTS

An independent appraisal by an appraiser familiar with federal requirements must be done prior to the closing; the appraised market value should be represented as a “highest and best transit use”, taking into account local transportation, land use and economic development plans, consistent with FTA “joint development guidelines” (see Attachment C.). Commitment by the applicant to a **local match of at least 20 percent of the total property acquisition cost** must be made at the time of application. That match commitment can include expenses to be paid for appraisal and relocation costs and other site assembly expenses paid for by the developer, city, county, or other entity.

No federal resources can be used as the match for this grant. Costs incurred to prepare or submit applications are ineligible.

Section 5: AWARDING GRANTS/COMPETITIVE SELECTION PROCESS

The Metropolitan Council wishes to use the Land Assembly funds to support TOD projects that assure the highest return in transit use and other public benefits for the public costs incurred. In order to evaluate applications, priority criteria will be used to rank each applicant's proposal against the others to objectively compare the applications. Applications may be submitted for more money than the \$3.5 million available. Applications will be ranked and recommended for funding according to the degree that the applications' proposed development concepts address a set of five criteria. These criteria, and examples of information that may help demonstrate the merits of individual projects, are listed in Attachment D.

Section 5: GRANT AGREEMENT TERMS & REPORTING REQUIREMENTS

Grant/Funding Agreement: Successful recipients of the Hiawatha LRT Land Assembly Fund will negotiate a funding agreement for each individual land assembly project with the land assembly project manager prior to March 8, 2006. Grant agreement terms will be unique to each land assembly project based upon its individual TOD characteristics. (See Attachment F for a summary of the grant agreement terms for the previously funded Downtown East land assembly grant.) FTA Joint Development Guidelines and examples of the type of grant agreement terms that might be considered for inclusion in grant agreements can be found in Attachments C and E. Council staff will discuss terms for each project with FTA officials, with their concurrence, prior to finalizing the grant agreement.

Transit Element: Each land assembly project application must include a 'transit element' that: promotes transit use and other alternatives to the automobile to obtain expected air quality benefits; demonstrates that the resultant developments' physical and functional relationship to transit will be maintained, over the short and long-term; and results in increased use and enhanced effectiveness of transit.

Environmental Review Requirements: FTA's approval of the \$5 million grant to the region stated that "All agreements to use this money for land purchases will incorporate the requirement that any future development on the land must involve an Environmental Assessment (EA) in accordance with FTA regulations." The following language is included in the Downtown East land assembly grant agreement: "Prior to development on the Downtown East LRT Site, the MCDA agrees to comply with all applicable requirements of the National Environmental Policy Act of 1969, as amended....The FTA requires, at a minimum, that an Environmental Assessment (EA) be done prior to any development....and notify the Council when such assessment has been completed." The Metropolitan Council will need to review any departure from FTA's EA requirement with FTA.

Periodic Progress Reports: The Metropolitan Council will follow the progress and timing of the assembly and development project, and assess the project ridership impacts, air quality benefits, and the character of development implementation. FTA considers the land assembly fund a demonstration type of grant—"an experimental pilot project which requires a summary of air quality impacts...and a summary of any 'before-and-after' study" particularly of the new ridership and air quality impacts of the TOD that occurs as a result of the funding.. Progress reports by the recipient and subrecipients (developer, tenant, etc) may involve providing and collecting information on these and other activities: (1) site assembly and development activities completed (2) number and density of new housing units on the assembled parcels, and on adjacent development sites near the station that may have been influenced by the assembly project, and pricing/affordability information (3) square feet of net new commercial development, by type, and part-time and full-time jobs on the site . (4) transit use estimates before the new development, and after; and (5) other data collection activities.

Section 6: APPLICATION PROCEDURES/DEADLINE

An original and two copies of the completed attached application information must be submitted by December 30, 2005, to Hiawatha Land Assembly Project Manager Karen Lyons, Metropolitan Council, 230 East Fifth Street, St. Paul, MN 55101-1634. Any questions should be directed to Karen at 651-602-1703. This Notice of Funding Availability is subject to applicable federal, state, and municipal laws, rules and regulations. The Metropolitan Council reserves the right to modify or withdraw this request for projects at any time.

Hiawatha LRT Land Assembly Fund Application Format

Project Information:

Project Name:	
Applicant (city or county):	
Project Location (Station Area) & distance from station:	
Site Location: Address, Street Boundaries/ Major Intersections, and Site's Legal Description/Parcel ID #s:	
Amount of Funding Request	
Primary Project Contact:	
Name:	Title:
Address:	
Phone:	
Fax:	
E-mail:	
Authorized city or county official for funding agreement execution: Name: Title: MN ID #: Fed Emp ID #:	

LAND ASSEMBLY SITE INFORMATION

1. Total acres of site: _____
2. Current Property Owner: _____
 Street Address: _____
 City: _____ State: _____ Zip Code: _____
 Phone: () _____ - _____ FAX: () _____ - _____

1. **Form of Acquisition:** Is this land/property assembly being undertaken solely by the city or county, or by a private party with support of the city or county? Provide details. Describe the acquisition method that is likely to be used (willing seller, condemnation, or other)

PROJECT SUMMARY & GOALS

4. Provide a brief summary of the development project for the assembled site. What is the anticipated development concept plan for the site? Please include a narrative description and attach any visual concepts. Include rationale or background on:

- a) why this particular site/property was selected for assembly/acquisition as opposed to others in the area
- b) the nature of the relationship of the development to the LRT station and/or linking transit services (describe the physical and functional connection to transit, including its adjacency to the station, or other ways in which the project will benefit transit and transit users, pedestrians, bicyclists).
- c) Other information to describe the project

(Attach Maps & Graphics showing properties to be acquired with the support of land assembly funds, as well as other areas nearby where additional TOD might be influenced.)

CREATION OF TRANSIT and AIR QUALITY BENEFITS

5. Describe characteristics of the development anticipated for the assembled site, and ways in which transit and other alternatives to the automobile will benefit from the new development and improvements.

