

Metropolitan Livable Communities Fund

**Report to the Minnesota State Legislature
April 2004**



Metropolitan Council

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About This Report

The Livable Communities Act (*Minnesota Statutes, Section 473.25*) requires the Council to prepare and submit to the legislature an annual report on the Metropolitan Livable Communities Fund. This is the eighth such report. It provides an overview of Livable Communities Act programs and activities during 2003, and includes specific information required by the law about:

- the amount of money in the fund
- the amount of money distributed
- to whom funds were distributed and for what purpose
- an evaluation of the effectiveness of the projects funded in meeting the policies and goals of the Council

The legislation states the report may also include recommendations to the legislature on changes to the Livable Communities Act. The Legislative Recommendations section of this report offers two recommendations:

- 1) Maintain funding for LCA Accounts, and
- 2) change the LCA Affordable and Lifecycle Housing Opportunities Amount (ALHOA) formula.

Appendix A contains examples of funded projects. Appendix B provides maps of LCA-funded projects, and Appendix C reports the financial status of the Livable Communities Fund.

Program Overview

Enabling Legislation

In 1995, the Minnesota Legislature passed the Livable Communities Act (LCA). The LCA (*Minnesota Statutes, Sections 473.25 through 473.254*) created a voluntary, incentive-based approach to address the Metropolitan Area's affordable and lifecycle housing issues and to help communities grow and succeed. It established the Metropolitan Livable Communities Fund, including three on-going accounts from which eligible communities could apply for funding:

- The **Tax Base Revitalization Account (TBRA)** helps cities clean up contaminated urban land and buildings for subsequent redevelopment that could include commercial, industrial, or housing opportunities. Restoring the tax base and developing more jobs near existing housing and services is a primary objective of this account.
- The **Livable Communities Demonstration Account (LCDA)** funds development and redevelopment projects that achieve connected development patterns that link housing, jobs and services, and maximize the development potential of existing or planned infrastructure and regional facilities.
- The **Local Housing Incentives Account (LHIA)** helps expand lifecycle and affordable rental and ownership housing development and preservation.

A fourth account, the **Inclusionary Housing Account (IHA)**, operated during 1999-2000 with a single appropriation to support affordable housing developments in which the reduction of local controls and regulations resulted in reduced development costs.

In order to be eligible to compete for this funding, the LCA requires interested communities to:

- negotiate long-term affordable and lifecycle housing goals with the Metropolitan Council;
- have in place an LCA Housing Action Plan to identify and give direction to the city's use of programs, official controls and fiscal devices to help accomplish these negotiated goals; and
- make the minimum annual contribution or expenditure on affordable housing activities required by a formula provided in the law. The formula, based on the growth of the market value of housing in each community since 1995, determines an Affordable and Lifecycle Housing Opportunities Amount (ALHOA) specific to each community.

Response to LCA Programs

The Metropolitan Livable Communities Fund has made available an average of about \$13.5 million annually through the three program accounts. The total funding awarded during 2003 was \$14,256,195. Several years of program experience have proven that this incentive-based approach works. Requests for funding increase each year as communities throughout the region see the results that can be achieved through the LCA.

Today, the LCA's three grant accounts are nationally recognized as successful tools for cleaning up polluted sites, expanding housing choices, and moving land-efficient local development projects from plans on paper to projects on the ground. In 2003, 106 communities were participants in the LCA's local housing incentives program and were eligible to receive grant funds. With so many Twin Cities communities working hard to provide housing their workers can afford, create jobs to strengthen their local economies, and ensure that their residents have mobility options that provide them with access to work, recreation, shopping and services, each program is expected to continue to receive more requests for funding than can be met with available resources. Additional requests for TBRA and LCDA funding in 2003 exceeded available funds by approximately \$21 million, while total applications for Metropolitan Housing Implementation Group gap financing—toward which the Council contributes its LHIA funds—exceeded available funds by more than \$62 million.

Results

The Council and its LCA partners awarded grants in 2003 as follows:

- **Tax Base Revitalization Account:** Eighteen grants totaling \$5,100,000 to ten communities and one county to help clean up polluted land.
- **Livable Communities Demonstration Account:** Ten Development Grants totaling \$7,457,300 (includes \$1.25 million of 2003 funding awarded in February 2004) to help with construction and infrastructure costs for projects in seven communities. Seven Opportunity Grants totaling \$296,895 to seven communities to help with pre-development work for projects with potential to become eligible in the Development Grant category.
- **Local Housing Incentives Account:** Ten grants totaling \$1,402,000 to ten communities to help construct and rehabilitate affordable ownership and rental housing.

Projects funded in 2003 will make a difference in communities throughout the region. Working with the market and responding to local needs, cities will use LCA grants to plan and develop attractive, sustainable neighborhoods offering a mix of housing, jobs and services linked by a variety of transportation choices. The LCA grants funded in 2003 will achieve an expected:

- 62 new affordable ownership housing units
- 234 new rental housing units

- 20 improved or rehabilitated existing housing units
- 1,576 new or retained jobs
- 100 acres of reclaimed polluted land
- \$646 million in private sector investments
- additional public sector investment of more than \$174 million

LCA Grant Making Procedures

Partnerships are a feature of the Council's allocation of funds from all the Livable Communities accounts. The LCA funds awarded by the Council are combined with funding provided by the Minnesota Housing Finance Agency and other partners through the Metropolitan Housing Implementation Group (MHIG) and by the Department of Employment and Economic Development (DEED) to offer even stronger support for local efforts. These agencies, together with an advisory committee of technical experts from local communities that reviews LCDA proposals, assist the Council with its funding decisions.

Tax Base Revitalization Account. The Tax Base Revitalization Account includes cooperative relationships among the Council, the Department of Employment and Economic Development (DEED), the Minnesota Pollution Control Agency (MPCA) and—in some instances—Hennepin County. Council and DEED staffs use the same application cycle deadlines and hold joint application workshops. Staff from DEED, MPCA, the MN Department of Health, MN Department of Commerce, and MN Department of Agriculture assist Council staff in evaluating TBRA applications according to the Council's criteria. The Livable Communities Act authorizes the use of TBRA funds as part of local match requirements for DEED's Contaminated Site Cleanup Program. Projects eligible for both programs may be jointly funded.

Both the TBRA and the DEED programs require "response action plans" from the MPCA for all applicable projects. These plans are required as part of the Voluntary Investigation and Cleanup (VIC) program. MPCA staff review the applications to verify that proposed activities will cost-effectively implement an appropriate response action submitted by the applicant. Although asbestos and hazardous materials remediation for buildings is not currently addressed by the VIC strategy, MPCA staff also comments on the applications involving asbestos cleanup work. In addition, MPCA staff members participate in workshops conducted jointly by DEED and Council staff that offer technical assistance to applicants.

Livable Communities Demonstration Account. Applications for Livable Communities Demonstration Account development grants are reviewed by the 17-member Livable Communities Advisory Committee, which makes funding recommendations to the Metropolitan Council. The committee is made up of elected local government officials; local government planning, economic development and community development staff; representatives with expertise in development-related fields of architecture and landscape architecture; members from the private/nonprofit sector with experience in development and finance; and members with expertise in community, transportation and environmental planning or private foundation work. Advisory committee review ensures that LCDA development proposals are evaluated in the context of market demand and feasibility, financial readiness and community needs.

The advisory committee reviews proposals against evaluation criteria adopted by the Council, which are consistent with and help implement the *2030 Regional Development Framework*. Additional criteria focus on financial readiness of projects to proceed to construction soon. Council community development, environment, transportation and Metro Transit staff assist the advisory committee in its evaluation process by providing technical comments on projects. Community sector representatives provide information on the community context of the projects as additional background to aid in decision-making. These

comments are provided to the advisory committee along with evaluation points, which are included as one-third of the final point tally.

Prior to application deadlines, staff holds workshops for applicants to go over the program criteria, application form and evaluation process, and to offer technical assistance.

Opportunity grant applications are evaluated in a separate process by a staff team, focusing on the potential for projects to evolve to candidates in the development grant category.

Local Housing Incentives Account. The Metropolitan Council allocates funds in the Local Housing Incentives Account through the Metropolitan Housing Implementation Group (MHIG), established in 1995 to coordinate and streamline the complex system for delivering housing resources in the metropolitan area. The MHIG includes representatives of the Metropolitan Council, the Minnesota Housing Finance Agency (MHFA), and the Family Housing Fund. Representatives from each of the MHIG agencies participating in project funding serve on a joint selection committee. The MHIG provides easy access to and disbursement of a combined pool of housing development dollars.

The MHIG group develops a Super Request for Proposals (RFP) to simplify and streamline the process for accessing housing development dollars. The Super RFP includes descriptions of and requirements for all funding sources available during a funding cycle, including the Local Housing Incentives program. The Super RFP is mailed to all communities, developers, housing agencies and others interested in the production of affordable housing. Applicants need to apply only once, using the Super RFP application, to access any of the funds available during that funding cycle. The MHIG has also developed joint project selection criteria as a tool to review proposals and choose award recipients. The joint criteria reflect the policies articulated in the Council's regional development framework, the Livable Communities Act and state policy initiatives.

The MHIG selection committee reviews each proposal, considering the joint selection criteria, individual funder's criteria, as well as any funder's past experience with the applicant, previous funding allocations, familiarity with the project or expertise related to any aspect of the proposal. Funds are then allocated to each proposal based on the outcome of that review and the best match of proposal to funding source. Funding recommendations are brought to each of the appropriate funding boards for final approval.

Amounts Received

The sources of Livable Communities Fund money available in 2003 were:

Current Year Tax Receipts	\$13,066,234 (LCDA - \$8,066,234*) (TBRA - \$5,000,000) *\$500,000 of this amount directed to LHIA
Interest Eamed	\$ 570,805
Transfer to LHIA Funds from General Fund	\$ 1,000,000
TOTAL	\$13,637,039

The uncommitted balance in the Livable Communities Fund (total received minus total awarded) was \$543,394 on December 31, 2002. Those uncommitted funds were included in funds awarded during 2003. The fund is managed to maintain a small net uncommitted balance within each account in order to avoid awarding more funding than is available. The uncommitted balance is attributable, in part, to

interest earnings during the year. Interest earned varies depending on the timing of levy receipts and grant payments. Fund balances also occur when projects use the awards over a period of months or years and interest accrues on the unspent balances. In a few instances granted awards have also been relinquished when changed circumstances prevented a grant recipient from undertaking a funded project. Generally, acknowledging that uncertainties may occur during the life of a particular project, the Council has continued to set aside committed funds, provided owners, developers and local governments are committed to resolving delays (typically related to permits or financing) and moving forward.

Funding Expenditures

The Metropolitan Council awarded \$14,256,195 in grants from the three accounts during 2003 as follows:

LIVABLE COMMUNITIES FUND	NUMBER OF GRANTS	TOTAL 2003 AWARDS	NUMBER OF COMMUNITIES
Livable Communities Demonstration Account for community development and planning projects: <ul style="list-style-type: none"> • <u>Development Grants</u>-help with construction and infrastructure costs for projects ready to be built • <u>Opportunity Grants</u>-help with predevelopment work for projects with potential to become eligible in the Development Grant category 	17 (10) (7)	\$7,754,195 (\$7,457,300) (\$ 296,895)	12 communities
Local Housing Incentives Account to help construct and rehabilitate affordable ownership and rental housing	10	\$1,402,000	10 communities
Tax Base Revitalization Account to help clean up polluted land	18	\$5,100,000	10 communities and one county

2003 LCA Funded Projects

(Listed alphabetically by community within each program)

Tax Base Revitalization Account Grants

Brooklyn Park - Village North Shopping Center

Grant award - \$257,400

Funds will be used for asbestos abatement at the Village North Shopping Center, a 20-acre portion of Village Creek, which is a 134-acre area in the heart of Brooklyn Park. An environmental survey of the Village North Shopping Center found asbestos-containing materials in the mastic under carpet and floor tile as well as in the floor tile. In addition, asbestos was found in transite panels, wall and ceiling texture, the roof flashing materials and assumed to be under replaced roof areas. Cleanup of asbestos will turn the site into a developable greenfield to allow for an 80,000-sq./ft. fitness facility, 100,000 sq./ft. of office space, 70,000 sq./ft of retail space, 50 urban townhouses and a community park. Lifetime Fitness and a corporate office user have made commitments for the site.

Champlin - Louie's Auto Recyclers - II

Grant award - \$200,000

This award is supplemental funding to remediate 15-acres of a 64-acre site. Investigations of the site found contamination consisting of DROs, GROs and heavy metals. Additional cleanup costs are being incurred primarily due to the increase in the volume of contaminated soil projected for clean up. The original estimated volume of contaminated soil was 9,1200 cubic yards. However, in order to meet cleanup goals established by the MPCA, nearly 32,900 cubic yards of soil has been handled. Redevelopment plans for the site include 162 townhome units and 320,000 square feet of office/retail space, including a 177,000 square-foot Super Target. At least 10 percent of the townhome units will be affordable.

