2018 ANNUAL LIVABLE COMMUNITIES FUND DISTRIBUTION PLAN
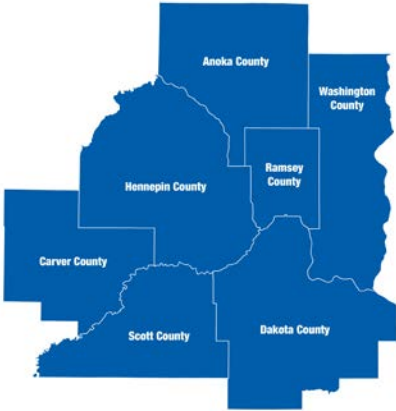

METROPOLITAN COUNCIL

March 2018, amended April 2018

The Council's mission is to foster efficient and economic growth for a prosperous metropolitan region

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The Metropolitan Council is the regional planning organization for the seven-county Twin Cities area. The Council operates the regional bus and rail system, collects, and treats wastewater, coordinates regional water resources, plans and helps fund regional parks, and administers federal funds that provide housing opportunities for low- and moderate-income individuals and families. The 17-member Council board is appointed by and serves at the pleasure of the governor.

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Image on Cover: The Collaborative, Edina, Saturday Properties and Buhl Investors, Developer, Mohagen Hasen, Architect, 2017 Livable Communities Demonstration Account grant award

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2018 Livable Communities Act Fund Distribution Plan

This document establishes the annual plan for distributing funds under the state Livable Communities Act (LCA, *Minnesota Statutes 473.25*).

The plan:

- Establishes the amount of funding available for 2018 and the limits that apply to individual awards.
- Sets the schedule for submitting grant applications, reviewing them, and awarding the funds.
- Describes the criteria the Metropolitan Council uses in selecting projects for grants.
- Defines who is eligible to apply for the grants.

More detailed information and instructions on process, grant terms, eligible and ineligible uses of grant funds and schedules will be contained in the individual grant applications and application guides.

Grants Strengthen Communities and Region

Livable Communities grants strengthen communities and the Twin Cities region. The funding helps cities foster economic development and job growth, expands housing choices and affordability, strengthens travel connections to where people want to go and promotes optimum use of existing public infrastructure.

By demonstrating commitment to local projects, the Council's investment of regional dollars helps leverage investment of additional public and private dollars. Communities and their residents benefit from improvements that enhance the quality of life. The region benefits from attracting talent and business opportunities that help it compete on a global scale.

The Metropolitan Council's mission is to foster efficient and economic growth for a prosperous metropolitan region. The Council's regional development plan – *Thrive MSP 2040* – advances that mission through its outcomes and in its principles, policies, and strategies. The Livable Communities Grant Program is an important investment that supports *Thrive MSP 2040* and helps the Council carry out its regional mission (see Appendix B).

Livable Communities Grant Accounts and Categories

Livable Communities Demonstration Account (LCDA)

The **LCDA** supports development and redevelopment projects that link housing, jobs and services and use infrastructure and regional infrastructure efficiently. The LCDA is funded by a property tax levy of approximately $11.3 million (this amount is distributed among the regular LCDA, the LCDA-TOD and the LHIA. Amounts for each account and category are listed below).

Local Housing Incentives Account (LHIA)

The **LHIA** helps expand and preserve lifecycle and affordable housing, both rented and owned. The LHIA annual funding includes $500,000 transferred from the LCDA tax levy plus $1 million from the Council's general fund.

Tax Base Revitalization Account (TBRA)

The **TBRA** helps clean up contaminated land and buildings for subsequent development. These grants are intended to provide the greatest public benefit for the money spent, strengthen the local tax base, and create and preserve jobs and/or affordable housing. The TBRA is funded by a property tax levy established in statute that may not exceed $5,000,000 annually.

Transit Oriented Development (TOD) Grant Categories

Using targeted funds from the TBRA and LCDA, these programs are focused on high density, generally mixed-use projects that are located within TOD-eligible areas along light rail, commuter rail and bus rapid transit corridors.

