

2011

LCDA Pre-Application Guide



Development Grants

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Livable Communities Demonstration Account (LCDA)

Section 1: General Information about LCDA Grants

Purpose

LCDA funding helps communities demonstrate innovative approaches to development while implementing their community development objectives and comprehensive plans. Development grants provide funds to support Projects that connect development or redevelopment with transit; intensify land uses; connect housing and employment; provide a mix of housing and affordability; and/or provide infrastructure to connect communities and attract investment.

A Project eligible for consideration for an LCDA Development award is one that meets the statutory requirements for the program. These include projects that will:

- interrelate development or redevelopment and transit;
- interrelate affordable housing and employment growth areas;
- intensify land use that leads to more compact development or redevelopment;
- involve development or redevelopment that mixes incomes of residents in housing, including introducing or reintroducing higher value housing in lower income areas to achieve a mix of housing opportunities; or
- encourage public infrastructure investments which connect urban neighborhoods and suburban communities, attract private sector redevelopment investment in commercial and residential properties adjacent to the public improvement, and provide project area residents with expanded opportunities for private sector employment.¹

The LCDA legislative objectives are supported by the *2030 Regional Developed Framework* (Framework) policies. LCDA funding will support development projects that demonstrate innovative and new ways of meeting Framework goals, which include:

- develop land uses in centers linked to the local and regional transportation systems;
- efficiently connect housing, jobs, retail centers and civic uses;
- develop a range of housing densities, types and costs; and

¹ <https://www.revisor.mn.gov/statutes/?id=473.25&year=2010>

- conserve, protect and enhance natural resources by means of development that is sensitive to the environment.²

In *Developed Communities*, the emphasis of LCDA goals will be consistent with Regional Framework direction on maintaining and improving infrastructure, buildings and land to provide development that integrate and intensify land uses. Projects awarded grants in *Developing Communities* will be focused on accommodating growth by means of connected development patterns for new development, supporting activity centers along corridors that encourage the development of communities where shopping, jobs and a variety of housing choices co-exist by design.

Definition of terms

- The *Project* is the development or redevelopment work that through its design and execution will deliver benefits such as housing, connections, and/or jobs to the region.
- The *Grant-Funded Activities* are components of the Project described in the application.
- *Developed Communities* are cities where more than 85% of the land is developed, infrastructure is well established and efforts must go toward keeping it in good repair.
- *Developing Communities* are cities where the most substantial amount of new growth – about 60 percent of new households and 40 percent of new jobs – will occur.
- *Affordable Housing* is ownership or rental housing affordable to households earning 60% or less of Area Median Income (AMI).
- *Transit Improvement Areas (TIA)* are specially designated tracts of land that encompass a half-mile radius around transit stations that support bus rapid transit, light rail transit or commuter rail that have the potential to increase ridership and stimulate new commercial and residential development that have been designated by the Minnesota Department of Employment and Economic Development. Fifty-three TIAs have been designated along the routes of Northstar Commuter Rail, Hiawatha Light Rail, Cedar Avenue Bus Rapid Transit, I-35W Bus Rapid Transit, Central Corridor Light Rail and Southwest Light Rail Lines. A full list of the TIAs is available online at http://www.positivelyminnesota.com/Newsroom/Press_Releases/October-December_2010/Nov._17_-_DEED_Names_Transit_Improvement_Areas.aspx.

Eligible applicants

The following are eligible to apply: statutory or home rule charter cities or towns that are participating in the Metropolitan Livable Communities Housing Incentives Program; metropolitan counties and development authorities (e.g., Housing and Redevelopment Authority, Economic Development Authority or Port Authority).