Columbia Heights - Industrial Park

Grant award - \$231,731

TBRA funding will be used as a match to a DEED grant to address contamination challenges for 15.12 acres at Columbia Heights Industrial Park. This request is for redevelopment of the first phase of a multi-phase effort, with cleanup intended to support different types of residential development. In addition, 13,000 square feet of commercial space will be constructed. Soil contamination from historic and varied industrial uses includes petroleum, chlorinated solvents, lead and foundry waste materials. Buildings with asbestos containing materials also need to be demolished. TBRA funds will be used for investigation; soil excavation, testing and disposal; backfill; asbestos abatement; groundwater remediation and monitoring; and other required cleanup activities.

Falcon Heights - Falcon Heights Town Center**Grant award - \$74,773**

Funds will be used for asbestos abatement and lead remediation at the southeast corner of Larpenteur and Snelling Avenues. Buildings containing asbestos, lead and other hazardous materials need to be demolished for redevelopment to occur. TBRA funds will be used for asbestos abatement and lead paint removal. Once cleanup is complete the site will be redeveloped with a mix of uses, including 12,000 square feet of retail/commercial space, 56 senior rental units, 119 new multifamily rental units, of which 40 percent will be affordable to families at or below 50 percent of area median income.

Hopkins - Knox/Luther Company**Grant award - \$452,978**

The former site of Knox Lumber has had some remediation work completed in the past, but additional soil remediation is needed to accommodate the proposed relocation and expansion of the Hopkins Honda dealership. A two-story, slab-on-grade full service automobile sales and service dealership and auto body shop will be built, with utilities, a lined stormwater retention pond, a small one-story office area building, vehicle inventory storage and parking, driving and green spaces. TBRA funds will be used for investigation, soil remediation and asbestos abatement.

Minneapolis - 1035 East Franklin Avenue**Grant award - \$20,396**

This grant supplements earlier funding for asbestos abatement and will be used to remove vermiculite insulation and asbestos from the building. Since the original environmental assessment and funding award, the Minnesota Pollution Control Agency has determined that testing for asbestos in vermiculite insulation is unreliable and therefore recommends vermiculite insulation be treated as hazardous. That recommendation added to the cost of site cleanup. Once cleanup is complete, the site will be used as Project for Pride in Living's service center and headquarters.

Minneapolis - 1508 East Lake Street**Grant award - \$232,000**

TBRA funding will be used for asbestos abatement and lead remediation costs for a vacant building at 1508 East Lake Street. The Neighborhood Development Center, a nonprofit organization, is working with the In the Heart of the Beast Puppet and Mask Theatre, the Latino Economic Development Center, and the Mercado Central to purchase and renovate this historic building that has been vacant for more than five years. The end use of the building will consist of commercial/retail space.

Minneapolis - Despatch Laundry Site

Grant award - \$502,000

TBRA funds were awarded to Hennepin County for this project in the City of Minneapolis. Grant funds will be used to match a DEED grant to address soil contamination on this site.

Contamination comes from past uses as a dry cleaning facility and gas station. The soil and groundwater are heavily contaminated with dry-cleaning solvent and petroleum-related compounds. The severity of contamination has prompted the state Superfund Program, Hennepin County Taxpayer Services and the Federal Environmental Protection Agency to contribute funds toward site assessment, but the site is currently not scheduled to receive Superfund funding related to soil contamination and needs additional funds to clean the property so that redevelopment can occur. Proposed reuse of the site will include construction of a slab-on-grade, mixed commercial and residential development including 4,500 square feet of commercial space, 15 for-sale residential units and surface parking. Three of the residential units will be affordable.

Minneapolis - Greenleaf Lofts

Grant award - \$25,122

TBRA funds will match a DEED grant to remediate petroleum-related contaminated soil at 2000 Nicollet Avenue. The 0.5-acre site is currently vacant, but once was a service station. This use is likely the source of contamination, but no viable party is available. TBRA funds will be used for investigation, excavation and disposal of contaminated soil, a vapor barrier, MPCA oversight and engineering costs. Redevelopment plans are for the Greenleaf Lofts, consisting of 27 owner-occupied condominiums, 4 commercial tenant spaces and a police substation.

Minneapolis - Heritage Park - III

Grant award - \$143,750

Funds will be used for soil cleanup activities on a 40-acre site located both north and south of Olson Memorial Highway. The Bassett Creek Valley area is a buried valley that was filled for development in the early part of the 20th century. The materials used included a variety of inappropriate soils and debris. Since it was filled, the area has had residential and heavy industrial land uses. Four distressed public housing developments on the site were demolished along with the central heating plant and an oil storage facility. Environmental assessments found contaminants consisting of DROs, PAHs, lead and mercury in the soil. Cleanup supports site redevelopment plans that include reconstructing the area containing former public housing developments into a mixed-income, mixed-density, culturally diverse and high-amenity urban neighborhood containing 900 units of rental, owner-occupied, and senior housing. The site will connect via streets, sidewalks and natural amenities to adjacent neighborhoods. It is estimated that 50 jobs also will be created.

Minneapolis - Washington Live-Work Building

Grant award - \$359,785

Historic uses of this contaminated site include a railroad yard and a parking lot. Several subsurface investigations, feasibility studies and response action plans have been implemented at

the site. A groundwater removal and treatment, steam injection, and soil vapor extraction remediation system was installed in 1998 and abandoned in 2002 after receiving approval from MPCA. However, these TBRA funds will be used for the soil contamination (metals, DROs, petroleum-related VOCs and PAHs) that needs to be addressed prior to redevelopment occurring. Redevelopment plans for the building, which will be the third and final phase of the redevelopment of the western block of Parcel D, include 28 for-sale condominiums, with street level retail/commercial businesses and two levels of underground parking. TBRA funding was also utilized for the first two phases.

Robbinsdale - Terrace Theater

Grant award - \$238,000

The Terrace Theater was built in 1949 and was considered one of the premier cinema venues in the metropolitan area. In 1988 it converted to a three-screen theater and, eventually, converted to a “dollar” theater, finally closing in January 1999. The Preservation Alliance of Minnesota lists the building as one of the state’s most endangered properties. After asbestos abatement, plans are to convert the building to 29,000 square feet of medical and other office space. The exterior will preserve the character of this historic and community landmark. TBRA funds will be used for investigation, remediation plan development, and abatement costs.

St. Anthony - Apache Plaza

Grant award - \$585,600

Freeway realignment, change in retail trends, and competition from other modern shopping centers have contributed to the economic and functional obsolescence of Apache Plaza, a 300,000+ square foot mall that was constructed in the mid-1960s. Today it is over 95% vacant and has declined in value by 54 percent since 1991. In 2001 the city approved the Northwest Quadrant Redevelopment Area Plan which supports returning the Apache Plaza Mall area to the community focal point it once was. After demolition of the mall, the plaza site will be redeveloped into a mixed-use urban village with a 130,000 square foot “big box” user, a 51,000 square foot building for a smaller retailer, 19,000 square feet of office space, 64 market rate apartments, 92 urban flats and a community park. TBRA funding will be used for asbestos abatement.

St. Louis Park - Lithium Corporation of America/Con Agra

Grant award - \$436,465

TBRA funds will match a DEED grant to supplement cleanup at a 6-acre site at 2401 Edgewood Avenue. The site was used as a brickyard in 1931, a lithium manufacturing facility starting in 1942, and a food processing manufacturing facility starting in 1960. Since 1998 the site has been vacant, and many interested developers have walked away from the site because of the severe and unusual contamination issues. The soil and groundwater at the site are impacted by lithium, with levels of lithium in the groundwater 10 times higher than the state drinking water standard. Impacted soils exist below the water table at depths of 25 feet and are located under the building. Two municipal water supply wells lie less than one mile down gradient from the site. In addition, soils have DRO, lead and barium contamination and the site contains 10 cesspools. Once cleanup is complete, plans call for development of a 78,260 square foot multi-tenant industrial building. Several small businesses are interested in the site, including a kitchen counter

fabricator/distributor. Market demand for the new building is high due to its proximity to Highway 100 and I-394. The industrial space is expected to create 78 jobs and retain 78 jobs.

St. Paul - Dale Street Shops

Grant award - \$700,000

The St. Paul Port Authority will purchase 13 acres of railroad property, remediate contamination and lease the property to private entities. The site was used for repair, maintenance, storage, service and cleaning of locomotives and rail cars for many years. Primary soil contaminants include diesel range organics (DROs), polynuclear aromatic hydrocarbons (PAHs), and lead. Groundwater is contaminated primarily with petroleum and volatile organic compounds (VOCs). TBRA funds are being used as a match to a DEED award to cleanup soil severely contaminated with petroleum, lead, and other materials. The railroad company will clean up the groundwater and handle associated monitoring if necessary. Redevelopment will be Phase II of the Great Northern Business Center.

St. Paul - Mai Village

Grant award - \$75,000

Mai Village restaurant operation desired to build a restaurant with office and banquet facilities. However, a vacated building with asbestos-containing materials, mostly petroleum-related soil contamination, storage tanks and other buried materials required attention prior to redevelopment of the site. TBRA funds will be used for Phase II investigation, asbestos abatement, soil corrections, tank removal, and some cleanup management costs. Redevelopment of the site will support 10,000 square feet of restaurant space with 9,000 square feet of second floor office space.

St. Paul - The Lowry

Grant award - \$500,000

The Lowry Medical Arts Building was built in 1911 and has hosted a number of medical offices as well as first and second level retail. In 1999, a developer with plans to shift use from commercial to residential uses purchased the building. The medical tenants were moved out of the upper floors, but financing for the developer did not occur and the project was abandoned. New developers have purchased the building and, after asbestos abatement, propose to redevelop it into two floors of commercial space below 11 floors of market-rate condominiums. TBRA funds will be used for investigation and abatement costs for asbestos-containing materials.

St. Paul – Westminster Junction - II

Grant award - \$65,000

Funds awarded in this grant will be used for additional cleanup costs associated with unanticipated contamination discovered on the site. The 35-acre site has a long history of industrial use and contamination. Contamination occurred over more than 100 years of evolving industrial use. The site was originally developed for residential and railroad switching yard use. Poor Richard's waste transfer station was established in the 1970s on most of the railroad property. This site has been vacant for several years except for a 12-acre portion where Waste Management Inc. operates a waste transfer station. Twin City Auto and Military Supply has operated an auto salvage yard since the early 1970s on three acres of the site, and Lovering

Johnson owns a contractor storage yard on the western portion of the site. The soils contain DROS, VOCs, PAHs, PCBs, and metals at concentrations over MPCA reference values. Asbestos in significant amounts is also present. Environmental investigation indicates that current property owners have likely contributed only a small amount, if any, of the contamination. Previous occupant businesses no longer exist. Timing for this project is important because some of the contaminated soil will be encapsulated and used under the proposed Phalen Boulevard. If cleanup is done after the boulevard is constructed, the Port Authority estimates that cleanup costs will triple. The Port Authority plans to convey the southern portion of the site to St. Paul for Phalen Boulevard, and subdivide the remaining property for a Westminster Junction Business Center and the construction of three homes.

Livable Communities Demonstration Account Grants

Brooklyn Park - Village Creek

Development Grant award - \$346,150

Village Creek is a 134-acre redevelopment area that will include a creek and centralized park amenity to add recreational uses; a variety of owner-occupied townhome and condominium housing units; and replacement of existing vacant & marginal retail (487,000 sq./ft) & office buildings (100,000 sq./ft) with a reconfigured new market spine perpendicular to Brooklyn Boulevard to keep the area commercially viable and vital, and to enhance existing transit services. Funds will be used to help acquire the Village North Bowl site to provide needed acreage for the new storm water and side channel ponds for the Village Creek Redevelopment Area and for needed right-of-way for Zane Avenue improvements.

Farmington - Spruce Street Bridge Project

Development Grant award - \$955,000

This transportation corridor development will link Farmington downtown with a planned new commercial/retail and housing zone that could include up to 250 new jobs and 1,942 housing units at 14 units per acre. Farmington will use funding for a new bridge and extension of Spruce Street corridor infrastructure that will link the existing downtown to new development.

Lauderdale - Larpenteur at Eustis Street

Opportunity Grant award - \$20,000

Funds will be used to help create a master plan, along with implementation tools and design guidelines, for the future redevelopment of an area along Larpenteur Avenue. The city plans a vibrant center with affordable housing choices, open public spaces, small-scale commercial uses, and good transit and pedestrian connections.

Maplewood - Gladstone Neighborhood**Opportunity Grant award - \$8,000**

Funds will be used to develop a strategic plan and design standards for an aging neighborhood with a disjointed array of businesses. This work will build on recent redevelopment activity in the neighborhood and the creation of a new mixed-use zoning district.

Mendota Heights - Mendota Heights Town Center**Development Grant award - \$300,000**

Mendota Heights Town Center is a planned 23-acre pedestrian-friendly town center that will integrate housing, commercial and civic space. It will include a commercial main street with two-story mixed use office/retail buildings; three one-story commercial retail (88,000 sq. ft) buildings, 135 units of housing (two-story townhouse and condos and a 60-unit senior building) at 20 units per acre; a town square/gathering place; village green; trail linkages; interpretive markers; and landscape & wetland preservation. Grant funds will help create structured parking to serve the commercial development.