6. Describe proposed means to ensure that development will maintain its relationship with transit, promote transit use, and continue “highest and best use for transit” over the life of the LRT project. Could include (but not limited to) the following (See Attachment E for more ideas):

- a) physical design features
- b) transit amenities on-site (such as transit shelters, pocket park, gathering space, etc.)
- c) financial commitment, if any, (one-time payment or lease revenue) to Council for transit or other transit-related purpose
- d) ongoing transit ridership incentive programs on-site (eg., fare sales, distribution of free fare cards, etc)
- e) transit and/or pedestrian and bicycle easements
- f) operating and maintenance agreements with Metropolitan Council (eg., station/shelter cleaning, snow removal)

7. **Development Features.** Please complete the following tables to aid with assessment of project, and calculation of potential air quality benefits. (Metropolitan Council staff will calculate air quality improvements based upon information applicant provides in this section, particularly anticipated net new housing units, population, jobs and/or students as a result of new and catalyzed development.)

Commercial Development

Proposed Development on Assembled Site(s)			<i>Job Density (Jobs per Acre):</i> _____
# of Net Acres	Sq ft of Commercial	Type & Use (eg., retail/coffee shop)	Other Information (such as unique transit & pedestrian components)
Estimates of Potential New Commercial Development on Nearby Sites Catalyzed by Project			
			<i>Job Density (Jobs per Acre):</i> _____
# of Net Acres	Sq ft of Commercial	Type & Use (eg., retail/coffee shop)	Other Information (such as unique transit & pedestrian components)

Housing Development

Proposed Development on Assembled Site(s)			<i>Housing Density, in Units/Acre</i> _____
# of Net Acres	# of Net New Units	Type & Tenure (eg., condo/sales; apartment/rental)	Other Information (Est. prices/rent ranges, unique transit, pedestrian, bicycle features, open space)
Estimates of Potential New Housing Development on Nearby Sites Catalyzed by Project			
			<i>Housing Density, in Units/Acre</i> _____
# of Net Acres	# of Net New Units	Type & Tenure (eg., condo/sales; apartment/rental)	Other Information (Est price/rent ranges, affordability; unique transit, pedestrian, bicycle features; open space)

8. **Parking:** How will parking for the new development be handled to encourage walking, bicycling and transit use? (Include info regarding parking ratio/reduced parking requirements, shared parking arrangements, amount of parking by facility type (surface, street, underground, structured), location, developer agreements, etc.)

CREATION OF COMMUNITY BENEFITS

9. Describe how anticipated development will advance neighborhood development/revitalization plans.

Site is within a city-designated redevelopment area. Describe:

Site is within area with a completed master plan, development strategy or community plan. Describe how this project will implement plan & attach plan graphic:

Anticipated development of site realizes a recent market study. Describe:

Site has other significance to the community. Describe:

10. Describe and quantify the economic impacts of development for the assembled site (eg., estimates of increased property values, tax revenues, value of development, jobs created), as well as on longer term expectations of development influenced by the land assembly project. Use table format to estimate economic impacts (next page).

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ESTIMATED ECONOMIC IMPACTS OF PROJECT	#, \$, % Change, etc.
<i>VALUE OF DEVELOPMENT UPON COMPLETION</i>	
<i>ESTIMATED INCREASE IN PROPERTY VALUES</i>	
<i>ANNUAL TAX REVENUES CREATED BY COMPLETED DEVELOPMENT</i>	
<i>JOBS CREATED WITHIN COMMUNITY</i>	
<i>OTHER TYPE OF ECONOMIC BENEFIT</i>	

Project Need

11. *“But For Test”*: Explain why land assembly funds are essential to proceed with development of the TOD; describe why this TOD project could not occur without land assembly funding, at least within two years of the grant award. (Attach resolution--example shown in Attachment B.)

12. Is there a commitment as of **December 30, 2005** from a third party for end-stage development on this site?

- Yes: Please attach commitment letters, capital improvement plans, city council resolutions, etc.
- No: If no, describe the competitive method that will be used to invite & select developer(s)

OR

If no competitive method is proposed to invite developer response, please provide rationale for why competitive solicitation is infeasible.

13. Anticipated timeframe and phasing :

_____ of closing on the property purchase/acquisition
Date

_____ of development ground breaking (also describe anticipated phases/staging)
Date

14. Provide a brief description of the **site preparation/ infrastructure requirements** for this site/development (including new capacity needed). Include site cleanup, roads and/or highways, transit, wastewater, utilities, telecommunications infrastructure, or other infrastructure as appropriate

ESTIMATED COSTS OF DEVELOPMENT FOR ASSEMBLED SITE

15. Provide an attachment that estimates **development costs for the assembled site**. [See example, Attachment G.]

** Note - This information with the application to ascertain project need for land assembly funds.*

LOCAL MATCH

16. Complete the following table regarding Local Match:

Land Assembly Cost/Local Match

:

Land Acquisition Cost/Price	Total Local Match		Local Match Sources and Amounts		
	<i>Amount</i>	<i>Percent</i>	<i>Entity Providing Match</i>	<i>Match Amount</i>	<i>Match Source (no federal)</i>
\$200,000	\$100,000	50%	Developer (Lyons Development)	\$40,000	
			City of Appleburg	\$20,000	
			Blue County	\$30,000	
			Minnehaha Foundation	\$10,000	

SAMPLE RESOLUTION - SINGLE PROJECT

RESOLUTION NO. _____

CITY OF _____, MINNESOTA

**RESOLUTION IDENTIFYING THE NEED FOR
HIAWATHA LRT LAND ASSEMBLY FUNDING AND
AUTHORIZING AN APPLICATION FOR GRANT FUNDS**

WHEREAS the City of _____ has identified a proposed project within the City that meets the Hiawatha LRT Land Assembly Fund’s purposes and criteria and is consistent with and promotes the purposes of the Metropolitan Council’s adopted metropolitan development guide; and

WHEREAS the City has the institutional, managerial and financial capability to ensure adequate project administration; and

WHEREAS the City certifies that it will comply with all applicable laws and regulations as stated in the grant agreement; and

WHEREAS the City agrees to act as legal sponsor for the project contained in the grant application submitted on _____, 2005; and

WHEREAS the City acknowledges Hiawatha LRT Land Assembly Fund grants are intended to provide funds to assemble land to create opportunities for compact, mixed use, pedestrian and transit-oriented developments (TOD’s) within a walk of Hiawatha LRT stations that will result in increased use of transit and other alternatives to the automobile; and

WHEREAS only a limited amount of grant funding is available through the Metropolitan Council’s Hiawatha LRT Land Assembly Fund, and the Metropolitan Council has determined it is appropriate to allocate those scarce grant funds only to eligible projects that would not occur “but for” the availability of Land Assembly grant funding.