² <http://www.metrocouncil.org/planning/framework/Framework.pdf>

Project requirements

All of the following are required to comprise an eligible Development grant Project:

- The Project must involve new development, redevelopment or infill development addressing the program goals. Projects involving rehabilitation are eligible if they have other components that address one or more of the program goals.
- The Project must be located within a Council-identified developed area, developing area or a rural growth center (urbanized area). Regional park land is ineligible.
- The Project must include one or more development components that will commence within the 36-month grant term.
- The Project must be consistent or will be made consistent with the local comprehensive plan that has been reviewed by the Council and be consistent with any area, neighborhood, corridor or other local plan adopted by the municipality in which the project is located.
- If housing is planned, the Project must help achieve one or more of the affordable and lifecycle housing goals adopted by the applicant city (or the city in which the project is located if the applicant is a county or county development authority) under the Local Housing Incentives program of the Livable Communities Act.

Eligible uses

Grant funds may be used for basic and placemaking public infrastructure and site assembly to support development projects that meet the funding goals, and funded elements must directly contribute to completion of the project. Requests will be evaluated in the context of individual projects.

Basic and placemaking public infrastructure includes:

- local public streets, including new streets, street realignment; reconstruction of an existing street grid; street extensions or connections; street lighting and street signs; permanent pedestrian features including sidewalks, and benches;
- public-use or shared-use parking structures;
- extensions or modifications of local public sewer and water lines, or telecommunications lines;
- public connecting elements (generally in the public right-of-way or clearly for public use) including sidewalks and trails that enhance the functional connectivity of the project to transit and other surrounding public spaces including schools and parks.
- site-integrated transit shelters, bike racks, bridges for vehicle or pedestrian use;

- stormwater management improvements, including new or expanded stormwater ponds; rain gardens, rain beams, and other innovative stormwater techniques; infiltration swales; pervious pavement; native vegetation; and design and engineering; and
- New** • construction of placemaking functional elements or improvements that serve as a focal point of the development and that attract other investment, including lighting, seating, sidewalks, paths and furnishings and equipment for parks, plazas and other public areas;
- design and engineering for the above items; and
- New** • project coordination.

Eligible site assembly activities include:

- land acquisition;
- demolition and removal of obsolete structures; and
- grading and soil correction to prepare a site for construction.

Ineligible uses

- county road improvements;
- parking structures without a shared public component;
- surface parking, trees, sod, and landscape plantings;
- site assembly for lands to be used for transit infrastructure or capital investments, e.g., transit stations, station platforms, and park-and-ride facilities;
- building construction, rehabilitation and “affordability gap” and “value gap” financing;
- pollution cleanup;
- relocation costs; and
- licenses, permits, fees, planning and administrative costs.

Award limits

Council-established guidelines state that up to 40% of the total funds available in a grant cycle is available to projects located in Minneapolis and/or Saint Paul. The Council reserves the right to consider awarding more than 40% under certain conditions. There are no award limits for individual Development grants. In the past two years, awards have averaged \$559,000.

Match requirements

There are no match requirements for LCDA Development grants.

Grant terms

2011 LCDA Development grant terms will be three years in length, with the possibility of an administratively-approved two-year extension with the submission of adequate proof of progress.

Section 2 Completing the Development Grant Pre-Application

There are two parts to the LCDA application process. In the first part, the applicant completes a **Pre-Application** and submits that to Livable Communities staff for review. The Pre-Application contains only a few questions and represents a sub-set of questions in the full Application. It allows staff to provide informal guidance to applicants that may assist them in completing the longer and more detailed Development application.

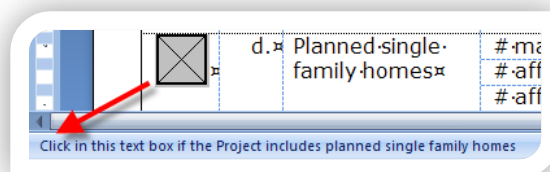
Pre-Applications are available online at the address below and are due on **May 20, 2011**. LCA staff will work with applicants to assist them in submitting only applications that are viable for LCDA consideration.

Application process

- Download the LCDA Pre-Application from http://www.metrocouncil.org/grants/lcda/LCDAPreApp_2003.doc. Contact Paul Burns at (651) 602-1106 or paul.burns@metc.state.mn.us for questions regarding application interpretation or submittal.
- **Pre-Applications are due on May 20, 2011.**
- **No LCDA Development Grant application will be accepted without a prior Pre-Application submittal.**
- Go to <http://gis.metc.state.mn.us/lca/> to create the required maps. See Appendix 1 for a complete list. Contact Len.Kne@metc.state.mn.us for assistance with map creation.