Minneapolis - Cedar Lake Midtown Revival**Development Grant award - \$200,000**

This project will redevelop an underutilized 2.29-acre area to include two 4-story mixed-use buildings on two blocks that are 2-3 blocks from the Lake Street LRT Station and across from Pioneer Cemetery. The project includes: 96 affordable rental housing units; 41,000 sq. ft of commercial space (13 retail uses); 96 underground & 76 surface parking spaces; and 150 new employment opportunities. Funding will go toward demolition of the existing buildings.

Minneapolis - Franklin-Portland Gateway - III**Development Grant award - \$246,150**

Funds are for Phase III of a revitalization project to create 250 new units of mostly affordable rental and homeownership housing and community-supportive mixed uses in a vacant area at Franklin and Portland Avenues. The project will include: 158 residential units of a variety of types and sizes (townhomes, condos, single-room-occupancy apartments); and 17,000 square feet of retail/office space at intersection corners. This grant will assist with construction.

Minneapolis - Karamu East**Opportunity Grant award - \$46,395**

Karamu East is the second phase of a four-block, mixed-use, mixed-income development in north Minneapolis. This grant will help fund a traffic study and parking plan, planned unit development and streetscape design, market study, housing feasibility plan and overall project design.

New Hope - City Center**Opportunity Grant award - \$55,500**

Funds will be used to help prepare a master plan and redevelopment strategy for a 32-acre area. The plan will address strategies to reduce the current level of retail and parking lots in the area, and devise a traditional downtown design that would add housing diversity.

Ramsey - Ramsey Town Center**Development Grant award - \$2,210,000**

Ramsey plans a greenfield development that will result in a 322-acre transit-oriented, mixed-use neighborhood. The project is projected to include: 2400 units of lifecycle housing at an overall density of 15 units/acre, 420 of which will be affordable units; a 775,000 sq. ft town center with commercial development; and 35 acres of parkland. Development is expected to add 2100 new jobs in Ramsey. Parking for the town center core will include 3900 spaces in 4 structures, including a park/ride for possible commuter rail and bus services, as well as space for town center residents and patrons. Funds will be used for a 4-level, 500 space parking structure.

Richfield - City Bella Plaza**Development Grant award - \$500,000**

City Bella, a mixed-use development in the southwest quadrant of 66th Street and Lyndale Avenue, makes connections between retail, housing, community and natural spaces within this development and to other corners of the “Lakes at Lyndale”; provides extensive green space and a community-gathering place on top of an underground parking structure; and provides new housing choices with a wide range of prices, including affordable units. City Bella implements the next step of the city’s Lakes at Lyndale Master Plan. The funds will complete a community plaza and park connected to Wood Lake Nature Center.

Rosemount - Rosemount Downtown**Opportunity Grant award - \$50,000**

Funds will be used to develop design standards, conduct a market study, and for other predevelopment activities, including facilitating a citizen’s advisory committee. The city’s goal is to revitalize its downtown area for businesses, shopping and housing, including improving the physical environment to promote economic success and increase civic identity and pride.

St. Paul – District del Sol**Development Grant award- \$1,250,000**

District del Sol, the historic commercial hub for St. Paul’s West Side, is the focus of public and private redevelopment and reinvestment activities that are part of efforts to implement a master plan for the area. Funding will help provide infrastructure for the area’s redevelopment by adding transit, pedestrian and bike improvements along Concord and Wabasha Streets, designed to improve pedestrian safety, increase transit ridership, and provide a link to the regional bike trail from the Mississippi River riverfront to South St. Paul.

St. Paul - Koch/Mobil

Development Grant award - \$900,000

This project plans to transform a vacant petroleum industrial site along the Mississippi River to a new urban village with 1,043 housing units and 15,500 square feet of retail on 65 acres. Plans include direct bike, trail and transit access to parkland along the Mississippi River. Grant funds will be used for site grading and utilities.

St. Paul - Midtown University Village

Development Grant award - \$550,000

Funds will help redevelop a two-block parcel in St. Paul with underused warehouse/office space, formerly housing Johnson Brothers Liquor Distribution. The site is on the north side of University Ave. between Hamden & Carlton Avenues, near existing high-frequency bus service, and adjacent to a proposed Raymond/Carleton LRT Station. The project involves creating 291 new housing units through rehabilitation of three 100-year-old historic brick buildings into lofts, and construction of two new residential buildings with ground floor retail and courtyard/atriums between buildings; softening of the street edge; adding green space, pedestrian-friendly areas, a tot lot play area, and 262 underground parking spaces; and improving access to existing bus service and the potential LRT station located near Carleton. Funds will be used for demolition and underground parking.

St. Paul - Union Brass/Smurfit Housing Development

Opportunity Grant award - \$62,000

Funds will be used to prepare a master plan, market study and conduct appraisals for a nine-acre site in the North End neighborhood of St. Paul, currently home to two industrial users and a dozen single-family homes. The city will hire an architectural firm to draw two or three development scenarios for the site with potential for mixed housing and commercial uses.

White Bear Lake – Lake Village Mixed-Use Redevelopment

Opportunity Grant award - \$55,000

The funds will be used for design development and a financial feasibility assessment of a proposed redevelopment on the west shore of White Bear Lake. The master plan includes new streetscapes, a lakeside promenade, a new park, ground-floor stores, and over 200 units of a variety of housing.

Local Housing Incentive Account Grants

Apple Valley - Lebanon Valley Place

Grant award - \$150,000

Grant funds will provide gap financing to assist with construction of a 36-unit, 4-story elevator building at 153rd and Founders Lane. The development will include units reserved for disabled individuals or individuals with mental illness, many of whom will be low wage workers. Other

units will be affordable to other low wage, local workforce participants. All 36 one-bedroom units will be affordable to very low-income individuals, with nine of the units using Project Based Section 8 Rent Assistance to ensure affordability.

Chaska - Chaska Community Land Trust-II

Grant award - \$150,000

Provide funds to purchase land for 8 single-family homes in the Clover Ridge Development. The homes will be constructed on a scattered-site basis using a variety of housing styles, some with front porches, and all with detached garages. These homes will be sold to households with incomes at or below 50 percent of area median income. Assistance to the buyers will be in the form of a grant with the properties remaining permanently affordable to lower income households because of restrictions in a 99-year ground lease through which the land trust continues to own the land.

Columbia Heights - Columbia Heights-Greater Metropolitan Housing Corporation

Grant award - \$95,000

Develop 6 new homes and acquire/rehab 7 existing homes in the city's Housing Redevelopment Tax Increment Financing District. The funds will be used to address the gap between the market value of the home and the cost to develop it. The city will enlist the Greater Metropolitan Housing Corporation as its agent to develop three city-owned and cleaned lots as new homes, and to acquire and rehabilitate for sale or demolition for new development 10 existing properties. All of the units will be targeted to households between 80 percent and 115 percent of median income. This program is part of an ongoing effort in Columbia Heights to improve its housing stock.

Falcon Heights - Falcon Heights Town Square

Grant award - \$150,000

Funding will provide value gap financing to assist in developing 14 new ownership townhomes in the city's Town Square project, which will also include a 119-unit rental building and a 56-unit senior rental housing building being constructed as part of a transit-oriented, mixed-use residential and commercial redevelopment on 4.5 acres. The value gap assistance will help offset the costs of acquisition, demolition and asbestos abatement, allowing the units to be affordable to households at no more than 115 percent of area median income. The site has excellent access to major bus routes, employment, services and recreational opportunities. A transit shelter will be included in the rental housing portion of the project.

Minneapolis - Heritage Park - III

Grant award - \$200,000

This funding request is for the third phase of what will be a 900-unit, new, mixed-income development on Minneapolis' near north side. It will involve 98 rental units to be developed at nearly 18 units per acre. Eighteen of these units will be public housing units that may serve households with incomes at or below 30 percent of median income; 38 units will be affordable to households at or below 50 percent of median income; and 41 units will have market rate rents. Located less than one mile from downtown, the 140-acre Heritage Park development is close to

over 150,000 jobs and many services and amenities accessible by foot, bus, bike or auto. It includes a mix of housing types and costs, and will provide a green space network that makes it an attractive place to live.

Minnetonka - West Hennepin Affordable Housing Land Trust

Grant award - \$150,000

Funds will be used for gap financing to help acquire and rehabilitate for resale up to 10 existing single-family homes. The land trust will purchase and do minor rehab on homes, then sell them to households with incomes between 50 and 80 percent of area median income. The Land Trust will own the land on which the homes are located providing the ability to keep constant the land portion of the properties' value if resale to a second buyer occurs.

Oakdale - Two Rivers Community Land Trust

Grant award - \$42,000

Funds will close the affordability gap for the construction of three single-family homes on the site of a former city fire station. Homes will be sold to households with incomes up to 60 percent of area median income. Because the land trust will retain ownership of the land on which homes are located, future affordability will be retained.

Richfield – Lyndale Gateway/Kensington Park

Grant award - \$150,000

Funding will facilitate the inclusion of 19 affordable units in this 95-condominium-unit, 14-townhome redevelopment. Nine units will be sold to households at 60 to 80 percent of area median income, and 15 units will be targeted to households at or below 115 percent of median income. This 3.5-acre redevelopment is a major revitalization effort of the city. There is currently a large demand for this type of housing serving both first-time buyers and empty nesters. The addition of the Best Buy world headquarters also boosts the demand for housing in the area.

St. Paul - St. Paul Housing Production

Grant award - \$150,000

Grant funds will provide value gap assistance that will help develop up to 30 new home ownership opportunities in the city. The units will be either new construction or substantially rehabilitated for-sale units. One third of the units will be sold to households with incomes at or below 50 percent of area median income and the remaining units will be for households with incomes up to 80 percent of median income.

Vadnais Heights - Talmadge Pointe Apartments

Grant award - \$165,000

Talmadge Pointe Apartments will be a 100-unit, 3-story elevator building constructed at County Road E and Talmadge Avenue. The development has a funding gap because it includes 60 two- and three-bedroom units that will be affordable to households at no more than 50 percent of area median income. The remaining 40 two-bedroom units will rent at market rates without regard to the tenants' incomes. The housing will be built at nearly 14 units per acre and will include 105 underground parking stalls. It will be located close to retail services and schools, as well as possible Metro Transit service.

Effectiveness in Meeting Council Policies and Goals

Projects funded through the **Tax Base Revitalization Account** will foster increased reinvestment and infill, and help protect natural resources in the region's older communities. During 2003, the TBRA awarded grants to help with cleanup and reuse of a total of 100 acres of brownfields in the cities of Brooklyn Park, Champlin, Columbia Heights, Falcon Heights, Hopkins, Minneapolis, Robbinsdale, St. Anthony, St. Louis Park, and St. Paul. These economic development projects are expected to create 1576 new or retained jobs paying an average hourly wage of \$12.56. A \$2.8 million increase in net tax capacity is anticipated from these cleanup projects, and they involve more than \$170 million in private investment.

Livable Communities Demonstration Account (LCDA) funds support regional growth strategies promoting development and redevelopment that make better use of urban lands, improve jobs-housing-transportation connections, and expand affordable and lifecycle housing choices in the region. LCDA funds encourage land use patterns that link public infrastructure with housing, jobs and services to meet community-identified needs. Funded projects offer replicable examples of how land and services can be used more efficiently. As other communities see the success of completed projects, interest in the fund as a source for community development efforts throughout the region has increased annually. LCDA funds are being used to revitalize older communities and to establish new neighborhoods in developing communities. Projects serve as destinations for daily activities, such as work, errands, shopping and entertainment. Funded project elements have included land acquisition, street infrastructure, pedestrian connections and structured parking to support additional density.

Over 96 percent of LCDA 2003 grant dollars went to support project construction—for example, new street infrastructure construction, pedestrian connections, structured parking, and reclaimed or newly created green spaces. Funding is a catalyst that enables developers to implement new development ideas that expand the options available in the market in many communities.

A smaller amount of LCDA funds—about 4 percent in 2003—went to cities to help with projects that are in the predevelopment phase and show the potential to become development projects. Over the years, these smaller opportunity grants have ranged from \$10,000 to \$150,000 and require a 1:1 match. Opportunity grants are now capped at \$75,000 per proposal. The Council's Opportunity Grants support local efforts to shape projects in the early stages and successfully move those projects to development. Opportunity grant funds may be used to help pay costs of preparing master plans or detailed redevelopment plans; market studies; design and development standards; and zoning and land use implementation tools such as overlay zones.

Local Housing Incentives Account grants are helping produce new and rehabilitated affordable rental and homeownership housing in forty-six communities in the region, promoting the Council's policy to expand and preserve lifecycle and affordable housing options to meet changing demographic trends and market preferences, and support the region's economic competitiveness. During 2003, 10 communities received funds. Funded projects include 234 new rental units and 187 ownership units, both new and rehabilitated for resale. Of the rental units, 47 will be affordable to households with incomes at or below 30 percent of area median income (\$23,010 for a family of four); 105 will be affordable to households at or below 50 percent of area median income (\$38,350 for a family of four); and 82 units will be rented at market rates with no rent restrictions.

For the ownership units, LHIA funds will assist with 97 units, 18 of which will be affordable at 50 percent of area median income; 6 of which will be affordable to households at 60 percent of area median income (\$46,020 for a family of four); 38 of which will be affordable at up to 80 percent of area median income (\$61,360 for a family of four); and 35 of which will be affordable at up to 115 percent of area median income (\$88,205 for a family of four).