NOW THEREFORE BE IT RESOLVED that, after appropriate examination and due consideration, the governing body of the City:

1. Finds that it is in the best interests of the City’s development goals and priorities for the proposed project to occur at this particular time.
2. Finds that the project for which Hiawatha LRT Land Assembly Funding is sought:
 - (a) will not occur solely through private or other public investment within the reasonably foreseeable future; and
 - (b) will not occur within two years after a grant award unless Hiawatha LRT Land Assembly Funding is made available for this project at this time.
3. Authorizes _____ to submit on behalf of the City an application for Metropolitan Council Hiawatha LRT Land Assembly Funds to assemble property identified in the application, and to execute such agreements as may be necessary to implement the project on behalf of the City.

Adopted this ___ day of _____, 2005.

Mayor

Other representative

SAMPLE RESOLUTION – Multiple Projects

RESOLUTION NO. _____

CITY OF _____, MINNESOTA

**RESOLUTION IDENTIFYING THE NEED FOR
HIAWATHA LRT LAND ASSEMBLY FUNDING AND
AUTHORIZING APPLICATIONS FOR GRANT FUNDS**

WHEREAS the City of _____ has identified proposed projects within the City that meet the Hiawatha LRT Land Assembly Fund’s purposes and criteria and is consistent with and promote the purposes of the Metropolitan Council’s adopted metropolitan development guide; and

WHEREAS the City has the institutional, managerial and financial capability to ensure adequate project administration; and

WHEREAS the City certifies that it will comply with all applicable laws and regulations as stated in individual grant agreements; and

WHEREAS the City agrees to act as legal sponsor for the projects contained in grant applications to be submitted on _____, 2005; and

WHEREAS the City acknowledges Hiawatha LRT Land Assembly Fund grants are intended to provide funds for land assembly to create opportunities for compact, mixed use, pedestrian and transit-oriented developments (TOD’s) within a walk of Hiawatha LRT stations that will result in increased use of transit and other alternatives to the automobile; and

WHEREAS only a limited amount of grant funding is available through the Metropolitan Council’s Hiawatha LRT Land Assembly Fund, and the Metropolitan Council has determined it is appropriate to allocate those scarce grant funds only to eligible projects that would not occur “but for” the availability of Land Assembly grant funding.

NOW THEREFORE BE IT RESOLVED that, after appropriate examination and due consideration, the governing body of the City:

- 3. Finds that it is in the best interests of the City’s development goals and priorities for the proposed projects to occur at this particular time.
- 4. Finds that the projects for which Hiawatha LRT Land Assembly Funding are sought:
 - (a) will not occur solely through private or other public investment within the reasonably foreseeable future; and
 - (b) will not occur within two years after grant awards unless Hiawatha Land Assembly Funding is made available for these projects at this time.
- 5. Authorizes _____ to submit on behalf of the City applications for Metropolitan Council Hiawatha LRT Land Assembly Funds to assemble properties identified in the applications, and to execute such agreements as may be necessary to implement the projects on behalf of the City.

Adopted this ___ day of _____, 2005.

Mayor

Other representative

FEDERAL TRANSIT ADMINISTRATION
JOINT DEVELOPMENT GUIDELINES

(also see FTA Circulator 50101C; <http://www.fta.dot.gov/library/policy/5010.1C>)

JOINT DEVELOPMENT PROJECTS

1. **INTRODUCTION.** This appendix contains guidelines for undertaking joint development projects. It also contains a set of questions most frequently asked about the concept of joint development and provides responses to those questions, with examples. This appendix implements the joint development policy announced in the Federal Register on March 14, 1997, which is available at www.fta.dot.gov on the FTA Home Page.

2. **JOINT DEVELOPMENT PROJECTS.** Joint development is any income-producing activity with a transit nexus related to a real estate asset in which FTA has an interest or obtains one as a result of granting funds (the "Assisted Real Estate Asset"). Joint development projects must meet three tests: statutory definition, financial return, and highest and best transit use. These tests are discussed in the paragraphs below.

Joint development projects are commercial, residential, industrial, or mixed-use developments that are induced by or enhance the effectiveness of transit projects. Joint development projects include private, for-profit, and non-profit development activities usually associated with fixed guide way transit systems that are new or being modernized or extended. Such projects can also be associated with new intermodal transfer facilities, transit malls, and Federal, state, or local investments in existing transit facilities. FTA capital funds may be used to facilitate private development that enhances transit; these funds may not be used for purely private development such as construction and permanent financing costs related to the design or construction of residential, retail, or other commercial, public, and private revenue-producing facilities not associated with transit-related development.

