

# Committee Report

Community Development Committee



**Committee Meeting Date:** September 5, 2023

**For the Metropolitan Council:** September 13, 2023

## Business Item: 2023-207

Funding Recommendations for 2023 Round Two Livable Communities Act Policy Development Grants

### Proposed Action

That the Metropolitan Council award three (3) Livable Communities Act Policy Development Grants totaling \$101,400 as shown Table 1 below.

Table 1. Recommended Grant Projects and Funding Amounts

Applicant	Recommended Project	Award Amount
City of Chaska	Zoning Code Updates to Foster More Adaptive Zoning Practices	\$50,000
City of Fridley	Zoning Code Update - Policy Development	\$15,000
City of New Brighton	New Brighton Housing Study Implementation: Accessory Dwelling Units (ADUs)	\$36,400

### Summary of Community Development Committee Discussion/Questions

Planning Analyst Hannah Gary presented the funding recommendation. Committee members noted that two of the three recommendations are for policies relating to reducing parking requirements. Nancy Abts, an Associate Planning from the City of Fridley, addressed the Committee offering additional background on the impetus for this new policy direction. Discussion on this question centered around concerns about reduced parking and the potential impact. Committee members expressed appreciation for the geographic distribution of the funding recommendations, and asked for more data on what tools cities are using to address housing and to study the impact of funded policies.

A representative from the City of New Brighton expressed their thanks for Council support in furthering city goals.

The Committee approved the proposed action unanimously at their regularly scheduled Committee meeting.

# Business Item

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## Business Item: 2023-207

Funding Recommendations for 2023 Round Two Livable Communities Act Policy Development Grants

**District(s), Member(s):** All  
**Policy/Legal Reference:** Livable Communities Act (Minn. Stat. § 473.25)  
**Staff Prepared/Presented:** Hannah Gary, Planning Analyst, Livable Communities (651) 602-1633  
**Division/Department:** Community Development / Regional Planning

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### Background

The Livable Communities Act (LCA) supports Metropolitan Council priorities through the Livable Communities Demonstration Account (LCDA) by funding projects that connect jobs, transit, services, and housing in efficient and effective ways. The Council adopted the 2023 LCA Policy Development guidelines, criteria, schedule, and evaluation process as part of the Annual Livable Communities Act Fund Distribution Plan ([Business Item 2023-48](#)) on February 22, 2023. This program supports locally adopted policies that further LCA goals and have an impact on physical development in the applicant city.

On July 21, 2023, the Council received three applications for Policy Development funding. The City of Chaska, the City of Fridley, and the City of New Brighton submitted applications. A staff evaluation concluded that all submitted applications met eligibility requirements. Project details are included in the attached project summaries.

### Rationale

As detailed in the Review Process section of this report, the recommended projects and award amounts meet the funding award criteria for the program. As outlined in the 2023 Fund Distribution Plan, the Council has two rounds of LCA Pre-Development funding in 2023, with up to \$1,000,000 available in each round. The funding for the Policy Development program is part of the funding

allocated for Round Two of LCA Pre-Development. There is an award limit of \$50,000 per city for Policy Development awards which is included in the \$300,000 per-city limit for Pre-Development. Unallocated funds will be available for future programming.

### **Thrive Lens Analysis**

Projects that demonstrate efficient and effective use of public financial resources further the Thrive Stewardship Outcome.

Projects that redevelop and increase density further the Thrive Prosperity outcome of “[e]ncouraging redevelopment and infill development across the region.”

Projects that provide a mix of housing affordability levels further the Thrive Equity outcome of “[c]reating real choices in where we live, how we travel, and where we recreate for all residents, across race, ethnicity, economic means, and ability.”

Projects that introduce more housing types and affordability levels in existing neighborhoods further the Thrive Livability outcome of “[p]roviding housing and transportation choices for a range of demographic characteristics and economic means.”

### **Funding**

Funds are available in the Livable Communities authorized 2023 budget and Livable Communities reserve accounts to award these grants. Reserves may need to be amended into a future annual budget to meet cashflow needs on Livable Communities multi-year grants.

### **Known Support / Opposition**

All applicants have submitted a statement of support from their City Council or other authorizing body. There is no known opposition to the proposals submitted.