Application guidance

The 2011 Pre-Application has been created using the "form fields" function in Microsoft® Word 2007 (the form should function equally well in Word 2003). Each question has at least one form field to be completed. The type of information that may be entered in each field is defined and the length of information is limited. The fields will expand to the pre-defined character limit. For help, click in the field provided and check the "status bar" at the very bottom of your screen. *Do not leave any questions blank.*



Question 1: Basic Project information

Please use a descriptive Project name.

Note that only cities participating in the Livable Communities Program are eligible to apply, along with their development authorities and counties. **Developers cannot apply and cannot be grantees.** However, developers are encouraged to partner with eligible applicants.

Question 2: Describe the Project

Most of the questions in this section have a limit of 500 characters or less. Note that unless otherwise instructed, your answers should pertain **only** to the Project that will begin development/redevelopment work within the 36-month grant term.

- A. Provide a brief, high-level overview of the Project (see *definition* on page 2).
- B. Provide a very brief description of the Grant-Funded Activities (see *definition* on page 2) and how they will serve as a catalyst for the Project.
- C. Describe how the Project will address LCDA goals, which are:
 - interrelate development or redevelopment and transit;
 - interrelate affordable housing and employment growth areas;
 - intensify land use that leads to more compact development or redevelopment;
 - involve development or redeveloping that mixes incomes of residents in housing, including introducing or reintroducing higher value housing in lower income areas to achieve a mix of housing opportunities; and/or
 - encourage public infrastructure investments which connect urban neighborhoods and suburban communities, attract private sector development investment in commercial and residential properties adjacent to the public improvement, and provide project area residents with expanded opportunities for private sector employment.
- D. Describe future phases of the Project, if any. Note this is one of only two places in the application where you may incorporate information about future phases.
- E. Describe adjacent or prior development **only** if it is directly related to the Project. Include items here if this is a phased development and part of it is already completed.
- F. Describe ways in which the Project itself will be innovative and of demonstration value. Examples include: Will the Project utilize an innovative collaboration? Is it sited in a unique way? Use this section to call attention to these elements.

Question 3: LCDA Award

Explain specifically how LCDA funds are essential for the Project to commence development or redevelopment by 12/31/2014.

Section 3: Appendices

Appendix 1: List of Attachments to the Grant Pre-Application

List of required attachments to be submitted with the pre-application in hard copy and electronic format (the application must be submitted in Word and the Sources and Uses file in Excel). Contact Paul Burns at (651) 602-1106 or paul.burns@metc.state.mn.us for assistance with questions regarding application interpretation or assistance.

1. Maps and plans (up to 11x17", folded to 8.5x11" and electronic copies in PDF). Go to <http://gis.metc.state.mn.us/lca/> to create the required maps. Contact Len.Kne@metc.state.mn.us for assistance with map creation.
 - a. An aerial map, with Project site boundaries clearly marked.
 - b. A land use map, with existing and planned Project parcels clearly marked.
2. The Uses Excel® file.

Other allowed attachments that may be submitted with the application (no late submittals)

1. Up to five one-page images of your choice – site plans, elevation drawings, section drawings, perspective drawings or other that will explain the intent of the Project.
2. The applicant's financial analysis for the Project, if one has been completed.
3. A list of all current Property Identification Numbers, if the list is extensive enough to warrant it.

Appendix 2: Submittal instructions

- Submit one complete electronic copy of the application and all attachments via email to paul.burns@metc.state.mn.us. Appendix 1 to the LCDA Development Application contains the list of required and allowed attachments. Select the sample resolution of support appropriate to the number of applications being submitted.
- Submit the Word and Excel components of the application in their native Word and Excel formats; convert all other attachments to PDF. Note: The Council can accept incoming attachments of up to 20Mb. If the file size becomes too large to email, please split the files among one or more emails. Contact Mr. Burns at (651) 602-1106 for assistance as necessary.

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