3. **REQUIREMENTS RELATED TO STATUTORY DEFINITION.** A joint development transportation project must be compatible with the statutory definition of a capital project:

a. It is a transportation project that enhances economic development or incorporates private investment including commercial and residential development, pedestrian and bicycle access to a mass transportation facility, and the renovation and improvement of historic transportation facilities, because the project -

1. Enhances the effectiveness of a mass transit project, and is related physically or functionally to that mass transit project; or

2. It establishes new or enhanced coordination between mass transportation and other transportation; and,

3. It provides a fair share of revenue for mass transportation use.

4. **OTHER DEFINITIONS RELATED TO THE CAPITAL PROJECT DEFINITION.**

a. **Physically Related.** A project is physically related to a capital project if it provides a direct physical connection with transit services or facilities. This includes projects using air rights over transit stations or projects built within or adjacent to transit facilities.

b. **Functionally Related.** A project is functionally related to a capital project if it is related by activity and use, and it is functionally linked (with or without a direct physical connection) to transit services or facilities. Also, a project is functionally related to a capital project if it provides a beneficial service to

the public (or community service) and enhances use of or access to transit. Functional relationships do not extend beyond the distance most people reasonably can be expected to walk to use a transit service. The eligible project area for a functionally related project is estimated to be within a radius of approximately 1,500 feet from the center of a transit facility. The eligible project area for a functionally related project will be identified by the grantee in consultation with FTA's Regional Office on a case-by-case basis.

5. FINANCIAL RETURN REQUIREMENTS.

- a. Each grantee must negotiate a fair and equitable return in the form of cash and other benefits to be generated as a result of the FTA investment.
- b. All projects must generate a one-time payment or ongoing revenue stream for transit use, the present value of which equals or exceeds the fair market value of the property. See paragraph 6 for discussion of fair market value.
- c. After October 1, 1996, all FTA Master Agreements allow the use of real property for appropriate project purposes "including joint development purposes that generate program income to support transit purposes;" this is the Federal agency authorization required by 49 C.F.R. 18.25(g)(2) by which the revenues are brought within the definition of program income and can be used for transit capital, planning, and operating purposes. While a grant is still open, the transit agency must apply all revenues from any sale of real property (which does not qualify as a joint development transfer) to the grant purposes, or must return the revenues to FTA, or must obtain FTA approval to use the revenue to reduce gross project costs in another capital project. If the transit agency transfers an Assisted Real Estate Asset from an open grant and maintains continuing control and otherwise meets the three joint development program tests, the transit agency may retain as program income all the revenues that accrue.
- d. For open grants predating October 1, 1996, all the terms of the current Master Agreement apply, so subparagraph c above controls.
- e. Closed grants made in 1983 or thereafter may be reopened to allow for the use of Assisted Real Estate Assets in joint development projects. However, for those closed grants made between 1983 and October 1, 1996, the grant purpose and terms, as necessary, must be amended to allow for joint development. Aside from the requirement that the income be used for transit capital, planning, or operating expenses, FTA generally sets no further conditions on income from a closed grant.
- f. Program income includes current or future returns generated from, but not limited to, transfer or lease of property, mortgage proceeds, or returns stemming from participation in distribution of project revenues.
- g. Agreements which transfer title or rights in land or facilities acquired as part of the FTA project must contain provisions which--
 1. Extend the requirements, as appropriate, of the FTA Grant Agreement; (see paragraph 9) and,
 2. Ensure that the grantee retains continuing control of the assets as long as they are needed for mass transit. This continuing control may be demonstrated by an easement, by a reversionary interest, by a covenant running with the land, by a contractual clause in the joint development agreement, or more commonly, by some combination of these assuring the transit agency that the joint development project will maintain its physical or functional relationship to transit, will continue to enhance coordination between modes, or will in fact result in increased mass transportation usage.
 3. Ensure that a person making an agreement to occupy space in a facility under this subparagraph shall pay a reasonable share of the costs of the facility through rental payments and other means.

2. HIGHEST AND BEST TRANSIT USE REQUIREMENT.

- a. The calculation of equitable return required in paragraph 5 must be based on the appraised market value as represented either by highest and best use of the property or by highest and best transit use of the property, taking into account in either valuation the local transportation, land use, and economic development plans. Highest and best transit use is that combination of residential, commercial, retail, public, and/or parking space and amenities to be included in the joint development, which is calculated to produce the greatest level of social, economic, and financial benefit to the transit system and the community that it serves.
- b. If the grantee structures a joint development project to include the transfer of an Assisted Real Estate Asset, then the final transfer value must be based on competition to the extent practicable, and FTA concurrence in the final transfer value is required.

7. ELIGIBLE COSTS FOR JOINT DEVELOPMENT PROJECTS. Eligible project costs for joint development projects include, but are not limited to, the following:

- a. Design, engineering, and environmental analyses, as appropriate. (Formula program funds are more appropriate for planning and feasibility analysis.)
- b. Real estate packaging for a specific joint development project including preliminary design and engineering; estimates of operating income and expenses and capital costs; and negotiations to secure financing, developers, and prime tenants.
- c. Land acquisition, relocation, demolition of existing improvements, and site preparation, as appropriate.
- d. Foundations and substructure improvements for buildings over transit facilities.
- e. Open space, and pedestrian connections and access links between transit services and related development.
- f. Other facilities and infrastructure investments needed to induce significant private investment and to improve access between new or existing development and transit facilities.
- g. Utility work. The eligibility of costs of utility work associated with private investment will be considered on a case-by-case basis. FTA grant funds will pay for costs of utility work that are attributable to non-FTA project purposes only when--
 1. The utility services a joint private and transit use; or
 2. The utility lines will be located under a co-located street or sidewalk or within other common elements so that it would benefit the project to provide adequate capacity at the outset of the project.
- h. Safety and security equipment and facilities (including lighting, surveillance and related intelligent transportation system applications).
- i. Facilities that incorporate community services such as daycare or health care.
- j. Parking elements. All FTA participation in financing parking improvements must have a public transit justification and use. Parking elements of joint development projects, which meet this general rule, will be considered on a case-by-case basis.
- k. Professional Services Contracting Costs. Grantees may incur reasonable and necessary costs for consultants to prepare or perform items a through j above, or to assist the grantee in reviewing the same.