## Review Process

The Council issued a notice of funding availability in March 2023 after adopting the 2023 Annual Livable Communities Fund Distribution Plan. Staff held informational webinars, distributed information about funding availability and met with applicants to discuss the LCA processes, criteria, and best program fit for their projects.

Three applications were submitted, as shown in Table 2. Council staff conducted a preliminary review for completeness and eligibility, then used Council-approved criteria to evaluate each application in the following areas: Policy Development Outcomes, Policy Development Process, and Policy Development Team. The results of the staff evaluation are shown in Table 3.

Table 2. Application Summary

Grant Category	Submitted Applications	Applications Meeting Minimum Score	Applications recommended for funding
LCA Policy Development	3	3	3

Table 3. Scoring Summary

Applicant	Project	Points	Amount Requested	Amount Recommended
City of Chaska	Zoning Code Updates to Foster More Adaptive Zoning Practices	33	\$50,000	\$50,000
City of Fridley	Zoning Code Update - Policy Development	34.5	\$15,000	\$15,000
City of New Brighton	New Brighton Housing Study Implementation: Accessory Dwelling Units (ADUs)	37.5	\$36,400	\$36,400

**Total Recommended** **\$101,400**

Total Available \$101,400

Total Remaining \$0

## Projects Recommended for Funding

A summary of each of the three recommended funding awards is on the following pages.



## Livable Communities Project Summary

**Grant #** SG  
**Type:** LCA Policy Development  
**Applicant:** City of Chaska  
**Project Name:** Zoning Code Updates to Foster More Adaptive Zoning Practices  
**Council District:** 4 - Barber

Project Detail	
Project Overview	Zoning updates will seek to reduce parking requirements and right-size landscaping for multi-family and industrial projects so that pedestrian amenities can be achieved. Reducing parking requirements minimizes climate impacts by lessening hardcover that contributes to the heat island effect and allows more opportunity for landscaping to combat those issues.
Support for Award	<ul style="list-style-type: none"> <li>Policy need was determined by the need for variances for affordable housing projects and the desire to better support future development of affordable housing.</li> </ul>
Funding	
Requested Amount	\$50,000
Previous LCA funding	None
Use of Funds	
<b>\$50,000</b>	<b>TOTAL</b>
\$50,000	<b>Grant Activity:</b> Consultant time <b>Deliverable:</b> Final policy that will be presented to City Council for adoption



## Livable Communities Project Summary

**Grant #** SG  
**Type:** LCA Policy Development  
**Applicant:** City of Fridley  
**Project Name:** Zoning Code Update – Policy Development  
**Council District:** 2 – Chamblis

Project Detail	
Project Overview	The City of Fridley’s Community Development Department seeks to update its Zoning Code to support a more efficient, equitable development pattern. Goals of the policy updates are to increase density, implement active transportation standards, and reduce parking requirements.
Support for Award	<ul style="list-style-type: none"> <li>• Environmental focus of zoning code update seeks to reduce parking requirements and increase native landscaping in the city.</li> <li>• Updates are being driven by an interest in having more equitable development patterns.</li> </ul>
Funding	
Requested Amount	\$15,000
Previous LCA funding	None
Use of Funds	
<b>\$15,000</b>	<b>TOTAL</b>
\$15,000	<b>Grant Activity:</b> Consultant time <b>Deliverable:</b> Final policy that will be presented to City Council for adoption



## Livable Communities Project Summary

**Grant #** SG  
**Type:** LCA Policy Development  
**Applicant:** City of New Brighton  
**Project Name:** New Brighton Housing Study Implementation: Accessory Dwelling Units (ADUs)  
**Council District:** 2 – Chamblis

Project Detail	
Project Overview	The new policy will set accessory dwelling unit (ADU) regulations in the city with goals to provide housing units at more affordable price points, offer an aging in place option, and increase density in the city.
Support for Award	<ul style="list-style-type: none"> <li>• New housing types will be created giving more housing options in the city.</li> <li>• The need for the policy came out of a housing study commissioned by the City last year.</li> </ul>
Funding	
Requested Amount	\$36,400
Previous LCA funding	None
Use of Funds	
<b>\$36,400</b>	<b>TOTAL</b>
\$36,400	<b>Grant Activity:</b> Consultant time <b>Deliverable:</b> Final policy that will be presented to City Council for adoption