Points of Interest for 2018

- Account balances and investment earnings from the Livable Communities Fund are available to increase the amount available for LCDA, LCDA-TOD, and LHIA funding for 2018.
- Pre-Development grants will be offered through the regular LCDA category.
- Application dates will be later, and timelines have been shortened for the regular and TOD categories of the LCDA.
- The per-unit award limit for LHIA homeownership projects is waived if the homes remain affordable for a minimum of 15 years.
- The Council will require all recipients of Livable Communities Act funding whose project includes a housing component to adopt a Fair Housing Policy prior to any 2019 disbursement of funds. To aid in this process, the Council solicited development of a model local fair housing policy upon which communities can base their policies. The process will also be supported through targeted outreach and training to ensure local communities understand the purpose and contents that they might elect to include in their fair housing policies.

Funds Available for Award in 2018

The dollar amounts cited below are the base amounts for grants to be awarded during 2018.

- $5 million for the TBRA Contamination Cleanup program, with up to $250,000 of that available for Site Investigation grants
- $2 million for the TBRA-TOD grant category, with up to $250,000 of that available for Site Investigation grants
- $1 million for the TBRA Seeding Equitable Environmental Development program (in addition to the amount above)
- $9.5 million for the LCDA program, with up to $250,000 of that available for Pre-Development awards
- $2,500,000 for the LHIA program
- $7 million for the LCDA-TOD grant category, with up to $250,000 of that available for Pre-Development awards

If significant additional monies accrue to any account during 2018 due to relinquished funds or investment earnings, additional funds may be made available through an amendment to this Plan.

If funding applied for or awarded through the LCDA-TOD, TBRA-TOD, or TBRA SEED grant categories is less than the funding available, the remaining funds may be made available for award through the regular LCDA or TBRA programs without an amendment to this Plan.

Conversely, if funding awarded through the regular LCDA or TBRA programs are less than the funding available, the remaining funds may be made available for award through the LCDA-TOD or TBRA-TOD grant categories without an amendment to this Plan. If funding awarded through the regular TBRA program is less than the funding available, the remaining funds may be made available for award through the TBRA-SEED grant category without an amendment to this Plan.

Who Is Eligible to Apply?

By _state statute_, applicants must be a local governmental unit, which may be a:

A. Municipality (a statutory or home rule charter city or township) currently participating in the Metropolitan Livable Communities Housing Incentives Program

B. Metropolitan county

C. Housing and Redevelopment Authority, Economic Development Authority, Community Development Authority or Port Authority

Projects proposed by categories (B) and (C) must be located in _participating municipalities_.

Individuals and/or private or nonprofit developers are not eligible to apply.

Eligible and Ineligible Uses

Details on eligible and ineligible uses for each grant category are included in the application guides for each grant category

LCA GRANT PROGRAMS

Livable Communities Demonstration Account

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Livable Communities Demonstration Account (LCDA) – Regular Program Funding Schedule

2018 Available Funding for LCDA Development Grants:

$9.5 Million, including up to $250,000 for Pre-Development Grants

Application Type	Month	Activity
LCDA Pre-Development	March	Notice of Funding Availability
	May 31	Spring applications due
	July	Community Development Committee recommends grant awards
	July / August	Met Council awards spring LCDA pre-development grants
	September	Notice of Funding Availability
	November 1	Fall applications due
	December	Community Development Committee recommends grant awards
	December-January	Met Council awards fall LCDA pre-development grants
LCDA Development	March	Notice of funding availability
	April	Design workshops
	June 28	Project Concept Plans due
	August 9	Full applications due
	September / October	Staff and Livable Communities Advisory Committee review and rank proposals
	November	Community Development Committee recommends grant awards
	December	Metropolitan Council awards grants

Livable Communities Demonstration Account (LCDA)

Section 1: Purpose, Program Profile, Award Limits

Purpose of Livable Communities Demonstration Account (LCDA) Grants

LCDA funding assists cities with the implementation of their community development objectives and comprehensive plans in ways that lead to economic development. These grants provide funds for public infrastructure and placemaking improvements that create or enhance connections between people, housing, jobs, and transit in innovative ways that offer demonstration value for other potential projects.