6. FUNDS THAT MAY BE USED IN JOINT DEVELOPMENT PROJECTS. No dedicated funding has been established for joint development projects. Joint development activities are eligible for funding under all Title 49 capital programs, including the Capital Program (Section 5309), the Urbanized Area Formula Program (Section 5307), the Non-urbanized Area Formula Program (Section 5311), and the Elderly and Persons with Disabilities Program (Section 5310). CMAQ and STP funds transferred from the Federal Highway Administration to be administered by FTA may also be used to support joint development projects. (See Chapter III, paragraph 2a for a discussion of flexible funds.)
7. APPLICATION OF OTHER FEDERAL REQUIREMENTS TO PRIVATE SECTOR PROJECTS. In a joint development project, FTA must determine whether, and to what degree, various Federal rules apply to the privately funded, non-transit portion of the project. The applicability of Federal requirements (such as those of the National Environmental Policy Act (NEPA), the Davis-Bacon Act, third party procurement requirements, and Buy America) will be resolved on a case-by-case basis for joint development projects involving the transfer of real property. FTA will work with the grant applicant to determine whether, and the extent to which, such Federal requirements apply, particularly to any private development, and the most appropriate procedures for satisfying the requirements. Proposals should be submitted as early as possible in the joint development process. This will allow FTA staff to help the grantee structure an approvable proposal in the least time possible and determine which crosscutting requirements must be applied to the particular project. Nevertheless, the following cross-cutting requirements are expected to apply in the indicated circumstances:
- a. If the joint development involves a ground lease or transfer of federally assisted real estate and there is no Federal assistance for new improvements, then the following requirements apply to the lessee or transferee and must be incorporated into the lease or the conveyance instrument:
 1. language found at 49 C.F.R. 23.7 binding the lessee or transferee not to discriminate based on race, color, national origin, or sex;
 2. language found at 49 C.F.R. 27.7 and 49 C.F.R. 27.9(b) binding the lessee or transferee not to discriminate based on disability and binding the same to compliance with the Americans with Disabilities Act with regard to any improvements constructed;
 3. language contained in the FTA MA(4), dated October 1, 1997, and found in Section 3 Subparagraphs (a)(1), (a)(2), and (b) thereof relating to conflicts of interest and debarment.
 - b. If the construction of improvements is also federally assisted, then in addition to paragraph 9a above, at least the following requirements also will apply and must be incorporated into the lease or the conveyance instrument:
 1. Buy America - language making it clear that the steel, iron, and manufactured goods used in the joint development project are produced in the United States, as described in 49 U.S.C. § 5323(j) and 49 C.F.R. Part 661. The reader is referred to Chapter VI, paragraph 15 of this circular for further information about Buy America requirements.
 2. Planning and Environmental Analysis - language making it clear that the grantee must comply with, and the joint development project is subject to the requirements of: the FHWA/FTA metropolitan and statewide planning regulations at 23 C.F.R. Part 450; the National Environmental Policy Act of 1969, as amended, 42 U.S.C. 4321, et seq. ("NEPA"); Executive Order No. 12898, "Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations," 59 Fed. Reg. 7629, Feb. 16, 1994; FTA statutory requirements on environmental matters at 49 U.S.C.5324(b); Council on Environmental Quality regulations on compliance with the NEPA, 40 C.F.R. 1500 et seq.; FHWA/FTA regulations, "Environmental Impact and Related Procedures," 23 C.F.R. Part 771; Section 106 of the National Historic Preservation Act, 16 U.S.C. 470f, involving historic and archaeological preservation; Advisory Council on Historic Preservation regulations on compliance with Sec. 106, "Protection of Historic and Cultural Properties," 36 C.F.R. 800; and restrictions on the

use of certain publicly owned lands unless the FTA makes the specific findings required by 49 U.S.C. 303.

3. Cargo Preference - language making it clear that items imported from abroad and used in the joint development were shipped predominantly on U.S.-flag ships and that the project complies with 46 C.F.R. Part 381, to the extent these regulations apply to the joint development.
4. Seismic Safety - language certifying that a structure conforms to seismic safety standards, as contained in 49 C.F.R. Part 41.
5. Energy Conservation and Recycled Products - Transferee(s) or joint developer agrees to comply with the mandatory energy efficiency standards and policies within the applicable state energy conservation plans issued in compliance with the Energy Policy and Conservation Act, 42 U.S.C. 6321 et seq.
6. Lobbying - 49 C.F.R. Part 20.
7. Labor Protection--Language making it clear that the transferee or joint developer will adhere to labor protection requirements applying to Federal projects, such as Davis-Bacon - 49 U.S.C. § 5333(a) and 40 U.S.C. 276a through 276a(7) and 29 C.F.R. Part 5; Copeland "Anti-Kickback " Act as amended, 18 U.S.C. 874 and 40 U.S.C. 276c and 29 C.F.R. Part 3; and Contract Work Hours and Safety Standards Act, 49 U.S.C. 327 through 332 and 29 C.F.R. Part 5 and 40 U.S.C. 333 and 29 C.F.R. Part 1926; as well as 49 U.S.C. 5333 (b) concerning protection of transit employees.
8. Civil Rights Requirements - 49 U.S.C. § 5332.
9. Program Fraud - Transferee(s) or joint developer agrees to comply with Program Fraud Civil Remedies Act of 1986, as amended, 31 U.S.C. 3801 et seq. and 49 C.F.R. Part 31. Penalties may apply for noncompliance.
10. Language making it clear that the level of Federal participation in the joint development provides no U.S. Government obligation to third parties in the project.
11. Uniform Relocation - If the federally assisted site to be improved is occupied by other than the grantee and the occupant is displaced, the transferee(s) or joint developer must comply with 42 U.S.C. 4601 et seq. and the regulations at 49 C.F.R. Part 24.

c. In any instance in which FTA determines that NEPA applies to the joint development, the level of environmental analysis will depend upon the complexity of the project and its likely impacts. In some instances, minimal review will be necessary, in which case FTA will issue a Categorical Exclusion. Joint development activities that portend significant environmental impacts, however, will necessitate the preparation of an Environmental Assessment or an Environmental Impact Statement. See generally the FTA Environmental Impact and Related Procedures at 23 C.F.R. Part 771.