Legislative Recommendations

The Livable Communities Act has demonstrated how successful incentive-based programs can be. Each of the three grant accounts established by the legislation receives more requests for funding than can be met using available resources. The high number of applications to LCA programs is an indicator of unmet need, as communities use LCA grants to establish projects that will serve as the foundations on which additional ideas and projects can build.

Maintain Funding for LCA Accounts

The high level of participation in LCA programs by the region's communities is a testimony to the value of LCA as a tool to support local initiatives. Cities throughout the region are united in their praise of what has already been accomplished and eager to apply for funding to implement more planned projects. However, this strong interest in LCA participation must be considered within the context of the state's current budget concerns. Although an increase in funding for the very successful programs supported by the Livable Communities Fund would enable more communities to provide the quality and range of lifecycle choices their residents are requesting, given the challenging economic times, the Council recommends maintaining LCA funding at its current levels. The following information documents the importance of continuing to make LCA funds available to meet the diverse needs of communities throughout the region.

Tax Base Revitalization Account

Demand for Tax Base Revitalization Account funding in 2003 was \$8.9 million. Only \$5.1 million was available and awarded, leaving \$3.8 million in unfunded need.

Livable Communities Demonstration Account

The demand has been greatest in the Livable Communities Demonstration Account program. The total amount of LCDA funding requested totaled more than \$39 million in 2003, compared to \$7.754 million available and awarded.

Local Housing Incentives Account

The total for LHIA funding requests is substantial also. Applications for gap financing to the Metropolitan Housing Implementation Group (MHIG) totaled \$82.8 million. All the MHIG funding partners together were able to fund \$20.6 million (including \$1.4 million from LHIA funds). The total amount of unfunded requests was \$62.2 million. The approximately \$1.5 million per year available through the LHIA is a small, but important, contribution to affordable housing solutions.

Change the LCA Affordable and Lifecycle Housing Opportunities Amount (ALHOA) Formula

One of the eligibility requirements cities must meet in order to compete for LCA funding is to make a minimum annual contribution or expenditure on affordable housing activities—the Affordable and Lifecycle Housing Opportunities Amount (ALHOA).

A community's ALHOA is determined by a formula provided in the law. The formula is based on the growth of the market value of housing in that community since 1995. In order to continue as a participant in Livable Communities and remain eligible for LCA funding, each community must meet its ALHOA requirement annually by spending local dollars to assist affordable housing development, rehabilitation, or preservation. A tax levy in a community to support a local or county Housing and Redevelopment Authority (HRA) is also counted towards meeting the ALHOA, as are dollars, such as Community Development Block Grants, from another level of government that, although they could be spent on non-housing related activities, are used to further affordable housing efforts.

Residential market values in the region have risen dramatically since the Livable Communities Act was passed in 1995. The cumulative ALHOA figure for the metropolitan area in 1996 was \$531,000. By 1999, the ALHOA had grown to \$2.2 million. By 2003, the metropolitan area total had grown to \$16 million. Many cities are finding it increasingly difficult to comply with the ALHOA. Rapidly rising new residential values, upon which the current ALHOA numbers are based, are jeopardizing the ability of many cities, particularly those without an HRA, to continue as LCA participants.

The Metropolitan Council, working collaboratively with the Association of Metropolitan Municipalities—a strong supporter of Livable Communities programs—is seeking a revision to the LCA statute during the 2004 legislative session. The Council is proposing that the formula for calculating the ALHOA be changed so that the total cumulative ALHOA for the metropolitan area will not exceed the amount of the total property tax levy for the Livable Communities Demonstration Account. The ALHOA requirement for each community would be equal to their pro-rata share of this levy amount. The requested change would make the threshold amount for participation in the Livable Communities program more stable and attainable for communities in the region, continuing their eligibility to compete for the funds the LCA provides.

Appendix A

Examples of Funded Projects

The following pages provide several examples of on-the-ground projects assisted by LCA funding. Each page provides a brief project summary, but it is the photographs that convey most effectively the difference Livable Communities programs can make.

Milwaukee Depot, Minneapolis



Community's Goal:

Clean up a long-neglected, historically significant location in downtown Minneapolis and return it to productive use. The Milwaukee Depot Complex was built in 1897 and its buildings are on the National Register of Historic Places. The Milwaukee Depot is part of a 17-acre site that has benefited from a series of cleanup grants awarded for various portions of this large property.

Use of LCA Funds: Clean up asbestos, fuel oil

contamination, construction debris, coal fly ash, polynuclear aromatic hydrocarbons, diesel range organics, volatile organic hydrocarbons, and metals.



Grants: Six Tax Base Revitalization Account awards totaling \$2,109,837

Results: Redevelopment uses include office space, condominiums, an indoor skating rink, and parking. Redevelopment of the Milwaukee Depot, alone, produced 152 jobs and assessed market value of \$29,400,000.

France Avenue Business Park and Joslyn Manufacturing, Brooklyn Center



Community's Goal:

Redevelop a former wood pole treating facility into a business park that will serve as a gateway to the city.

Use of LCA Funds:

Remediate soil contaminated with creosote, pentachlorophenol, copper chromatic arsenic (used for wood pole treating), and fuel oil. Removal of asbestos.

Grants: Three Tax Base Revitalization Account awards totaling \$708,967, two of which were used to match DEED-awarded funds

Results: The site offers office and industrial space including a Wickes Distribution Center and other commercial buildings. Redevelopment increased net tax capacity by \$160,000 and produced 80 new jobs.



Maple Island Creamery, Stillwater



Community's Goal:
Redevelop a factory on Stillwater's Main Street that has been closed since 1995 into a location for retail and commercial services within walking distance of downtown residents.

Use of LCA Funds: Assist with the removal of asbestos contamination.

Grants: Two Tax Base Revitalization Account awards totaling \$449,128

Results: Redevelopment produced 74 jobs and increased net tax capacity by \$84,300.



West Railroad Property, Loretto



Community's Goal:

Prepare this property on the southern edge of the town center to be redeveloped into office and retail space, a park/plaza amenity and associated off-street parking.



Use of LCA Funds: Match a DEED grant, assisting with the cleanup of soils contaminated with petroleum-related chemicals.

Grant: A Tax Base Revitalization Account award of \$112,005



Results: Completion of this TBRA project was an important element of redevelopment efforts for this area of the city. A new building on the railroad property will house commercial business. Updated tax base and jobs information is expected in 2004.

Midwest Motor, Roseville

Community's Goal: Replace a deteriorating and obsolete motor freight terminal with a new building providing space for offices, showrooms, warehouse and/or light industrial uses in keeping with the city's redevelopment plans.



Use of LCA Funds: Assist with cleanup of asbestos from a building demolished on the site and with remediation of soils contaminated with petroleum, metals and hazardous wastes associated with previous trucking operations on the site. (No "before" picture is available.)

Grant: A Tax Base Revitalization Account award of \$218,604

Results: 105,000 square feet of office space is leased to a number of tenants employing over 300 people.



Williams Hill, St. Paul



Community's Goal:

Redevelop the 31-acre Williams Hill as the western gateway to the Phalen Corridor. A public-private partnership is promoting development along the corridor with programs including customized job training, apprenticeship programs, a business retention/attraction task force, and a long-range funding task force.

Use of LCA Funds: TBRA funds matched DEED funds and were used to remediate soil contaminants, including metals, petroleum-related chemicals and polychlorinated biphenyls.

Grants: Three Tax Base

Revitalization Account awards totaling \$1,291,651 used as match for DEED-awarded funds

Results: An attractive office park has been redeveloped on the site. Several businesses are already established, with over 450 jobs in place.



Clover Ridge, Chaska



Community's Goal:
Develop a 255-acre farmland site into a neighborhood offering a mix of housing built around a neighborhood center that includes a school, park, community center and park-and-ride lot.

Use of LCA Funds:
LCDA dollars will

help build the community center—a neighborhood asset the market would not have provided—adding significantly to the value of the neighborhood for its residents. LHIA money was used to fund eight housing units in the development through the city's community land trust.



Grants: A Livable Communities Demonstration Account award of \$750,000 and a Local Housing Incentives Account award of \$150,000

Results: To date, about 200 of Clover Ridge's expected 1000 housing units have been built on 255 acres—a gross density of 4 units per acre. Modular construction on small lots reduced construction costs and made possible a greater range of affordable housing. Residents can walk to the school or park, rather than driving or taking the school bus. Having the park-and-ride at the community center enables the bus to come to riders, rather than riders having to go to the bus.



Heart of the City, Burnsville



Community's Goal: Create a new 40-acre town center along Nicollet Avenue that will contain several housing and mixed-use developments.

Use of LCA Funds: LCDA funds helped acquire the land for a city park. This investment served to let the development community know this location was a good place for private investment. LCDA dollars also provided funds to install new streets in this part of the development and create new blocks for housing, which helped attract investment. The LHIA grants helped fund thirty-four affordable rental townhouses built by the Dakota County Community Development Agency.

Grants: Two Livable Communities Demonstration Account awards totaling \$4.1 million and two Local Housing Incentives Account awards totaling \$400,000



Results: Grande Market Place, the first major building, is nearly completed and will include 113 rental apartments and 15,000 sq. ft of retail uses. Grande Market Place is adjacent to a new one-block Nicollet Commons city park that will be used

year-round for community and arts activities. The city plans an arts facility adjacent to the park that will hold outdoor park events. The park will be dedicated in June 2004. Additional development in process includes a parking ramp to serve Heart of the City and the nearby Minnesota Valley Transit station, the Uptown Landings Condominiums (three 37-unit buildings), and Villa de Coeur, consisting of 80 market-rate condominiums.

North Quadrant (also known as Wacouta Commons and Sibley Park), St. Paul



Community's Goal: Replace 15 blocks of surface parking lots with new housing units that will help the city meet its goal to locate several thousand additional housing units in the city by 2005. Use public investments to attract private investment to an area that developers may otherwise have concluded was not a place people would want to live.

Use of LCA Funds: LCDA contributed funds for the first-phase development of the park; and later for the second phase park improvements. LCDA also provided funds to realign a street to make the block more usable for housing development. Inclusionary Housing funds were used both to provide needed affordable units and to increase market-rate housing opportunities in downtown St. Paul.

Grants: Two Livable Communities Demonstration Account awards totaling \$1,610,000 and an Inclusionary Housing award of \$950,000 (\$500,000 rental, \$450,000 ownership)



Results: There are 310 new mixed-income rental and homeownership housing units and street-level commercial space organized around a new park. The park created a central feature for the neighborhood and made housing marketable in this location. By the end of 2004 or early 2005, North Quadrant will be home to an estimated 677 new housing units, well on the way to the city's goal of 800 – 1,000 units.

East Village (also known as Augustana Village), Minneapolis



Community's Goal: Replace several dilapidated rental homes, old and abandoned commercial buildings, and deteriorated surface parking lots with a mix of affordable and market-rate rental apartments and townhomes, and neighborhood-scale businesses.

Use of LCA Funds: The LCDA grant helped to construct the pedestrian greenway and retaining walls, provide landscaping, and develop the boulevard along 8th street. The Inclusionary Housing grant helped fund the remaining financing gap in order to provide affordable housing units.

Grants: A Livable Communities Demonstration Account award of \$550,000 and an Inclusionary Housing award of \$500,000



Results: The award-winning development now includes 180 affordable and market-rate rental apartments and townhomes, a Dunn Bros. Coffee shop, a small grocery/deli, and a restaurant. Buildings are grouped around a community green with a walkway that provides a sense of ownership as well as green space. Underground parking enables the large number of housing

units on the site. Two public buildings adjacent to the site have remained and are connected via the greenway through the new development to Elliot Park across the street. East Village is a good example of how well-designed higher density housing can be an asset in neighborhoods.

Guardian Angels, Hastings



Community's Goal: Preserve and reuse a church, rectory and three-story school building in downtown Hastings by using the one-block site as the location for affordable housing and family services close to downtown jobs.

Use of LCA Funds: The LCDA grant was used to help with acquisition and renovation of the preschool/day care and community center and to assist with street repair. TBRA funds were used to clean up asbestos contamination in the church, rectory and school buildings prior to remodeling.

Grants: A Livable Communities Demonstration Account award of \$500,000 and a Tax Base Revitalization Account award of \$58,350.



Results: Ten new rental townhomes have been built on a vacant site adjacent to a remodeled former church/rectory/school. The renovated buildings now include 20 apartments, a community center with daycare, and domestic abuse shelter. Twenty-six of the 30 total units are affordable at 50% of the area median income.

Mendota Heights Town Center, Mendota Heights



Community's Goal: Use a 23-acre site in Mendota Heights to create a town center that integrates housing, commercial and civic space.

Use of LCA Funds: LCDA funds contributed to funding the structured parking, which allows commercial uses and housing to be within walking distance, and maximizes open space. The LHIA funds were used to assist with construction of a 24-unit family townhome development close to schools, transportation access and services, and within walking distance of a transit stop for several bus routes.