LCDA Program Profile

Funding Profile:
- LCDA Development
  - No match requirement
  - 3-year grant term
  - No cap on individual grant request amount.
  - Eligible uses
    - Basic public infrastructure serving the proposed project
    - Site improvements and site acquisition
    - Stormwater management
    - Energy and resource conservation, including alternative energy sources
    - Placemaking features
- LCDA Pre-Development
  - 25% match requirement
  - No cap on request amount
  - Award limit: $100,000 per city, per round
  - 2-year grant term (no extensions)
  - Application limit: three per City
  - Eligible uses:
    - design workshops
    - market studies
    - project-specific stormwater management plans
    - soil testing to determine feasible uses
    - impact analyses
    - architectural work for site plans or development staging plans

Award Limits

There are no award limits for individual LCDA Development grants or per city, except that:

Council-established guidelines state that up to 40% of the total LCDA funds available in a grant cycle are available to projects located in Minneapolis and/or Saint Paul. The Council reserves the right to consider awarding more than 40% and reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

Section 2: LCDA changes for 2018

- Pre-Development grants are now eligible through the regular LCDA program. Eligible uses for these grants include design workshops, market studies, project-specific stormwater management plans, soil testing to determine feasible uses, impact analyses, architectural work for site plans or development staging plans.
- Later application deadline and shortened process timeline. The overall timeline from submission of application to approval of grant awards has been shortened by approximately two months.

Section 3: LCDA Evaluation Process

LCDA Development Application Process. The Council evaluates LCDA development applications in a two-step process. A staff evaluation team reviews and scores eligible grant applications using the Step One evaluation criteria and guidelines (see below).

Step Two of the evaluation process is conducted by the 15-member Livable Communities Advisory Committee (LCAC), which makes funding recommendations to the Council. The LCAC includes members representing seven areas of expertise to provide the range of skills and experience necessary for evaluating the complex LCDA applications. Two members are selected for each of the areas of expertise: local government (planning, economic or community development); development finance (one member in private finance, one in public finance); development (one member in new development, one in redevelopment); transportation; environment; site design; and community-based planning, economic and community development/engagement. The LCAC chair, not representing a specific area of expertise, is the 15th member. LCDA pre-development grant applications are not subjected to the two-step process.

Step One Evaluation Criteria for LCDA Development Grants	Possible Points
Orderly and Efficient Land Use	
The development project: • Intensifies land use and increases density that maximizes the potential of the location • Includes a mix of uses or introduces a diversity of uses • Introduces a diversity of densities to the project area	8
The development project is designed in relationship to surrounding land uses and the community by: • Providing internal pedestrian circulation which is convenient, efficient, and attractive throughout and around the project site • Providing convenient, efficient, and attractive access from the project site to the neighborhood or the surrounding community through Infrastructure that emphasizes pedestrian and/or bike mobility • Incorporating pedestrian, bike and/or transit-oriented design principles	10
The development is sensitive to the environment by: • Conserving, protecting, and enhancing natural resources • Incorporating green building design and/or energy efficiency standards • Utilizing sustainable site design	8
Access, Jobs and Affordable Housing	
The development project: • Takes advantage of or maximizes connections between or among housing, centers of employment, education, retail, and recreation uses through location or design	5
The development project: • Expands employment opportunities through the creation or preservation of permanent employment opportunities, including living wage jobs	3
The development project: • Provides or preserves housing choices to give people in all life stages and of all economic means viable choices for safe, stable, and affordable homes • Includes a willingness to accept Housing Choice Vouchers	8
Tools and Processes	
The development project: • Includes tools and processes appropriate to ensure successful outcomes, including pertinent and effective regulatory tools • Utilizes equitable development strategies • Involves partnerships among government, private for-profit and nonprofit sectors, and the local community, inclusive of community participation, vision, and leadership	8
Total	**50**
Applications must score 25 or more points to advance to the Step Two evaluation process.	