10. NOTES TO READER. Before undertaking a new joint development, a grant applicant is encouraged to turn to Chapter X, "Regional Offices," select the FTA Regional Office responsible for the grant applicant's locality, and telephone that office to discuss the kind of project planned. Such a dialogue, early in the project planning process, will ensure that the joint development proposal will be reviewed on a timely basis. The statements included in this appendix reflect typical project situations. Instructions given and policy statements appearing in the circular are not intended to be read as inflexible FTA mandates. They are instead set forth as guidelines which FTA generally applies to typical projects. Early dialogue with the FTA Regional Office will clarify the degree to which a new joint development project conforms to, or differs from, previous FTA experience.

11. FREQUENTLY ASKED QUESTIONS AND SOME PRACTICAL EXAMPLES.

a. What is joint development? It is an income-producing activity involving a third party, taking place on or with an Assisted Real Estate Asset (described in paragraph 2 above). The third party is the source of the income to the grantee; the third party is the party to whom the property is transferred or the lessee who leases the space.

b. What is the limitation on new improvements for joint development? The purpose of the Joint Development Policy is to facilitate the use of an Assisted Real Estate Asset for transit oriented joint development. Thus, FTA will support, or allow the use of grant funds for, the construction of a structure that includes a transit facility. However, FTA is unlikely to allow FTA grant funds to support a freestanding facility (such as an apartment building or an office tower) that is not part of a transit facility. (See question 11f for the definition of a shell for joint development.)

c. Does joint development require a private or nonprofit developer? Not really. The third party's role need not be that of developer; it may be that of a lessee. For example, the transit agency can lease out its excess space to a senior care or day care provider, in which case the transit agency is the "developer" under FTA's policy. If, however, the project is to build an office/retail complex in the air space above a transit station, only a very large transit agency will have the means to borrow the sums necessary to build and finance the structure. It will be much easier (though not absolutely necessary) to have a private partner who builds and manages the development.

One transit authority has created a private subsidiary (limited partnership) to assist it in developing property around an historic central station. This project will create six floors of multi-family rental housing. The project will be financed with a combination of historic preservation tax credits, low-income housing tax credits, and mortgage revenue bonds issued by the city. The transit operator is also a partner in the joint development. The transit operator will receive a share of the project revenues for the life of the limited partnership.

d. What is highest and best transit use? A property's highest and best use is the use--from among reasonably probable and legal alternative uses that are physically possible, appropriately supported, and financially feasible--that results in the highest anticipated selling price. The way highest and best transit use differs from highest and best use is through recognition that value to the transit system is not in the selling price alone.

Highest and best transit use is that combination of financial return and other transit benefits, such as increasing ridership, reducing trip durations or improving connections between trips, that maximizes the value of the asset to transit.

For example, a transit agency identified several properties adjoining existing or planned transit stations that it wished to use for joint development. One particular property was oddly shaped, but with substantial road frontage. A request for development proposals resulted in offers to build 8 or 10 townhouses with garages. This option would produce the highest immediate cash proceeds to the transit system. However, the transit agency sought and was granted revised zoning on the property, allowing up to 160 moderate-income apartments to be offered for rent. The moderate-income rental use will take a long time to produce cash flow and proceeds to the grantee, but in the interim, the moderate-income rental use is projected to increase transit ridership by (conservatively) 32,000 trips per year, which are estimated to be worth between \$18,000 and \$24,000 per year in additional fare box revenues. It is anticipated that these residents will also provide economic support for new retail space in the surrounding community. FTA regards this decision as satisfying the "highest and best transit use" criterion.

e. How much land may be purchased by a grantee? A town is currently planning improvements to its bus transit system, including a downtown transfer center. The center is being planned as a multi-use facility, which will include a tourist information center, small retail businesses, and possibly a bank. To make this eventual development a reality may require that the transit agency acquire a larger amount of land than is necessary for the transit center alone. FTA will assist the transit operator's land acquisition activities with grant funds, as described in paragraphs 7a through 7e of this appendix. Generally, FTA will not support land purchases more than 1,500 feet from the center of the transit facility.

f. What is an "envelope" or "building shell" for a joint development? The transit agency may wish to encourage local economic activity at its facilities. Under the Joint Development policy, the transit agency may build an "envelope," or rehabilitate an existing transit owned facility. Envelope or building shell means (but is not limited to) load bearing walls, roof, foundation, substructure improvement, site design, and engineering. "Tenant finishes," however, are not eligible for FTA reimbursement. These include partition walls, furniture, equipment, shelving, lighting, drapes, floor coverings, and other items specific to the business intended to be operated.

A Neighborhood Travel and Jobs Center involved just such a development. There, the local transit authority was allowed to convert an existing office building into a \$3 million Neighborhood Travel Center. The center will serve as a terminal for bus lines to industrial jobs and will provide the focus for a downtown redevelopment "campus" including jobs training, childcare facilities, and a privately financed development bank. The tenant finishes for each of these ancillary activities will be paid for with non-grant funds, though grant funds were used to rehabilitate the building itself. The tenants will pay market rate rent to the transit authority.

g. What is the difference between a sale and a joint development transfer? A sale does not involve continuing control of the real property by the grantee and fails to establish a nexus between the Assisted Real Estate Asset and an ongoing transit purpose as outlined in paragraph 3 of this appendix. Proceeds from a sale are not program income and must be returned to FTA pursuant to 49 CFR 18.31(c)(2).

In contrast, a joint development transfer meets the statutory definition test outlined in paragraph 3 of this appendix, the grantee exercises continuing control over the transferred real estate, and the financial and highest and best use tests of the Joint Development Policy are met. The proceeds from a joint development transfer are considered program income, which may be retained by the grantee. (See paragraph 5c.)