Grants: Two Livable Communities Demonstration Account awards totaling \$1,173,400 and a Local Housing Incentives Account award of \$200,000



Results: Plans call for a commercial main street with two-story, mixed-use buildings, a town square and underground parking. Sixty senior apartments are completed and linked to existing neighborhoods by new and existing trails. Interpretive markers are in place, uncovering the history of the site. Native landscaping and wetlands have been added. New streets are installed, and other construction, including 75 for-sale condominiums has begun.

Falcon Heights Town Square, Falcon Heights



Community's Goal: Replace an aging, deteriorated strip mall at a major city intersection with housing and commercial space.

Use of LCA Funds: LCDA funding went primarily for land acquisition, and also provided for some site, street and pedestrian improvements, and the site-integrated transit shelter. LHIA funds assisted with construction of 120 units of affordable rental housing and provided value gap financing to assist in developing 14

new ownership townhomes. TBRA funds were used for asbestos and lead paint removal from buildings prior to their demolition to make way for redevelopment.

Grants: A Livable Communities Demonstration Account award of \$1,000,000; two Local Housing Incentives Account awards totaling \$450,000; and a Tax Base Revitalization Account award of \$74,773



Results: Part of the old shopping center has been demolished, and housing is under construction. Buildings are oriented to the street for pedestrian access and convenience to transit. Housing will include 120 multifamily units in one building with 10,000 sq. ft of retail, along with 56 senior rental apartments, and 17 ownership townhomes. A transit shelter integrated into the housing structure will provide protection from weather for people waiting for the bus.

Kensington Park/Lyndale Gateway, Richfield



Community's Goal: Redevelop 3.5 acres of underused and blighted conditions into a new, mixed-use commercial/residential project.

Use of LCA Funds: LCDA funds were used to assist in the acquisition of land and assembly of the site, with LHIA funds used for the construction of housing units.

Grants: A Local Housing Incentives Account award of \$150,000 and a Livable Communities Demonstration Account award of \$500,000



Results: A \$32 million mixed-use development that will include a 95 unit condominium building with first floor commercial and 14 adjacent townhomes. Three of the units will be affordable to households at or below 60-percent of median income, and eight will be affordable at or below 80-percent of median income.

Stone Creek Village, Plymouth



Community's Goal: Develop new, mixed-income rental housing to serve the rapidly growing job base of this and neighboring communities.

Grant: A Local Housing Incentives Account award of \$200,000



Results: Construction of a new \$17 million, 140-unit mixed-income apartment complex with two- and three-bedroom units. Thirty-two of the units will be affordable to families at or below 50 percent of median income, with 17 of these units, including some "Hollman" public housing units, affordable to families at or below 30 percent of median income. The site has excellent access to jobs and services, and is a quarter mile from the Plymouth park-and-ride facility.

Tamarack Village Homes/Pondview, Woodbury



Community's Goal: Create new affordable housing opportunities, both ownership and rental, on city-owned land adjacent to major retail complex.

Grants: Two Local Housing Incentives Account awards totaling \$300,000



Results: New construction of 48 two-, three- and four-bedroom townhouses. Forty are rental units—35 affordable to families at or below 50 percent of median income and five at market rate rents, and eight are ownership units to be made affordable to families at no more than 60 percent of median income through the community land trust ownership model. The development is adjacent to jobs, shopping and services, and is within walking distance of a transit park-and-ride facility.

Maple Pond Homes, Maplewood



Community's Goal:
Preserve affordable rental housing.

Grant: A Local Housing Incentives Account award of \$100,000



Results: A 1970s-era federally assisted Section 236 building with 168 one-, two- and three-bedroom units for families and seniors was acquired by new owners and rehabilitated with affordability of the units preserved.

Chaska Brickyard Redevelopment, Chaska



Community's Goal: Redevelop a large underused downtown site with a mixed-use office/retail/residential building (pictured), commercial and market-rate housing.

Use of LCA Funds: LCDA funds were used for street improvements, landscaping, demolition and the creation of public features. TBRA funds were used for soil remediation on property that had been used for a dry cleaner, gas station and auto repair facility.

Grants: An Inclusionary Housing Account award of \$450,000 (project pictured)

Other phases of this redevelopment received a Livable Communities Demonstration Account award of \$344,100, and a Tax Base Revitalization Account award of \$77,909



Results: Construction of a three-story building with office and retail on the first floor, and 32 units of mixed-income rental housing on the top two floors. The rental units, designed for the city's growing work force, consist of efficiency and one-bedroom units, 11 of which are affordable to households at or below 50 percent of median income. The office space is occupied by the Carver County HRA.



North Pointe Townhomes, Blaine



Community's Goal:
Develop a small site adjacent to a shopping and service area into affordable, family work force housing units.

Grants: An Inclusionary Housing Account award of \$300,000



Results: Construction of an 18-unit rental townhome development with affordable and market-rate rental units—two, three and four-bedrooms. Ten of the units are affordable to families at or below 50 percent of median income; four are affordable to incomes at or below 30 percent of median income.

Evergreen Heights Townhomes Phases I & II, Shakopee



Community's Goal: Develop a city-owned site as new affordable, work force housing as a part of a larger mixed-use, residential commercial and industrial development.

Grants: Two Local Housing Incentives Account awards totaling \$220,000



Results: A two-phased 28- and 24-unit rental townhome development in 11 buildings, consisting of two-, three- and four-bedroom units.

Fourteen of the units are affordable to families at or below 30 percent of median income. The large multiple use development includes an adjacent day care facility to serve working parents.

West St. Paul Quality Housing, West St. Paul

Community's Goal: Use Dakota County Community Development Agency (CDA) assistance to accomplish a portion of the city's residential redevelopment objectives.



Grant: A Local Housing Incentives Account award of \$75,000

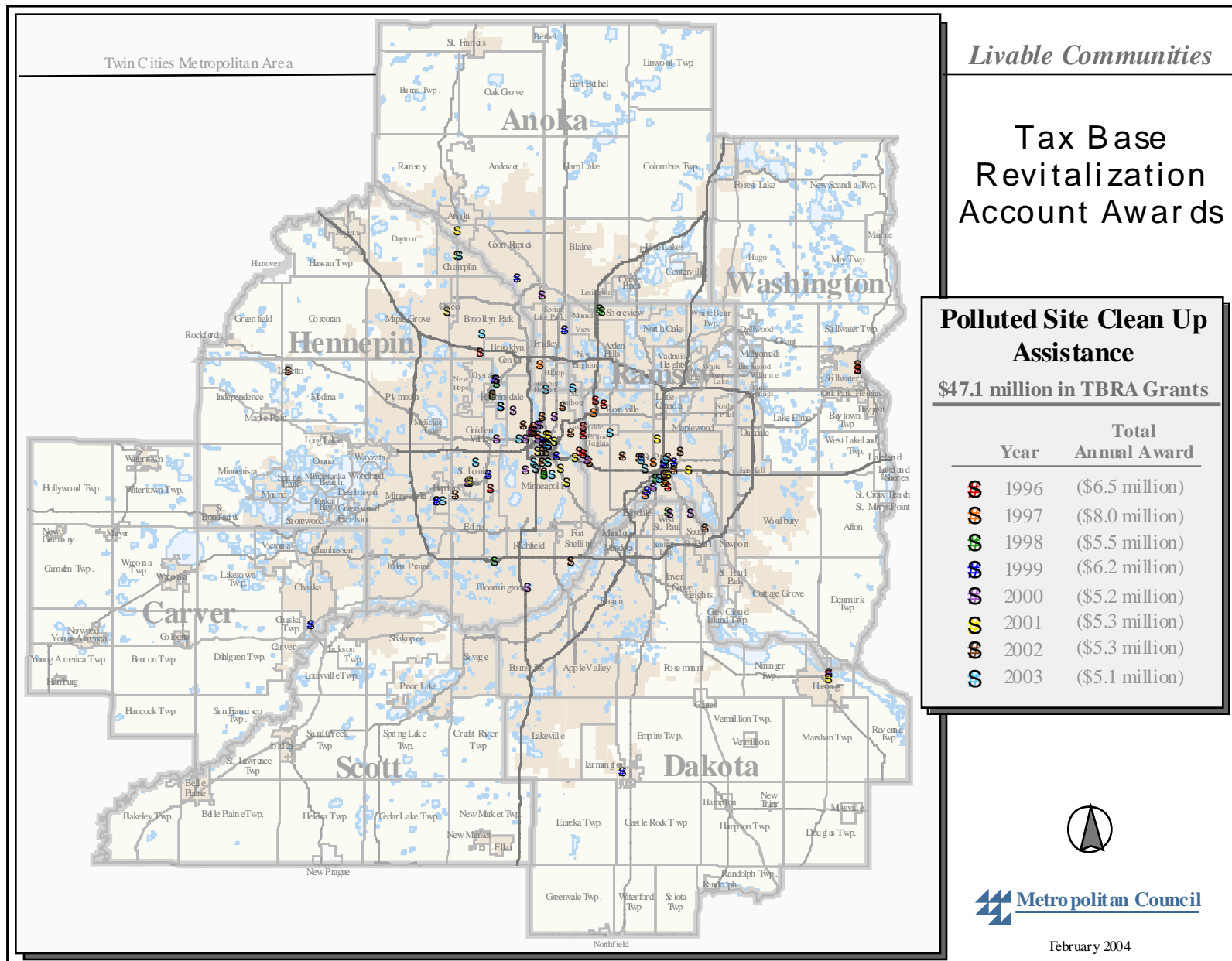


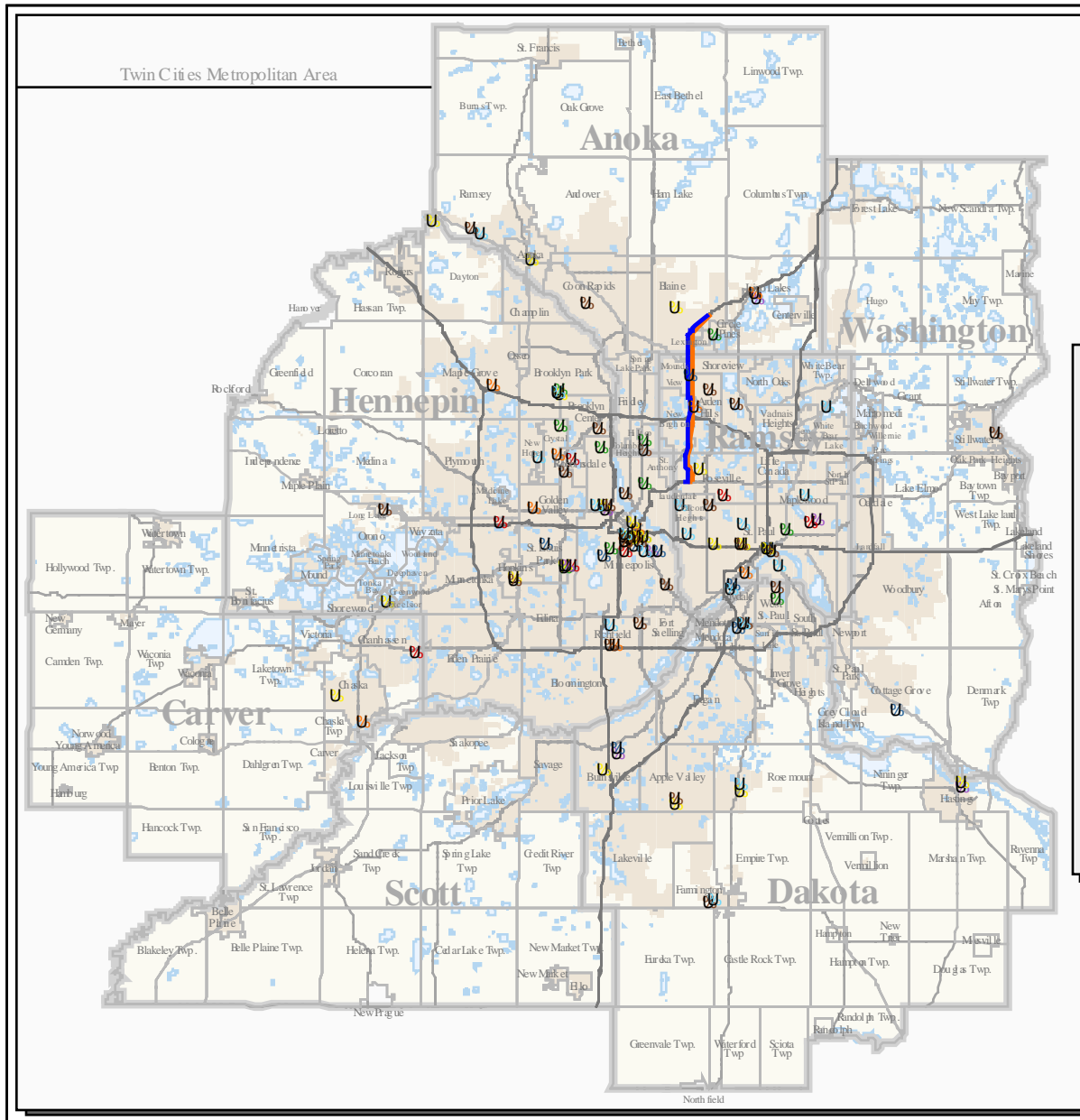
Results: While the CDA had originally proposed the clearance and reuse of five substandard, vacant properties for new, market-rate ownership housing units for families with incomes not to exceed 115 percent of median income, the grant award actually resulted in assistance for 14 new homes.