Step Two Evaluation Criteria for LCDA Development Grants	Possible Points
Innovation and Demonstration	
The development project provides demonstration value for the community and for the region through: • New development concepts, strategies, or elements in one or more of the scoring areas covered in the Step One evaluation process • Other innovation • Serving as a model of LCDA goals • Incorporating equitable development strategies when planning and/or designing the proposed project	30
Catalyst	
• The proposed development project will catalyze additional development and private investment to future project phases and/or to the immediate area • The activities for which LCDA funding is sought will be a catalyst to implement the project	10
Readiness Assessment	
The development project is ready and able to use awarded grant funds within the 36-month grant term, based on an assessment including: • The status of implementation tools – for example, zoning codes and other official controls, design standards, or development standards • The status of funding commitments and other indicators of readiness • Whether grant funds have been spent for or progress has been made on a prior LCDA development or pre-development grant for the same project or a related project	10
Step Two Total	**50**
Combined Step One and Step Two Total	**100**
Combined Step One and Step Two scores must total 60 to be considered for funding.	
Housing Performance Score	
The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.	10
Overall Total	**110**

LCDA Pre-Development Application Evaluation Process Applicants seeking funding for LCDA Pre-Development activities may apply for funds in two funding rounds. The process for evaluating applications for these grants is conducted by the staff evaluation team in a single step.

Evaluation Criteria for LCDA Pre-Development Project Grants	Possible Points
Land Use Criteria	
Applications will be evaluated on the degree to which the proposed activities will enhance the potential for an associated future development project to:	
Intensify land use by planning to add buildings or other uses and increase density to a level that maximizes the potential of the location	8
Improve the balance between jobs and housing and establish a connected development pattern between housing and centers of employment, education, retail, and recreation uses	8
Diversify housing options within the future development site, neighborhood and community	8
How well the development project would comply with the following design features: • Provide internal pedestrian convenience and efficiency through the design, layout, and features of the design of the Project • Minimal building setbacks • Short blocks with pedestrian connections adjacent to the buildings • A range of housing densities, types and costs • Cycling and walking conveniences • In a mixed-use setting, residential and commercial parking is limited, shared between uses, located to the rear of buildings, and/or is structured • Provide opportunities to employ natural resources, where feasible and appropriate, as community connections, assets and amenities	8
Local Planning and Implementation Processes	
The extent to which the proposed activities will enhance the potential for the future development project to: • Implement the applicant city's local comprehensive plan • Help achieve the city's negotiated affordable and lifecycle housing goals • Implement any redevelopment plans, corridor or other local plans applicable to the identified project area; and pre-development activities provide for meaningful and appropriate public engagement	8
Demonstration Value and Catalyst	
• Project can provide demonstration value and generate area-wide benefits • Extent to which pre-development activities will be a catalyst to implement the project of which it is a part • Extent to which the proposed development project will catalyze additional development and private investment to future project phases and/or the immediate area	10
Partnerships and Readiness	

Applications will also be evaluated on the degree to which: • Pre-development activities provide for meaningful and appropriate public engagement • The city has identified and secured financial commitments to move project forward • City has demonstrated political commitment for the future development or redevelopment project • The proposed project is ready and able to use the grant, if awarded, within the 24-month grant term (higher points will be given for more advanced projects on the pre-development continuum)	**10**
Total (Applications must score 30 or more points to receive funding consideration)	**60**
Housing Performance Score	
The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.	10
Overall Total	**70**

LCA GRANT PROGRAMS

Local Housing Incentives Account

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Local Housing Incentives Account (LHIA) Funding Schedule

2018 Available Funding for LHIA: $2.5 Million

Application Type	Month	Activity
Ownership and Rental Programs	April	Minnesota Housing/Funding partners issue notice of funding availability
	May	Multifamily Intent to Apply form due
	June	Application deadline
	July	Minnesota Housing staff review applications
	August-September	Minnesota Housing/Funding partner application evaluation and selection meetings
	October	Minnesota Housing board acts on funding recommendations
	November	Community Development Committee recommends grant awards
	December	Metropolitan Council awards grants

Local Housing Incentives Account (LHIA)

Section 1: Purpose, Program Profile, Award Limits

Purpose of the Local Housing Incentives Account Grants
The Local Housing Incentives Account funding assists cities in meeting their negotiated affordable and lifecycle housing goals. Grants provide funds to construct, rehabilitate, maintain, and/or preserve affordable housing opportunities.