Here is an example of a joint development transfer: a rapid rail station includes 6.3 acres for a "park and ride" area. A developer has been approved to build 160 residential units and 17,000 square feet of service retail space on a portion of this area. The transit operator transfers 3.4 acres to the developer for use in the joint development. The development will generate more transit trips and more non-fare revenue than the displaced parking spaces provided. The transit agency will retain the income generated from this land transfer as program income and will be assured of satisfactory continuing control through covenants running with the land. Should the developer re-sell the land in the future, the covenants bind the next owner to a transit-oriented use of the land.

h. Will NEPA and other Federal crosscutting requirements discourage private participation? It is the will of the Congress that the Federal crosscutting requirements govern grantees' use of FTA's financial assistance. To the extent that a grantee joins with a private or nonprofit developer to undertake joint development using FTA grant funds in whole or in part for the improvements to the site, it is that grantee's role to obtain the grant funds necessary to make the joint development financially feasible and to supply its expertise in meeting the applicable Federal requirements. For example, if the proposed land use is known from the outset, a grantee can reduce the risk to the private or nonprofit developer by using transit resources to perform the necessary environmental studies before choosing a partner. Alternatively, a project may be structured so that the grantee selects a development partner, the grantee and the partner jointly determine the highest and best transit use, and the grantee then performs the necessary environmental studies before its private or nonprofit partner becomes responsible for any costs. Such incentives can attract new participants to transit joint development.

i. Are all incidental uses joint development? No, not all incidental uses are joint development. (FTA permits the incidental use of transit equipment and property for purposes other than provision of transit service, provided the use is compatible with the approved purposes of the project and does not interfere with intended uses of project assets.) Allowing nearby theaters and restaurants to use transit parking spaces during the transit system's off hours is an incidental use. So is temporary use of transit property as a staging area for nearby construction. These uses, however, are not joint development. In contrast, the acquisition of land or the redesign of space to allow for additional parking to be used by

local theaters and restaurants could be considered as a joint development project - to the extent the acquisition or redesign is justified by a transit use - and should be discussed with the Regional Office.

- j. What is the difference between "joint development" and "transit-oriented development?" The term joint development is a subset of transit-oriented development. While all joint development is transit-oriented development, not all transit-oriented development meets the three tests of statutory definition (transit nexus), financial return, and highest and best transit use. Some transit-oriented development undertaken by private parties benefits from its proximity to transit without the use of an Assisted Real Estate Asset and/or without the use of FTA funds for new improvements. Such totally private projects are simply not governed by this circular.

Hiawatha LRT Land Assembly Funding
Metropolitan Council's Draft Ranking Criteria¹
& Examples of Information that can Demonstrate Project Merit
September 20, 2005

Creation of Transit Benefits

- **Development must demonstrate transit-oriented development (TOD) principles or support TOD in a critical way, and will increase transit ridership, walking, and other alternatives to the automobile, through one or more of the following:**
 - Intensifies land use (size and impact of development proposed for site --# of units, population, jobs, etc)
 - Creates new jobs, or otherwise provides transit links to employment opportunities
 - High level of jobs/housing/population output per public resource commitment
 - Improves station area safety and security
 - Improves pedestrian connections
 - Provides rider amenities
 - Improves the image and perception of transit

Community Benefits

- **Development will advance neighborhood development & revitalization plans through the following:**
 - Implements neighborhood development plan or strategy
 - Realizes a relatively recent market study
 - Removes blight
 - Expands housing choices, especially affordable housing
 - Creates a mix of uses
 - Improves the pattern of development
 - Aligns with and enhances other public and private projects
- **Development has a positive economic impact on the community**
 - Results in a net increase in tax revenues from the new development
 - Creates jobs for neighborhood residents
 - Creates and catalyzes \$ X in development value near the station

Project Impacts on Area & Station

- **Development's location is in close proximity to, or in a key location, relative to a station**
 - Is in immediate proximity or directly adjacent to a station
 - Is connected to a station with good connections through adjacent developments
 - Is highly visible from the station
- **Development will serve as a catalyst for further development**
 - Will play a pivotal role in spurring further development of area (pivotal project part of larger plan)
 - Will have positive aesthetic and environmental impacts on station area surroundings
 - Development is timely, imminent/planned within a short-timeframe

Project Need

- **Land Assembly funds are essential to proceed with TOD in a timely manner, as demonstrated by:**
 - A resolution by the applicant or city that the project requires this land assembly funding to proceed
 - Market forces absent to spur development on its own
 - Inclusion of anticipated time frames for closing, ground-breaking and phasing of project
 - Indication of high level of interjurisdictional and/or private sector commitment

Air Quality Improvement

- **Development results in substantial air quality improvements to result from decreased auto generated air pollution, when compared with auto-oriented development in dispersed location, with less transit².**

¹ In Bold Print

² Metropolitan Council staff will calculate the air quality improvement based upon applicant's submission of anticipated net new housing units, jobs and students as a direct result of the new development AND other nearby developments that might be catalyzed by the new development.

Examples of Possible Grant Agreement Terms

For Developments that Receive Hiawatha LRT Land Assembly Funding

Pages 2 and 3 of the Grant Application Guide generally identifies requirements of funded projects that should be incorporated in a grant agreement. Generally, these include:

- An Environmental Assessment (EA), at minimum, must be conducted for developments that are land assembly fund recipients, and conform to other NEPA, Civil Rights Act, nondiscrimination and relocation and property acquisition requirements spelled out in Federal Transit Administration regulations.
- Each land assembly fund recipient must commit resultant developments to incorporating transit elements in their projects that:
 1. Promote transit and other alternatives to the automobile and result in increased use and effectiveness of transit, thereby resulting in auto emissions reduction. (Carbon Monoxide reduction/air quality benefits due to reduction in auto use)
 2. Demonstrate that developments' physical and functional relationships with transit will be maintained over the short and long term by ensuring some type of mutually agreeable mechanism for "continuing control" by the transit agency.
 3. Commit to participation in results monitoring (data collection and information sufficient to assess project impacts).

This attachment, Attachment E, provides examples or alternative methods of meeting the "transit element" funding requirements, and other methods might also be considered as grant agreement terms are negotiated. Each project may meet these requirements in different ways.