Appendix B

Maps of LCA Funded Projects













Livable Communities

Demonstration Account Awards

Community Development Assistance

\$49.8 million in LCDA Grants

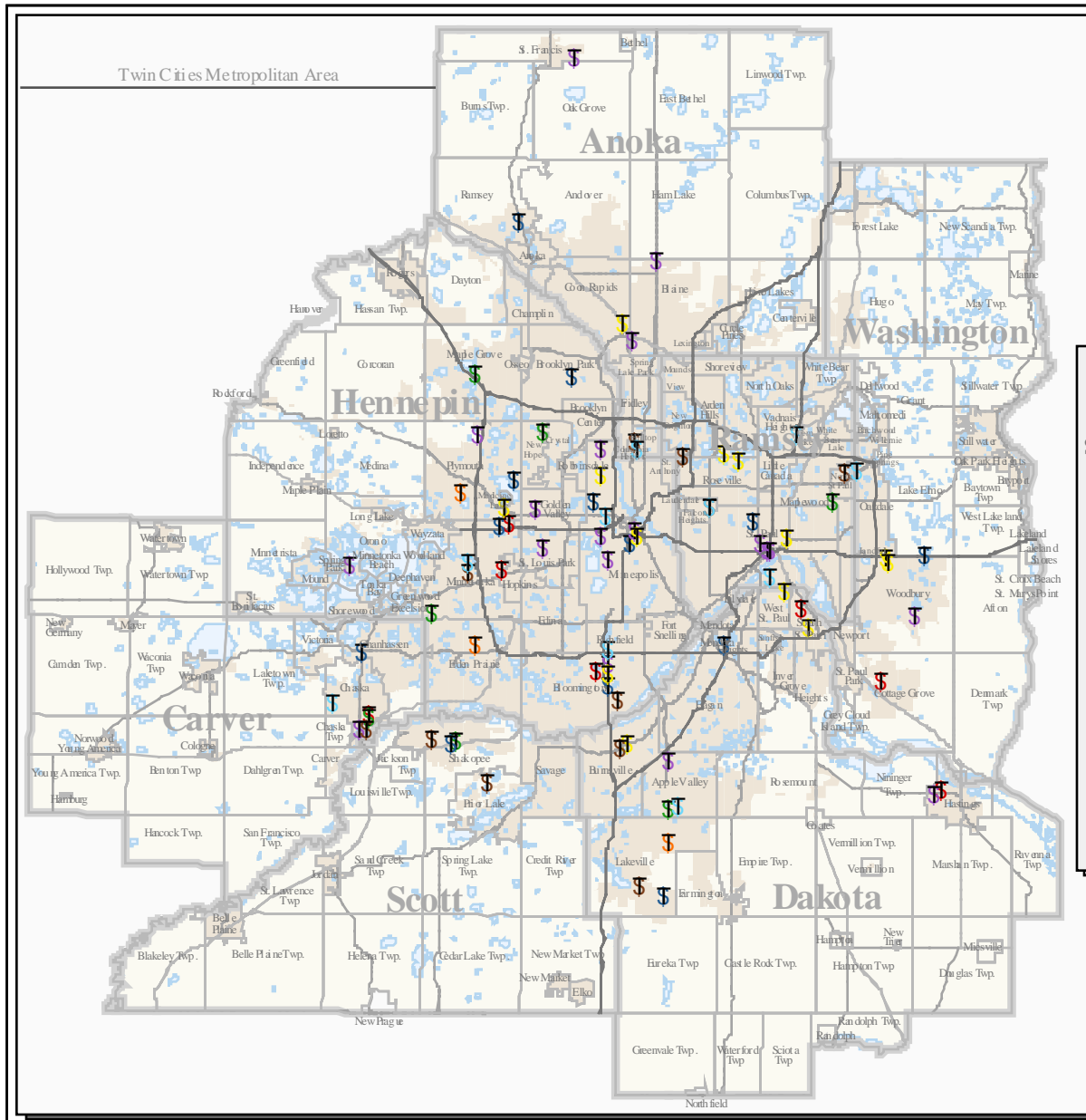
	Year	Total Annual Award
	1996	(\$4.6 million)
	1997	(\$4.0 million)
	1998	(\$5.0 million)
	1999	(\$5.8 million)
	2000	(\$6.9 million)
	2001	(\$7.0 million)
	2002	(\$8.8 million)
	2003	(\$7.8 million)*

* Includes \$1.25 million of 2003 funding awarded in February 2004



Metropolitan Council

February 2004



Livable Communities

Local Housing Incentives Account Awards

Affordable Housing Assistance

\$15.5 million in LHIA * Grants

Year	Total Annual Award
1996	(\$.9 million)
1997	(\$.6 million)
1998	(\$1.2 million)
1999	(\$1.9 million)
2000	(\$5.8 million)*
2001	(\$1.9 million)
2002	(\$1.7 million)
2003	(\$1.4 million)

* Amount includes \$4.2 million in Inclusionary Housing Grants



February 2004

APPENDIX C

Livable Communities Fund Financial Status

Metropolitan Livable Communities Fund											
Revenue and Awards											
January 1, 1996 - December 31, 2003											
			TBRA		LCDA		LHIA		IHA		Total
REVENUE											
	Appropriation							4,000,000			4,000,000
	Taxes		43,665,633		47,982,511		7,286				91,655,430
	Interest		2,447,172		4,418,108		354,940		523,083		7,743,302
	Transfers				-2,314,351		10,500,000				8,185,649
		Total Revenue	46,112,805		50,086,268		10,862,226		4,523,083		111,584,381
AWARDS											
	FY 1996 Grants		6,500,000		4,574,500		875,000				11,949,500
	FY 1997 Grants		8,005,091		3,980,350		625,000				12,610,441
	FY 1998 Grants		5,461,765		4,950,000		1,200,000				11,611,765
	FY 1999 Grants		6,184,048		5,817,317		1,935,000		348,054		14,284,419
	FY 2000 Grants		5,208,802		7,900,000		1,600,000		4,199,000		18,907,802
	FY 2001 Grants		5,300,000		6,000,000		1,900,000				13,200,000
	FY 2002 Grants		5,300,000		8,775,000		1,725,000				15,800,000
	FY 2003 Grants		5,100,000		7,754,195		1,402,000				14,256,195
	Unexpended balances from closed grants		-1,610,114		-150,000		-407,108		-348,054		-2,515,276
		Net Total Awards (1)	45,449,592		49,601,362		10,854,892		4,199,000		110,254,846
Uncommitted Balance (2)			663,213		484,906		7,334		324,083		1,329,535
Disbursements			36,793,117		29,821,496		9,001,070		3,824,000		79,439,683
"Cash" Balance (2)			9,319,688		20,264,772		1,861,156		699,083		32,144,698
(1) Net Total Awards = Total Awards – Unexpended balances from closed grants											
(2) Uncommitted Balance = Total Revenue – Net Total Awards											
(3) Cash Balance = Total Revenue - Disbursements											

**Tax Base Revitalization Account
Awards and Disbursements
1-1-96 to 12-31-03**

Funding Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
96A	Roseville - Midwest Motor	218,604		133,410	(85,194)	0
96A	Roseville - Ideal Security Hardware	373,000		309,858	(63,142)	0
96A	Minneapolis - Lewis Nut and Bolt Site	837,980		837,979	(1)	0
96A	Lauderdale – Lightning Transient Research Institute (LTRI) Site	658,450		437,184	(221,266)	0
96A	Lauderdale - Bolger Publications, Inc.	256,000		256,000		0
96A	Hastings - Tyler Street Apartments	85,121		67,351	(17,770)	0
96A	Minneapolis - Union Scrap Site	190,709		190,709		0
96A	St. Paul - Riverview West	154,500		154,500		0
96A	Minneapolis - Milwaukee Depot - I	262,000		255,802	(6,198)	0
96A	Brooklyn Park - Courtyard Apartments	500,000		281,789	(218,211)	0
96A	Stillwater - Maple Island Creamery - I	266,500		266,500		0
96B+8B+9B	St. Paul - Williams Hill - I	1,291,651		1,020,123		271,528
96B	St. Louis Park - 4820 W. Excelsior Boulevard	179,500		102,181	(77,319)	0
96B	Stillwater - Maple Island Creamery - II	182,628		182,628		0
96B	Minneapolis - Block 43	345,507		345,507		0
96B	St. Paul - Schnitzer/Watkins Site	1,035,551		1,035,551		0
96B	Minneapolis – Schnitzer/Watkins Site	239,450		239,450		0
97A	Minneapolis – Sears Site - I	2,666,332		2,666,332		0
97A	St. Paul – Citgo/Plastics, Inc. (a.k.a. River Bend Business Park)	1,275,108		1,275,108		0
97A	Roseville - Opus/Gateway	72,622		51,907	(20,715)	0
97A	Minneapolis - North Star Woolen Mill and Washburn-Crosby Mill Utility Building	421,200		421,200		0
97A	Minneapolis – Creamettes Building	137,500		137,500		0
97A	St. Paul - Empire Builder Industrial Park, Parcel C	438,537		172,298	(266,239)	0
97B	St. Paul - Specialty Manufacturing Company	493,000		492,990	(10)	0
97B	Fridley - Dealers Manufacturing Company	443,990		443,990		0

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
						0
97B	Minneapolis - Milwaukee Depot- II	334,098		334,090	(8)	0
97B	Minneapolis - Garelick Steel and Garelick Steel - II	238,148		238,148		0
97B	St. Paul - Maxson Steel - I	1,792,805		1,792,805		0
98A	Shoreview - American Aviation Airport - I	179,200		179,200		0
98B	Shoreview - American Aviation Airport - II	390,000		390,000		0
98A	Minneapolis – Sears Site - II	1,303,982		1,303,982		0
98B	Minneapolis – Sears Site - III	600,000	34,126	159,818		406,056
98A	St. Paul - RiverCentre Arena	975,082		975,082		0
98B	Robbinsdale - Old Police & Fire Building	149,701		149,701		0
98B	Bloomington - Market Pointe	788,128		788,128		0
98B	West St. Paul - Signal Hills Mall	324,500		324,500		0
98B	Brooklyn Center - France Business Park - I	318,172		318,172		0
1999	St. Paul – Maxon Steel - II	609,900		609,900		0
99A	Fridley – Former Boise/Onan Site	154,658		154,658		0
99A	Minneapolis - Old Federal Reserve Building	1,000,000		1,000,400		(400)
99A	St. Louis Park - 5101 Minnetonka Boulevard	87,152		83,400		3,752
99A	Minneapolis – Washburn Crosby Complex - I	388,000		388,000		0
99B	Minneapolis – Washburn Crosby Complex - II	240,000		240,000		0
99A	Minneapolis - North Washington Industrial Park (Block 49)	32,000		32,000		0
99A	Chaska - Brickyard	77,909		77,909		0
99A	Robbinsdale – 3545 Broadway Avenue W. (a.k.a. Wards at Terrace Mall)	440,000		440,000		0
99A+99B	Hopkins - 10895-10921 Excelsior Blvd	906,329		906,329		0
99B	Coon Rapids – 1350-1440 Coon Rapids Boulevard	124,781		124,781		0
99B	Minneapolis - Dania Hall	85,980		85,980		0
99B	Brooklyn Center - France Business Park - II	171,563		171,563		0
99B	St. Paul - 720 Payne Avenue	405,680		396,878	(8,802)	0
99B	St. Louis Park - Mill City Plywood - I	316,785		316,785	0	0
99B	Farmington – Former Elm Park Landfill	85,030		85,030		0
99B	Minneapolis - Milwaukee Depot - III	605,881			(605,881)	0
00A	Minneapolis - Grain Belt Brewhouse - I	1,046,097		1,046,097		0
00A+00B	Minneapolis - Grain Belt Brewhouse - II	600,000		600,000		0
00A	St. Paul - Upper Landing	702,709		702,709		0
00A	Golden Valley - Breck School Ice Arena	231,750		190,097		41,653
00A	Minneapolis - Urban Village	231,276				231,276

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
00A	Minneapolis - 1900 Central Avenue N. E.	125,062		125,062		0
00A	West St. Paul - 1225 South Robert Street	122,250		122,250		0
00A	Minneapolis - Traffic Zone Boiler House	72,115				72,115
00A	Minneapolis - Penn-Lowry Redevelopment	48,331				48,331
00A	Blaine - 9011 University Avenue	20,410		20,410		0
00B	Minneapolis - Lupient Buick	226,225		226,225		0
00B	St. Louis Park – Mill City Plywood - II	56,700		56,700		0
00B	St. Paul - 750 Pelham Boulevard	86,000		86,000		0
00B	So. St. Paul – Cenex Harvest States	302,046		299,252		2,794
00B	Minneapolis – Stremel Manufacturing	112,320		112,320		0
00B	Hastings - Guardian Angels	58,350		58,350		0
00B+01B	St. Paul - James J. Hill Building - I	534,000		534,000		0
00B	Brooklyn Center – Joslyn Manufacturing (a.k.a. France Avenue Business Park)	219,232		209,478		9,754
00B	Minneapolis - Near Northside Redevelopment (a.k.a. Heritage Park)	252,610	252,610	252,610		0
00B	Bloomington – National Handicapped Housing Institute	161,319		161,319		0
01	St. Louis Park – Mill City Plywood - III	150,000	7,768	150,000		0
01A	St. Paul - US Bank - I	799,685		799,685		0
01A+01C	Minneapolis - St. Anthony East Bank Village - I	382,422		382,422		382,422
01C	Minneapolis - St. Anthony East Bank Village - II	201,500		201,500		201,500
01A	St. Paul - The Family Project	525,315		525,315		0
01A	Anoka - North Central Business District	116,870		116,870		0
01A	Minneapolis - All Weather Roof	635,708	635,708	635,708		0
01A	Minneapolis - 3408 Snelling Avenue	40,000	40,000	40,000		0
01B	St. Paul – James J. Hill Building - II	325,000	5,000	325,000		0
01B	Minneapolis – Project for Pride in Living (PPL) Headquarters	34,875				34,875
01B	Osseo - Hans Foreign Auto Parts	98,573		98,573		0
01B	Minneapolis - Ivy Tower	721,758	5,053	681,445		40,313
01B	Champlin - Louie's Auto Recyclers - I	307,372	307,372	307,372		0
01B	Hastings - Hasting Middle School	256,555		237,198	(19,357)	0
01C	St. Paul - West Side Flats	221,000				221,000
01C	Minneapolis - Unocal Thornton Street SE	210,537	47,640	210,537		0
01C	Minneapolis - Stone Arch Apartments	97,500	36,680	92,248		5,252
01C	St. Paul - Parkway Place Housing	175,330	175,330	175,330		0
02A	St. Paul – US Bank - II	39,259	39,259	39,259		0
02A	Bloomington – Bloomington Corporate Center	736,000		736,000		0

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
02A	St. Paul - Lowertown Depot	378,628				378,628
02A	Minneapolis - Park Ave. Lofts West	285,000	285,000	285,000		0
02A	St. Paul - 1075 Arcade Street	175,250	175,250	175,250		0
02A	St. Paul - Strauss Building	166,000		166,000		0
02A	Minneapolis - Milwaukee Depot East	162,858	162,858	162,858		0
02A	Minneapolis - Hollywood Theatre	160,000				160,000
02A	Minneapolis - St. Barnabas	135,000				135,000
02A	Minneapolis - Union Carbide/Skyway Event Services	130,000	130,000	130,000		0
02A	Loretto - West Railway Property	112,005	31,117	31,117		80,888
02A	Minneapolis - Bottineau Lofts	70,000	70,000	70,000		0
02B	St. Paul - Energy Park ABC	200,000	101,996	101,996		98,004
02B	Minneapolis – 501-509 Washington Avenue S.	35,090				35,090
02B	Hopkins - Excelsior Tech Center	579,528	543,841	543,841		35,687
02B	St. Paul - Westminster Junction - I	327,500	136,244	136,244		191,256
02B	Minneapolis -North Washington Industrial Park	55,421				55,421
02B	Stillwater – Lofts of Stillwater	124,159	88,176	88,176		35,983
02B	Minneapolis - Hubbard Building	100,000				100,000
02B	So. St. Paul - 140 Hardman Avenue South	510,494	372,727	372,727		137,767
02B	Robbinsdale - 4181 W Broadway	92,808	92,808	92,808		0
02B	Minneapolis - Lenox Flats	125,000				125,000
02B	Minneapolis - Portland Condominiums	460,000				460,000
02B	Minneapolis - 628 Franklin Avenue	140,000				140,000
03A	St. Anthony - Apache Plaza	585,600				585,600
03A	Minneapolis – Despatch Laundry Site	502,000				502,000
03A	St. Louis Park – Lithium Corporation of America/ConAgra	436,465	420,222	420,222		16,243
03A	Minneapolis - Washington Live-Work Building	359,785				359,785
03A	Brooklyn Park - Village North Shopping Center	257,400	164,248	164,248		93,152
03A	Champlin - Louie's Auto Recyclers - II	200,000				200,000
03A	Minneapolis – Heritage Park – II (a.k.a. Near Northside Redevelopment)	143,750				143,750
03A	St. Paul - Westminster Junction - II	65,000				65,000
03B	Minneapolis - Greenleaf Lofts	25,122				25,122
03B	Minneapolis - 1035 East Franklin Avenue	20,396				20,396
03B	St. Paul - The Lowry	500,000				500,000
03B	Robbinsdale - Terrace Theatre	238,000				238,000
03B	St. Paul - Dale Street Shops	700,000				700,000
03B	St. Paul - Mai Village	75,000				75,000

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
03B	Minneapolis - 1508 East Lake Street	232,000				232,000
03B	Columbia Heights- Industrial Park	231,731				231,731
03B	Hopkins - Knox/Luther Company	452,978				452,978
03B	Falcon Heights - Falcon Heights Town Center	74,773				74,773
	TOTAL	47,059,706	4,361,033	36,793,117	(1,610,114)	8,656,475

Funding Cycle	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
96A	3,191,082		3,191,082		
96B	2,619,817		2,619,817		
97A	4,724,345		4,724,345		
97B	3,911,923		3,911,923		
98A	2,458,264		2,458,264		
98B	2,925,851	34,126	2,392,418		533,433
99A	2,348,090		2,344,738		3,352
99B	2,380,776		2,257,325		144,151
00A	2,600,000		2,206,625		393,375
00B	2,608,802	257,610	2,601,254		12,548
01A	2,650,000	683,476	2,267,578		382,422
01B	1,724,776	312,425	1,644,588		75,188
01C	905,867	259,650	478,115		427,752
02A	2,550,000	893,484	1,795,484		754,516
02B	2,750,000	1,335,792	1,335,792		1,414,208
03A	2,550,000	584,470	584,470		1,965,530
03B	2,550,000				2,550,000
Total*	45,449,592	4,361,033	36,813,817		8,656,475

*Total represents grants awarded less unexpended balances from closed grants

**Livable Communities Demonstration Account
Awards and Disbursements
1-1-96 to 12-31-03**

Funding Cycle	City	Award	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
96A	Minnetonka - Boulevard Gardens (a.k.a. West Ridge Market)	770,000	13,643	753,668		16,332
96A	Minneapolis - Lake Street and Fourth Avenue South	740,000		740,000		0
96A	St. Paul - Phalen Village	650,000		650,000		0
96A	St. Louis Park - City Center (a.k.a. Park Commons/Excelsior and Grand)	139,000		139,000		0
96B	Chanhassen - Villages on the Ponds	500,500		500,500		0
96B	Minneapolis - Franklin Avenue Project/Street Infrastructure	725,000		635,000		90,000
96B	Roseville - Conerstone Program	270,000	12,342	142,913		127,087
96B	Robbinsdale - Downtown	780,000		780,000		0
97	Golden Valley - Valley Square Redevelopment Area B	510,000		0		510,000
97	New Brighton - I-35W Corridor Coalition Multi-City Implementation Plan	131,250		131,250		0
97	Minneapolis - Phillips Park Initiative - I	700,000	10,000	670,060		29,940
97	Minneapolis - Augustana Village (a.k.a. East Village)	550,000		550,000		0
97	Richfield - Richfield Rediscovered Apartment Remodeling Program	575,000		448,476		126,524
97	St. Paul - Brewery Neighborhood	750,000	37,158	682,158		67,842
97	Chaska - Brickyard Redevelopment	344,100		344,100		0
97	Lino Lakes - The Village - I	220,000	10,213	220,000		0
97	Maple Grove - Town Center/Gravel Mining Area	150,000		0	(150,000)	0
97	Crystal - Welcome Neighborhood	50,000		50,000		0
98	St. Louis Park - Park Commons Redevelopment - I (a.k.a. Excelsior and Grand)	1,200,000		1,200,000		0
98	Crystal - Northwest Metro Four Cities Housing Resource Center	492,000		492,000		0
98	Columbia Heights - Community Revitalization	575,000		575,000		0
98	Circle Pines - City Center Redevelopment	30,000		30,000		0
98	Minneapolis - Central Avenue	398,000		398,000		0
98	West St. Paul - South Robert Street Redevelopment	115,000		115,000		0
98	Minneapolis - Humboldt Greenway	675,000		675,000		0
98	Brooklyn Park - The Village	75,000		75,000		0
98	St. Paul - Main Street on Payne	750,000		750,000		0
98	Minneapolis - Urban Village - I (Midtown Greenway Area)	640,000		640,000		0

Funding Cycle	City	Award	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
99	Blaine - I35W Corridor Coalition Build Out Study	700,000		700,000		0
99	Burnsville - Heart of the City - I	1,612,317		1,612,317		0
99	Minneapolis - Urban Village – II (Midtown Greenway Area)	500,000	190,000	250,000		250,000
99	St. Louis Park - Louisiana Court	970,000		970,000		0
99	St. Paul - North Quadrant Urban Village (a.k.a. Wacouta Commons and Sibley Park)	960,000		960,000		0
99	Minneapolis - Portland Place/Joseph Selvaggio Initiative (JSI)	350,000		250,000		100,000
99	Cottage Grove - Langdon Square (a.k.a. East Ravine Community Pre-design)	150,000	88,975	88,975		61,025
99	Mendota Heights - Freeway Road Redevelopment (a.k.a. Mendota Heights Town Center)	150,000		150,000		0
99	Minneapolis – Corcoran/Longfellow LRT Neighborhood Planning	150,000		150,000		0
99	Minneapolis -Franklin Ave LRT Neighborhood Planning	75,000		75,000		0
99	Minneapolis - Ventura Village Redevelopment Planning	150,000	139,874	139,874		10,126
99	St. Paul - Urban Village Zoning Regulations	50,000		50,000		0
00	Burnsville – Heart of the City – II	2,500,000	1,616,637	2,500,000		0
00	St. Louis Park – Park Commons Redevelopment – III (a.k.a. Excelsior and Grand)	500,000		500,000		0
00	Lino Lakes - The Village - II	450,000		0		450,000
00	Minneapolis - Near Northside Redevelopment - I (a.k.a. Heritage Park)	1,500,000	1,204,525	1,204,525		295,475
00	St. Paul - Phalen Village Main Street	350,000		0		350,000
00	Hastings - Guardian Angels Redevelopment	500,000		500,000		0
00	Brooklyn Park - Shingle Creek Corridor - I (a.k.a. The Village)	1,000,000	175,354	650,417		349,583
01	Brooklyn Park – Shingle Creek Corridor – II (a.k.a. The Village)	500,000				500,000
01	Minneapolis - Near Northside Redevelopment – II (a.k.a. Heritage Park)	1,500,000				1,500,000
01	St. Paul - North Quadrant Urban Village (a.k.a. Wacouta Commons and Sibley Park)	650,000	49,695	56,423		593,577
01	St. Louis Park – Park Commons Redevelopment – III (a.k.a. Excelsior and Grand)	1,100,000		1,100,000		0
01-A	Minneapolis - Hiawatha-Lake Transit Oriented Development	100,000		100,000		0
01-B	Anoka - Heart of Anoka	70,000		0		70,000
01-B	Blaine - Town Square	20,000		0		20,000
01-B	Burnsville - Strip Center Reuse	70,000	5,168	46,456		23,544

Funding Cycle	City	Award	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
01-B	Dayton - Historic Village Revitalization	44,000		26,964		17,036
01-B	Excelsior - Making New History	70,000		70,000		0
01-B	Hastings - Mixed Use Development and Expansion Historic Downtown	58,500	53,437	53,437		5,063
01-B	Rosemount -Downtown Redevelopment Plan	23,000		22,800		200
01-B	Roseville - Twin Lakes Redevelopment Plan	58,500	30,341	58,500		0
01-B	St Paul - University Avenue Transit Oriented Development	70,000	34,430	68,614		1,386
01-B	Apple Valley – Central Village Small Area Plan – I (a.k.a. Galaxie Avenue)	16,000		0		16,000
01-C	St. Paul - Pan Asian Urban Village	600,000		0		600,000
01-C	Hopkins - East Central Business District	600,000		600,000		0
01-C	Minneapolis - Franklin-Portland Gateway - I	500,000		500,000		0
01-C	Minneapolis - Many Rivers	200,000	200,000	200,000		0
01-C	Minneapolis - Ventura Village Carriage Homes	100,000		0		100,000
01-C	Chaska - Clover Ridge	750,000		750,000		0
02-A	Fridley – Housing Opportunities along the Northstar Commuter Rail Line	70,000		0		70,000
02-A	Long Lake – Downtown Implementation Plan	70,000	6,116	33,356		36,644
02-A	Crystal - West Panhandle Redevelopment	60,000	60,000	60,000		0
02-A	Minneapolis- 46th & Hiawatha Master Plan	50,000		0		50,000
02-A	St. Paul – University Avenue & Dale Street Transit Oriented Development	45,000	33,000	33,000		12,000
02-A	Shoreview – Core Area Redevelopment/Town Center Implementation	40,000		0		40,000
02-A	Farmington - Spruce Street Development Plan	40,000		0		40,000
02-A	Apple Valley – Central Village Small Area Plan – II (a.k.a. Galaxie Avenue)	30,000		0		30,000
02-A	Arden Hill – Twin Cities Army Ammunition Plant (TCAAP) Reuse	75,000	38,659	75,000		0
02-A	Columbia Heights - 39th & Central Avenue Redevelopment Site	25,000	3,039	3,039		21,961
02-A	Brooklyn Center - Little Asia	24,000		0		24,000
02-A	Stillwater - Second Street Mixed Use Development	50,000		0		50,000
02-A	Richfield – Low Frequency Noise Impact Area Design and Land Use Standards	10,000		0		10,000
02-B	Minneapolis - Grain Belt Housing Project	775,000		0		775,000
02-B	Falcon Heights – Falcon Heights Town Square	1,000,000	1,000,000	1,000,000		0
02-B	West St Paul – North End Redevelopment Project	1,000,000	1,000,000	1,000,000		0