LHIA Program Profile

Funding Profile:	
	o A dollar-for-dollar match is required
	o 3-year grant term
	o Eligible uses
	o Gap financing for acquisition, rehabilitation, new construction, and preservation of affordable housing

More details on eligible and ineligible uses can be found in the LHIA Program Guide.

Award Limits
- The LHIA contribution to fill the gap in homeownership applications will be limited to no more than one-half of the difference between the purchase price of the home and the total per-unit hard costs. This limit does not apply if a project maintains the homes affordability level for a minimum of 15 years.
- The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

Section 2: LHIA Changes for 2018
- For homeownership projects with a 15-year minimum affordability term, the per-unit LHIA contribution of no more than one-half the difference between the purchase price of the home and the total per-unit hard costs, does not apply.

Section 3: Evaluation Process
The Metropolitan Council partners with Minnesota Housing, the Family Housing Fund and others to implement the LHIA program. Applicants apply for LHIA funds through the Consolidated RFP process administered by Minnesota Housing. All applications are reviewed and evaluated by the funding partners, with Council staff applying the Metropolitan Council project eligibility criteria. The criteria set forth in this Fund Distribution Plan are specific to the LHIA program. See the Minnesota Housing web pages for detailed information *Special Announcements*

LHIA Threshold and Competitive Criteria
- A significant component of the project must serve households with incomes at or below 80% of Area Median Income (AMI) with a minimum affordability term of 15 years, for rental projects.
- Projects must have affirmative fair housing marketing plans.
- The Council will give priority to:
    - o rental proposals creating or preserving affordability for persons at or below 30% of AMI;
    - o proposals that serve large families by providing two or more-bedroom units; and
    - o proposals meeting the needs of individuals and households experiencing long-term homelessness.

Other Considerations

The Council will give preference if:

- A municipality has a lower Housing Performance score than the other proposals being considered for funding;

- A municipality currently has a net fiscal disparities contribution of $200 or more per household;

- A municipality does not use its expenditure from the Affordable and Lifecycle Housing Opportunity Amount (ALHOA) as the source for its matching funds; or

- A development project exceeds the current building code requirement which states a minimum of 5% of the total units in a development be designed and constructed to meet accessibility requirements, and an additional 2% of the dwelling units must be adaptable for the vision/hearing impaired. If any applications are received for projects exceeding these minimums, any other applications for affordable housing projects outside the Metro Mobility service area will receive the same preference, even if they do not propose to exceed those minimums.

LCA GRANT PROGRAMS

Tax Base Revitalization Account

2018
Funding Schedule
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and Selection Process

Tax Base Revitalization Account (TBRA) Funding Schedule

2018 Available Funding for TBRA Grants:

$5 Million, including up to $250,000 for Site Investigation Grants

$1 Million for Seeding Equitable Environmental Development Program Grants

Application Type	Month	Activity
Round 1: Investigation, Cleanup and Seeding Equitable Environmental Development program	April	Notice of funding availability
	May	Applications due
	June	Community Development Committee recommends grant awards
	July	Metropolitan Council awards grants
Round 2: Investigation, Cleanup and Seeding Equitable Environmental Development program	August	Notice of funding availability
	November	Applications due
	December	Community Development Committee recommends grant awards
	January 2019	Metropolitan Council awards grants

Tax Base Revitalization Account (TBRA)

Section 1: Purpose, Program Profile, Award Limits

Purpose of the Tax Base Revitalization Account (TBRA) Grants

TBRA funding helps make areas that have lost commercial/industrial activity available for economic redevelopment. The grants provide funds for environmental site investigation and cleanup for redevelopments that enhance the city tax base, promote job retention or job growth and/or create or preserve affordable housing.

TBRA Program Profile

Successful TBRA applications support redevelopments that eliminate or reduce the risk from contamination, increase the tax base and also create or preserve jobs or affordable housing. Applicants will choose one of the following grant categories for each proposal submitted for funding:

- *Site Investigation* grants are intended for applicants that have a redevelopment site with suspected or perceived contamination and are seeking public funding to determine the scope and severity of the contamination and to develop a cleanup plan.