OVERALL REQUIREMENTS OF LAND ASSEMBLY FUNDED PROJECTS

- Transit oriented development that:
 1. is of sufficient size, scale and intensity for the site,
 2. contributes to mixing of uses in an area, and
 3. is designed in a pedestrian- and transit-friendly manner
- Generates additional transit riders
- Includes a transit element and expresses a physical and functional relationship to transit

POSSIBLE GRANT AGREEMENT TERMS

TOD Design Features ("highest and best use for transit")

- High density and scale
- Mixed Use
- Pedestrian and transit-friendly (scale, design, landscaping etc)

Potential physical development design features/constructed elements

- Transit accommodations (facilities for waiting passengers, pedestrians)
- Space/capital facilities for bus/shuttle transfers
- Long-term easements for transit service, pedestrian and passenger access
- Plaza/gathering spaces
- Transit shelter incorporated into development
- Art and aesthetics
- Minimum standards for number of housing units, square feet of development, affordable housing units
- Facilities that enable pedestrian, bicycle, and transit passenger access to transit
- Bicycle lockers/racks
- Pedestrian/bicycle path or linkages
- Retail/restaurant/entertainment uses at grade/street level
- Parking underground, on street or structured and shared between uses

Development Implementation & Ongoing Promotion, Maintenance & Operations

- Metropolitan Council review of site plans to assure compatibility with grant requirements
- Involvement of developer and tenants with Transportation Management Organization (TMO) or with Metro Commuter Services
- Appointment of a building/area travel demand management (TDM) manager
- Provision of transit fare incentives (for hotel patrons, employees, residents, tenants):
 - Onsite fare sales
 - Subsidize or purchase transit passes for employees, residents
- Other incentives and promotional efforts to encourage use of alternatives to auto (walking, biking)
- Car-sharing programs
- Developer/tenants/building management maintains adjacent plaza, transit shelter, public spaces (e.g., snow/trash removal, repair, security)

Ongoing Measurement of TOD Site TDM Activities, Mode Split, Trip Reduction, Air Quality Benefits

- Annual survey of employees, residents, and / or visitors to TOD
- Other appropriate measurement activities, reporting to Metropolitan Council

Continuing Control by Metropolitan Council/Metro Transit

- Easements for transit facilities construction and operation on site (LRT line, station, pedestrian pathways to station, other)
- Operations and maintenance agreements, or other in-kind services
- Metro Council/Metro Transit involvement in RFP/Q preparation, site plan and development concept reviews, etc
- If appropriate, examine opportunities for one-time or ongoing revenue return for use on other TOD projects or other types of transit-related activities (e.g., prorata share of net proceeds for land sale invested in TOD project or transit)
- Covenants/deed restrictions running with land or contractual clause in agreements , as appropriate

Other

- Other identified by FTA

**Summary of Land Assembly Fund Grant Agreement Terms
For Downtown East LRT Site
March 2001**

Conditions on Land Assembly Funding for Downtown East/Metrodome Site:

“Grant Agreement: Transitway Land Assembly Fund, Downtown East LRT Site” dated March 22, 2001, Approved by the Metropolitan Council on November 15, 2000.

The first Metropolitan council award of Hiawatha LRT Land Assembly grant funds was made on November 15, 2000, for a March 23, 2001, closing on the Downtown East/ Metrodome Station Block. An award of \$1.5 million was made to the Minneapolis Community Development Agency (MCDA) to assist with acquisition of the block on which the LRT alignment and station area located on a diagonal across the block. The purpose of the grant award is to assist the city in accomplishing a transit oriented development (TOD) on the block, which would also include a public plaza, and underground parking. Since the 2001 closing, the city completed site preparation on the block, including preparation of the site for LRT, construction of the public plaza, and underground parking to serve future development on the northwest quadrant of the block, which is expected to house a commercial office and/or retail building. The MCDA and future developer must comply with a set of negotiated conditions of the grant agreement, which include:

Development on the site will be required by the city to:

- be transit oriented development
- be physically & functionally related to transit
- be designed with pedestrian features ensuring attractive, interesting, safe, accessible pedestrian & transit environment, one which maximizes walking, biking & transit use
- have easements for LRT construction & operation that have open & adequate pedestrian access during the life of LRT
- have the highest & best use for transit (ie, contain at least 225,000 sq ft if nonresidential & if residential, at least 20% units affordable housing)
- comply with NEPA & other environmental rules; at minimum, EA is required prior to development
- have design, operations and maintenance agreements negotiated with, and development and site plans reviewed by, Metropolitan Council, working w/ MCDA, to ensure maximum compatibility with transit & trip reduction requirements
- have developer, property owner, and/or building tenants work with the Downtown Minneapolis Transportation Management Organization (TMO), Metropolitan Council & Metro Commuter Services to
 - a) promote use of transit & alternatives to auto (eg onsite fare sales, reduced cost passes)
 - b) create TDM strategies that encourage employees, residents & those destined for site to use transit
 - c) conduct annual commuter surveys of those destined for site to measure trip reduction and air quality benefits of project
- Project scope change requires amendment to grant application and funding agreement

**SAMPLE
ESTIMATED DEVELOPMENT COSTS
FOR PROJECT SEEKING
Hiawatha LRT Land Assembly Funds**

ESTIMATED PROJECT DEVELOPMENT COSTS FOR BLOCK "Z" SITE
APPLEBURG, MN

I. SITE PURCHASE/ACQUISITION PRICE

..... **200,000**

II. DEVELOPMENT/REDEVELOPMENT COSTS

A. Appraisal & Relocation costs \$215,000
B. Site Investigation & Clean Up Costs..... \$844,700
C. Demolition of dilapidated building..... \$100,000
D. Site preparation and landscaping \$315,000
E. Construction of housing over retail..... \$2,600,000
F. Infrastructure: road resurface and utilities..... \$890,000

Total Estimated Development/Redevelopment Costs \$5,164,700

: