

## **Metro Cities News**

January 07, 2022

# Metropolitan Council Committee Reviews Proposed Changes for Livable Communities Program

The Metropolitan Council is reviewing proposed changes to the regional Livable Communities Program and budget in advance of adopting a 2022 Fund Distribution Plan in February.

LHIA Single Family Pilot: The Metropolitan Council is considering how to structure a pilot program within the Livable Communities Act (LCA) program for affordable single-family homeownership. The pilot project proposal would be headed under the Local Housing Incentives Account within LCA.

The proposal has two priorities – racial equity and geographic choice. The racial equity priority would create homeownership opportunities for Black, Indigenous, and other ethnic or racial groups that own homes at disproportionately lower rates than white households. The geographic choice priority would create affordable homeownership opportunities in areas where it is most challenging to do so.

Step One would evaluate the project location's ability to achieve pilot priorities, considering city or census tract level data on shares of Black, Indigenous, and other residents of color, homeownership rates across race/ethnicity, average home sale prices, single family land use shares, and the city's allocation of affordable housing need.

Step Two would evaluate the individual project's ability to achieve pilot goals. Proposed criteria include scoring on efforts to ensure populations with lower homeownership rates have equitable access to the affordable homeownership opportunity being funded, the proposal's ability to provide deeper and/or longer affordability.

At a recent Community Development committee meeting, staff explained that new construction as well as acquisition of an existing home are eligible, as would an acquisition and rehabilitation application. A 15-year affordability term would be required and could be achieved through a restrictive deed, second mortgage, or through a community land trust. All LCA participating cities would be eligible.

More information is <u>available here</u> and <u>here</u> and includes sample applications. The committee discussion included questions on which cities would likely see competitive applications as well as the high subsidy cost per home. Metro Cities will continue to review the proposal and respond in a manner consistent with association policies, including access to LCA funds by all participating cities.

#### **SEED**

Council staff is also seeking guidance on how to structure the 2022 Seeding Equitable Environmental Development (TBRA SEED) Grant Category. The Tax Base Revitalization Account (TBRA) provides funds to help participating communities pay for the costs of remediating contamination in support of redevelopment.

The committee discussed expanding SEED eligible areas as the SEED is currently undersubscribed. Currently, eligible locations include current and historic areas of concentrated

poverty (ACPs), or properties located within 150 feet of ACPs. A <u>map in the business item</u> shows which areas of the region could be eligible under a geographic expansion.

The committee discussed several options presented by staff that would determine the structure of the 2022 program. These include maintain the current program design, require all projects in SEED eligible locations to apply to the SEED program rather than to the general Investigation or Cleanup programs, or absorb SEED into the regular TBRA program. Committee discussion indicated split support for the first and third options.

Metro Cities will continue to monitor Council discussions on this program. Contact Charlie Vander Aarde at <a href="mailto:charlie@metrocitiesmn.org">charlie@metrocitiesmn.org</a> or 651-215-4001 with any questions.

#### **Proposed Change to Corridors of Commerce Program**

During the January meeting of the Transportation Advisory Board's Technical Advisory Committee (TAC), members learned about a potential proposal from the Minnesota Department of Transportation (MnDOT) to make changes to the Corridors of Commerce program. No decision has been made to pursue proposed changes at this time and that decision will be at the discretion of the Governor's office.

The proposed changes address issues related to the scoring of projects and selection. The changes would introduce a local stakeholder step to the process. Each area transportation partnership (ATP) outside of the metropolitan area would evaluate projects and eventually submit 3 projects for scoring by MnDOT. In the Metro ATP, projects will be vetted by the Transportation Advisory Board (TAB), who will recommend up to 10 projects for scoring.

The second proposed change deals with the definition of regional balance. The change would amend the Corridors of Commerce statute to articulate that 50 percent of the available funding be spent within the eight counties making up MnDOT's Metro District and the other 50 percent of funding be spent within counties outside of the Metro District. This is the same definition used in the past by the department. This change would simply clarify this funding breakdown in law.

The last proposed change is the creation of a small projects category. This change would be most likely to benefit Greater Minnesota projects. MnDOT is proposing that the Greater Minnesota share of the total funding be divided into a small projects category (\$10 million or less) and a large project category (more than \$10 million).

The solicitation for Corridors of Commerce Projects is required to begin in August 2022. There is \$100 million available for metro-area projects. Click <u>HERE</u> to view the MnDOT slides for this information item.

Metro Cities will closely monitor any proposals and provide additional information as it becomes available. Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

#### Minnesota Brownfields ReScape Call for Nominations

Minnesota Brownfields is accepting nominations for its 2022 ReScape Awards that highlight local redevelopment projects and provide recognition to brownfield and redevelopment professionals.

#### Award categories include:

Community Impact Award: Projects achieving notable community benefits, placing a high
value on community outreach, incorporating equitable approaches, improving quality-of-life,
and/or using other social innovations or public policy initiatives.

- Economic Impact Award: Projects modeling positive economic impacts involving community wealth creation, job/ housing creation, increase in tax base, and/or promotion of smart growth.
- Environmental Impact Award: Projects preventing environmental contaminant exposures, incorporating engineered barriers, sustainable building approaches, and/or natural resource restoration.
- Promising Project Award: Projects currently underway or stalled, which have shown innovative solutions to complex challenges, and promise substantial community, economic or environmental impacts.
- Innovation Award: Projects employing unique and innovative approaches to redevelopment challenges related to engineering, financing, legal, community outreach, or other issues.

Up to two winners will win in each of the five award categories. <u>Submit full applications soon</u>. Projects are being reviewed on a rolling basis and will be accepted through February 1.

### **Regional Solicitation Workshop**

The Metropolitan Council is hosting a virtual workshop for the 2022 Regional Solicitation Application. Cities and others interested in applying for a portion of the approximately \$180 million in federal transportation funds through the regional solicitation are welcome to attend. This workshop will be held on Friday, January 21 from 9:30AM to 11AM. At the event, Metropolitan Council staff will provide an overview of the solicitation and will be available to answer prospective applicants' questions. Click HERE to register for the workshop.

The Council will be posting a recording of the workshop on the <u>Regional Solicitation web page</u> for those who cannot attend live. This web page also contains important information on the solicitation such as application dates, guidance for application preparation, and detailed information on each of the 12 application categories. Finally, you will find a brief description of what has been changed for the 2022 funding cycle. These changes include:

- A new Unique Projects application category to support innovative projects that reduce environmental impacts, improve racial equity, and support multimodal communities.
- Updated pedestrian safety measure.
- Increased number of points allocated to safety in the Roadway Spot Mobility and Safety application.
- Updated Equity and Affordable Housing criterion based on stakeholder feedback.
- The inclusion of purpose statements for each application type.
- The inclusion of common crash modification factors listed under Application Resources.

The application will open for local governments to apply in February of 2022. Click <u>HERE</u> to view the 2022 Regional Solicitation Application.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

#### **Zero Emissions Bus Transition Plan**

At the last Metropolitan Council Committee of the Whole meeting members heard a presentation on the Council's zero emissions bus transition plan. The Council was recently directed by the

Minnesota Legislature to develop a zero-emission and electric transit vehicle transition plan. The initial plan is due to be delivered to the Legislature by February 15, 2022.

The presentation included information on the Council's community engagement on this topic including survey results and lessons learned from peer transit systems from around the country. Survey respondents overwhelmingly cited zero-emission busses as important or very important and provided the Council with several ideas on how to prioritize the deployment of these vehicles. From the peer transit systems, the Council was advised to expect longer repair times, to start the implementation process early, and to meet frequently with its electric utility. Another consideration that came out of the peer analysis was to consider the impacts to service reliability when doing an equity analysis.

Potential barriers to success identified by staff in the presentation include the capacity of the electrical grid, as well as manufacturer and supply chain capacity, ensuring adequate performance to deliver reliable service, COVID-19 impacts, operator shortages, and the rate at which this technology improves. Click <a href="HERE">HERE</a> to view the slides, which provide more details on the zero-emission transition plan including staff's milestone setting recommendations and proposed performance measures.

This plan will come before the Transportation Committee as a business item on January 24 and will be before the Full Council on February 9 after which it will be submitted to the Minnesota Legislature by the deadline of February 15.

Contact Mike Lund at michael@metrocitiesmn.org or 651-215-4003 with any questions.

#### **Register for City Development Proforma Workshops**

Urban Land Institute (ULI) Minnesota, with the knowledge of local member experts, is offering a Development Proforma Workshop to raise awareness and build the capacity of local government staff and elected and appointed public officials. Workshop goals include increasing understanding of parameters needed to successfully finance a development and the impacts of local policies and partnerships, providing city and county officials and staff with knowledge to better negotiate developments and support projects. The workshop will allow up to 4 hours\* of AICP credits.

Registration includes both days of this workshop: January 19 and January 26. The workshop runs from 9:30 am – 11:30 am each day. The fee is \$50-90, with discounts for public sector and ULI members.

Register Here

Content experts include Stephanie Hawkinson, City of Edina, Tony Kuechle, Doran Companies, Nolan Wall, City of Vadnais Heights, and Michael Fischer, LHB and former city council and planning commission member. The workshop will be moderated by Cathy Bennett, ULI Minnesota Advisory Services

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