- *Contamination Cleanup* grants are intended for applicants with projects that have recently completed their environmental site investigation and are seeking public funding to assist with the cost of implementing a cleanup plan for eligible activities and beginning redevelopment on a specific project.

- *TBRA Seeding Equitable Environmental Development (TBRA SEED)* grants are intended for sites within an area of concentrated poverty that do not have a planned or identified redevelopment project. Activities may include site investigation, cleanup, or both.

Funding Profile:
- Site Investigation
  - 25% match requirement
  - 1-year grant term (no extensions)
  - $50,000 cap on request amount
  - Eligible uses:
    - Phase I environmental site assessment, Phase II environmental site assessment, hazardous materials building assessments, development of response action plans
- Contamination Cleanup
  - No match requirement
  - 3-year grant term (2-year extension possible)
  - No cap on request amount
  - Eligible uses: contaminated soil remediation, groundwater remediation, soil vapor mitigation, hazardous building materials abatements
- TBRA SEED
  - Site within areas of concentrated poverty (ACPs) and in areas previously defined as ACPs, and parcels within 150 feet of a current or former ACP
  - No identified redevelopment project associated with the investigation and/or cleanup
  - 25% match requirement for investigation and/or abatement
  - $50,000 cap on request amount for investigation
  - 2-year grant term (no extensions);
  - Eligible uses:
    - Phase I environmental site assessment
    - Phase II environmental site assessment
    - Hazardous materials building assessments

- Hazardous building materials abatements for all sites within an ACP and contaminated soil remediation
  o Groundwater remediation, or soil vapor mitigation for sites with an approved cleanup plan and developer site control

Award Limits

The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle. By *statute*, total award amounts by funding cycle are limited to 50% within a single city or 75% within Minneapolis and Saint Paul.

Section 2: TBRA changes for 2018

- For sites that already have an approved cleanup plan and demonstrated development commitment, SEED applicants may request funding for a larger scope of work (i.e., contaminated soil or groundwater remediation or soil vapor mitigation).

Section 3: Evaluation Process

Site Investigation Applications

The Council will rank the investigation applications according to the extent they demonstrate the following:

Site Investigation Evaluation Criteria	Possible Points
Increase to the Tax Base	
Increase to the tax base of the recipient municipality based on a redevelopment proposal.	5
Access to jobs and/or affordable housing (and economic competitiveness)	
- Potential to increase or retain the number of new full-time equivalent jobs for the region through adaptive reuse, infill development or redevelopment - Potential for construction of distribution facilities and commercial-industrial space for freight-generating industries near regional intermodal freight terminals - Potential to add affordable rental or ownership housing units OR - Preserve existing affordable housing if - the building undergoes substantial rehabilitation - ensures the extension of long-term affordability with income restrictions on tenants AND - includes federal subsidy (e.g., project-based Section 8) as part of the redevelopment financing	5

Site Investigation Evaluation Criteria	Possible Points
Brownfield clean up/environmental health improvements	
• Investigation of the most contaminated sites to provide the greatest improvement in the environment and the greatest reduction in human health risk • The site and suspected contamination will use green remediation practices. • The applicant's capacity to oversee environmental investigations and successfully complete site cleanup with prior Council-funded environmental investigations	15
Orderly and Efficient Land Use	
Show how the investigation supports the Council's *Thrive MSP 2040* goals by: • Likelihood of potential development to increase the use of transit, and/or • Supporting growth in the region through adaptive reuse, infill development or redevelopment • The Council will give priority to the re-use of vacant or abandoned sites	15
Readiness/Market demand	
• Demonstrate readiness to proceed with cleanup-site investigation • Demonstrate readiness to proceed with site cleanup • Demonstrate market demand for proposed redevelopment elements in the project area and demonstrate readiness to implement the proposed project if/when TBRA funding is provided, including identifying a developer and commitments by occupants. or future owners	15
Partnership	
Demonstrate established financial partnerships. Points are awarded for committing matching funds beyond the required minimum 25% match.	5
TOTAL	**60**
Applications must score 30 points or more out of 60 points to be considered for funding.	