Funding Cycle	City	Award	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
02-B	Hopkins - Marketplace Lofts	250,000	250,000	250,000		0
02-B	St Paul - Market Lofts	950,000	17,174	17,174		932,826
02-B	Minneapolis – Near Northside Redevelopment – III (a.k.a. Heritage Park)	850,000		0		850,000
02-B	Mendota Heights –Mendota Heights Town Center - I	873,400		0		873,400
02-B	Minneapolis - Franklin -Portland Gateway - II	500,000		0		500,000
02-B	Richfield - Lyndale Gateway West	500,000	500,000	500,000		0
02-B	Minneapolis - Village in Phillips	437,600		0		437,600
02-B	Minneapolis - Phillips Park Initiative - II	250,000		0		250,000
02-B	Ramsey – Ramsey Station Town Center	800,000		0		800,000
03-A	White Bear Lake – Lake Village Mixed Use Redevelopment	55,000		0		55,000
03-A	St Paul – Union Brass/Smurfit Housing Development	62,000		0		62,000
03-A	Minneapolis - Karamu East	46,395		0		46,395
03-A	New Hope - City Center	55,500	55,500	55,500		0
03-A	Maplewood - Gladstone Neighborhood	8,000	3,000	3,000		5,000
03-A	Lauderdale - Larpenteur at Eustis Street	20,000		0		20,000
03-A	Rosemount – Rosemount Downtown Redevelopment	50,000		0		50,000
03-B	St Paul – Koch/Mobil	900,000		0		900,000
03-B	St Paul - Midtown University Village	550,000		0		550,000
03-B	Minneapolis – Franklin - Portland Gateway - III	246,150		0		246,150
03-B	Minneapolis - Cedar Lake Midtown Revival	200,000				200,000
03-B	Richfield - City Bella Plaza	500,000				500,000
03-B	Mendota Heights – Mendota Heights Town Center - II	300,000				300,000
03-B	Ramsey – Ramsey Town Center	2,210,000				2,210,000
03-B	Farmington - Spruce Street Bridge Project	955,000				955,000
03-B	Brooklyn Park - Village Creek	346,150				346,150
03-B	St Paul - District del Sol*	1,250,000		0		1,250,000
	TOTAL	49,751,362	6,838,279	29,821,496	(150,000)	19,779,866

*2003 funding awarded in February 2004

Funding Cycle	Award	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
96A	2,299,000	13,643	2,282,668		16,332
96B	2,275,500	12,342	2,058,413		217,087
97	3,980,350	57,371	3,096,044		884,306
98	4,950,000	0	4,950,000		0
99	5,817,317	418,849	5,396,166		421,151
00	7,900,000	2,996,516	5,954,942		1,945,058
01A	100,000		100,000		0
01B	500,000	123,376	346,771		153,229
01C	5,400,000	249,695	2,606,423		2,793,577
02A	589,000	140,814	204,395		384,605
02B	8,186,000	2,767,174	2,767,174		5,418,826
03A	296,895	58,500	58,500		238,395
03B	*7,457,300	0	0		6,207,300
Total**	49,601,362	6,838,279	29,821,496		19,779,866

* Includes \$1,250,000 of 2003 funds awarded in February 2004

* **Total represents grants awarded less unexpended balances from closed grants

**Local Housing Incentive Programs
Awards and Payments
1-1-96 to 12-31-03**

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
96A	Hastings – Hastings Family Townhomes	170,000		170,000		0
96A	Minnetonka - Minnetonka Mills Townhomes	100,000		100,000		0
96A	Minnetonka - Boulevard Gardens (a.k.a. Crown Ridge)	100,000		100,000		0
96A	Chaska - East Creek Carriage Homes	130,000		130,000		0
96B	Bloomington – Community Enhancement Program	225,000		225,000		0
96B	Cottage Grove - Parkside Apartments	125,000		125,000		0
96B	South St. Paul - Rediscover South St. Paul - I	25,000		25,000		0
97A	Plymouth – Shenandoah Woods	225,000		225,000		0
97A	Eden Prairie - Edenvale Townhomes	300,000		300,000		0
97B	Lakeville – Cedar Valley Family Townhomes	100,000		100,000		0
98A	Maple Grove – Rice Lake Townhomes (a.k.a. Lakeshore Townhomes)	300,000		300,000		0
98A	New Hope - Bass Lake Townhomes	200,000		200,000		0
98A	Chaska - East Creek Carriage Acres	200,000		200,000		0
97B	Maplewood - Maple Pond Homes	100,000		100,000		0
98B	Shakopee - Evergreen Heights Townhomes - I	120,000		120,000		0
98B	Apple Valley – Chasewood Family Townhomes	180,000		180,000		0
98B	Minnetonka - Archer Heights	100,000		100,000		0
99A	Bloomington - Lyndale Avenue Townhomes	119,000		119,000		0
99A	Lakeville – Country Lane Family Townhomes	166,000		166,000		0
99A	Minnetonka - Ridgebury	100,000		100,000		0
99A	Woodbury - Lakeside Townhomes	215,000		215,000		0
99B	Brooklyn Park – Co-op Northwest Community Revitalization Corporation	40,000		40,000		0
99B	Minneapolis - Near North Neighborhood (a.k.a. Heritage Park)	250,000	64,297	189,297	(60,703)	0
99B	Minneapolis - Phillip Park Initiative	80,000		0		80,000
99B	St. Paul – Houses to Homes	260,000		260,000		0
99B	Plymouth - Plymouth HRA (a.k.a. Tiburon Cluster Homes Rehab)	70,000		43,933	(25,000)	1,067
99C	Chanhassen – Chanhassen Family Townhomes	200,000		0	(200,000)	0
99C	Mendota Heights - Mendota Heights Family Townhomes	200,000		200,000		0

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
99C	Ramsey – Ramsey Townhomes (a.k.a. Lexington Family Townhomes/Hillside Gables Family Townhomes)	135,000		135,000		0
99C	Shakopee - Evergreen Heights Townhomes - II	100,000		100,000		0
99D	St Louis Park - Louisiana Court	353,000		353,000		0
00A	Blaine – Discount Loan Home Improvement Program	125,000	(41,405)	83,595	(41,405)	0
00A	Minneapolis – Consortium of Community Developers	250,000		200,000		50,000
00A	Minneapolis – Southside Neighborhood Housing Services	80,000		0	(80,000)	0
00A	Orono – Navarre Affordable Housing Ownership Program	32,000		0		32,000
00A	St. Francis – Turtle Ridge Townhomes	206,400		206,400		0
00A	Woodbury - Washington County Public Housing Initiative	256,000		256,000		0
00B	Hastings - Hastings Marketplace Family Townhomes	297,600		297,600		0
01A	Minneapolis - Many Rivers Apartments	200,000		0		200,000
01A	Plymouth - Stone Creek Village	200,000	200,000	200,000		0
01A	St. Paul - Neighborhood Development Partnership	150,000		150,000		0
01A	Minneapolis – Rehab Support North and South	150,000		150,000		0
01A	Roseville – Housing Rehabilitation Incentive Program	200,000	100,000	200,000		0
01B	West St. Paul – Quality Housing	75,000		0		75,000
01B	Woodbury - Tamarack Village Homes (home ownership)	100,000	100,000	100,000		0
01B	So. St. Paul – Rediscover South St. Paul - II	75,000		75,000		0
01B	Shoreview - Shoreview Village	150,000		150,000		0
01C	Bloomington - Southview Estates	150,000		150,000		0
01C	Burnsville - Heart of the City	100,000		100,000		0
01C	Coon Rapids - Northstar Ridge	150,000		150,000		0
01C	Woodbury - Tamarack Village Homes (rental) (a.k.a. Pondview Townhomes)	200,000	200,000	200,000		0
02A	Burnsville – Heart of the City Family Housing	300,000		300,000		0
02A	Falcon Heights – Town Square Apartments	300,000	300,000	300,000		0
02A	Chaska – Chaska Community Land Trust	150,000	150,000	150,000		0
02A	Columbia Heights – Home Rehabilitation Incentive Program	25,000	25,000	25,000		0
02A	North St. Paul – Home Rehabilitation Incentive Program	25,000	25,000	25,000		0
02A	Roseville – Senior Housing Regeneration	150,000		150,000		0

Fund Cycle	City/Municipality	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
02A	Minnetonka – Minnetonka Mills Townhomes	100,000	73,500	100,000		0
02B	Bloomington Essex Knoll	80,000	80,000	80,000		0
02B	Prior Lake - Jeffers Pond Family Townhomes	200,000		0		200,000
02B	Lakeville - Downtown Family Townhomes	195,000	195,000	195,000		0
02B	Shakopee - Boulder Ridge Townhomes Phase II	200,000	200,000	200,000		0
03A	Chaska – Chaska Community Land Trust	150,000		0		150,000
03A	Columbia Heights- Greater Metropolitan Housing Corporation	95,000		0		95,000
03A	Falcon Heights - Town Square Apartments	150,000	150,000	150,000		0
03A	Minnetonka – West Hennepin Affordable Housing - II	150,000	36,245	36,245		113,755
03A	Oakdale – Two Rivers Community Land Trust	42,000		0		42,000
03A	Richfield - Lyndale Gateway/Kensington Park	150,000		0		150,000
03A	St. Paul – St. Paul Housing Production	150,000		0		150,000
03A	Minneapolis - Heritage Park III (a.k.a. Near North Neighborhood)	200,000		0		200,000
03B	Apple Valley - Lebanon Valley Place	150,000		0		150,000
03B	Vadnais Heights - Talmadge Pointe Apartments	165,000		0		165,000
	TOTAL	11,262,000	1,857,637	9,001,070	(407,108)	1,853,822

Summary of Funding Cycle	Awards	2003 Payments	Total Payments	Unexpended Funds	Unpaid Commitment
96A	500,000		500,000		0
96B	375,000		375,000		0
97A	525,000		525,000		0
97B	100,000		100,000		0
98A	700,000		700,000		0
98B	500,000		500,000		0
99A	600,000		600,000		0
99B	614,297	64,297	533,230		81,067
99C	435,000	0	435,000		0
99D	353,000	0	353,000		0
00A	827,995	(41,405)	745,995		82,000
00B	297,600	0	297,600		0
01A	900,000	300,000	700,000		200,000
01B	400,000	100,000	325,000		75,000
01C	600,000	200,000	600,000		0
02A	1,050,000	573,500	1,050,000		0
02B	675,000	475,000	475,000		200,000
03A	1,087,000	186,245	186,245		900,755
03B	315,000		0		315,000
Total*	10,854,892	1,857,637	9,001,070		1,853,822

*Total represents grants awarded less unexpended balances from closed grants

**Inclusionary Housing Account
Awards and Payments
1-1-99 to 12-31-03**

Fund Cycle	City	Awards	2003 Payments	Total Payment	Unexpended Funds	Unpaid Commitment
99	Chanhassen - City project *	348,054		0	(348,054)	
00A	Chaska- Chaska Brickyard	450,000		450,000		0
00B	St. Paul - Cooper Park Townhomes (a.k.a. Essex on the Park)	450,000		450,000		0
00B	Minneapolis - East Village	500,000		500,000		0
00B	St. Paul - Cooper Park Apartments (a.k.a. Sibley Park Apartments)	500,000		500,000		0
00B	Bloomington - Lyndale Avenue Townhomes	274,000		274,000		0
00C	Plymouth - The Reserve	200,000	100,000	200,000		0
00C	Minneapolis - Humboldt Greenway	375,000		0		375,000
00C	St. Paul - Capitol Heights	300,000		300,000		0
00D	Golden Valley - Valley Square Commons	350,000		350,000		0
00D	Apple Valley - Hidden Ponds	500,000		500,000		0
00D	Blaine - North Pointe Townhomes	300,000		300,000		0
	*Funds Unexpended	(348,054)			348,054	0
	TOTAL	4,199,000	100,000	3,824,000		375,000

	Funding Cycle Summary	Awards	2003 Payments	Total Payment	Unexpended Funds	Unpaid Commitment
	99		0	0		
	00A	450,000		450,000		0
	00B	1,724,000		1,724,000		0
	00C	875,000	100,000	500,000		375,000
	00D	1,150,000		1,150,000		0
	Total	4,199,000	100,000	3,824,000		375,000