Contamination Cleanup Applications

The Council will rank cleanup applications according to the extent they demonstrate the following:

Contamination Cleanup Evaluation Criteria	Possible Points
Increase to the tax base	
• Increase the tax base of the recipient municipality • Add tax revenue in the near term. (Projects not in or not expected to be in a Tax Increment Finance district earn 5 points because all the affected tax jurisdictions benefit immediately)	25
Access to Jobs and/or affordable housing and economic competitiveness	

• Increase or retain the number of permanent jobs in the region
 	
• Preserve and/or increase the number of permanent living wage jobs in the region
 	
• Increase permanent living wage jobs within and near areas of concentrated poverty
 	
• Construction of distribution facilities and commercial-industrial space for freight-generating industries near regional intermodal freight terminals
 	
• Add affordable rental or ownership housing units
 	
OR
 	
• Preserve existing affordable housing if
   o the building undergoes substantial rehabilitation:
   o doing so ensures the extension of long-term affordability with income restrictions on tenants AND
   o includes federal subsidy (e.g., project-based Section 8) as part of the redevelopment financing
 	
(A minimum of 20% of the total housing units proposed must be affordable for a project to be considered for affordable housing points, and the minimum term of affordability is 15 years)
	25

Brownfield cleanup/environmental health improvements	
Clean-up of the most contaminated sites to provide the greatest improvement in the environment and the greatest reduction in human health risk	25

Contamination Cleanup Evaluation Criteria	Possible Points
Orderly and efficient land use	
Show how the cleanup and redevelopment project supports *Thrive MSP 2040* goals by: • Supporting growth in the region and around regional transit through adaptive reuse, infill development or redevelopment to make the best use of public and private investment • Support for private investment in Areas of Concentrated Poverty • Accommodating growth through increased redevelopment density • Providing or preserving housing choices to give people in all life stages and of all economic means viable choices for safe, stable and affordable homes including the willingness to accept Housing Choice Vouchers • Conserving vital regional natural resources features and functions • Conserving, restoring or protecting the region's water resources through environmentally sound opportunities for recharging groundwater with best management practices for stormwater • Commitment to resilient energy infrastructure through the use of renewable energy sources • Providing access to regional parks and trails and the transit network using a variety of modes of travel • Showing consistency of proposed use with regional highway system and investments in the regional transit system and showing potential for growth in transit service	35
Readiness and market demand	
• Demonstrate readiness to proceed with project site cleanup • Demonstrate market demand for proposed redevelopment elements in the project area and demonstrate readiness to promptly implement the proposed project if/when TBRA funding is provided, including identifying an end-stage developer and commitments by occupants	25
Partnership	
Represent innovative partnerships among various levels of government and private for-profit and nonprofit sectors	5
Community's Housing Performance Score	
The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if affordable housing is located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual score or the average score for this section from all proposals.	10
TOTAL	**150**
Applications must score 75 points or more out of 150 points to be considered for funding.	

TBRA Seeding Equitable Environmental Development Program Applications

The Council will rank applications for the TBRA Seeding Equitable Environmental Development program category for sites within current and formerly identified area of concentrated poverty and properties directly adjacent to identified areas that do not have a specific redevelopment project according to the extent they demonstrate the following:

TBRA Seeding Equitable Environmental Development Evaluation Criteria	Possible Points
Increase to the tax base	
Potential to increase the tax base of the recipient municipality based on the current tax base of the subject property and changes to the property classification OR based on the desired land use per a current request for proposals for redevelopment	5
Access to jobs and/or affordable housing (and economic competitiveness)	
Potential for adding or retaining new jobs based or adding or preserving housing choices through adaptive reuse, infill development or mixed-use redevelopment based on existing land use designation and proximity to existing employment centers	5
Reducing contamination risk and making health improvements	
Suspected or known environmental contaminants, pollutants, hazardous substances or hazardous building materials and characterization of risks particularly to vulnerable populations (e.g., infants, children and elderly) based on the current property use at or adjacent to the subject property	15
Orderly and efficient land use	
- Re-use of vacant lots or buildings - Potential for new construction that will increase the intensity of land use comparing existing improvements, if any, and existing zoning designation - Potential for increases in regional transit use - Potential for construction of distribution facilities and commercial-industrial space for freight-generating industries near regional intermodal freight terminals - Plan for interim use that increases visibility or improves marketability of the redevelopment opportunity	15
Partnership	
- Demonstrate public, not-for-profit or private commitment of financial resources and coordination of technical expertise to advance redevelopment opportunities - Located within an active business improvement district	10
Readiness	
- Readiness to proceed with cleanup site investigation OR readiness to proceed with site asbestos and lead-based paint abatement - Market demand for redevelopment	10
TOTAL	**60**
Applications must score 30 points or more out of 60 points to be considered for funding.	

LCA GRANT PROGRAMS

Livable Communities Demonstration Account and Tax Base Revitalization Account Transit Oriented Development Grant Categories

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Livable Communities Transit-Oriented Development (TOD) Funding Schedule

2018 Available Funding for LCA-TOD Grants:

LCDA-TOD Grants: $7 Million, including up to $250,000 for Pre-Development Grants

TBRA-TOD Grants: $2 Million, including up to $250,000 of that amount available for TBRA-TOD Site Investigation grants

Application Type	Month	Activity
LCDA-TOD Pre-Development TBRA-TOD Investigation	March	Notice of funding availability
	May 31	Round 1 applications due
	July	Community Development Committee recommends grant awards
	July/August	Metropolitan Council awards Round 1 grants
	September	Notice of funding availability
	November	Round 2 applications due
	December	Community Development Committee recommends grant awards
	December / January	Metropolitan Council awards Round 2 grants
LCDA-TOD Development TBRA-TOD Cleanup	March	Notice of funding availability
	April	Design workshops
	May 31	Project Concept Plans due
	July 12	Applications due
	October	Community Development Committee recommends TOD Development grant awards
	October / November	Metropolitan Council awards grants

Transit-Oriented Development Grants

Section 1: Purpose, Program Profile, Award Limits

Purpose of Transit Oriented Development

Transit Oriented Development, or TOD, refers to moderate- to higher-density development projects located within easy walking distance of a major transit stop that typically include a mix of uses such as housing, jobs, restaurants, shops, and entertainment and is oriented to the transit stop. These development projects offer people of all ages, backgrounds and incomes abundant, convenient and affordable transportation choices and the opportunity to live active lives.

TOD Program Profile

LCA-TOD grants are a category within the LCDA and TBRA accounts intended to catalyze transit-oriented development along transit corridors throughout the metropolitan area. (See introduction section for definition of the *LCDA* and TBRA accounts.) The criteria to determine areas eligible for TOD funding is that a project has entered environmental review for LCDA Pre-Development applications, and has completed environmental review, or received a Record of Decision, for LCDA-TOD development applications. Projects requesting LCDA-TOD Development funding must be located in one of the following TOD Eligible Areas, described as within:

- A ½-mile radius of an existing station on the following transit corridors:
    - METRO Blue, Green, and Red Lines
    - A Line
    - Northstar Commuter Rail Line
- A ½-mile radius of a proposed station on the following planned transit corridors:
    - METRO Blue Line and Green Line Extensions, and Orange Line
    - C Line (excluding temporary stations)
- A ½-mile radius of a bus stop or station on high-frequency express routes. High-frequency express service is defined as bus service on or outside the I494/694 freeways providing six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM and every 10 minutes during the peak morning hour.
- A ¼-mile radius of a bus stop along high frequency local bus lines, defined as those routes providing service at least every 15 minutes and running between 6:00 AM to 7:00 PM on week days and between 9:00 AM and 6:00 PM on Saturdays.

Projects requesting LCDA-TOD Pre-Development funding must be located within any one of the TOD Eligible Areas described above, or within:

- A 1/2-mile radius of a proposed station on METRO Gold Line.

Funding Profile:

- o LCDA-TOD Development
  - o No match requirement
  - o No cap on request amount
  - o Award limits: $2,000,000 per city
  - o Application limit: three per City
  - o 3-year grant term (2-year extension possible)
  - o Eligible uses are the same as the [LCDA Development grant category](#)
- o LCDA-TOD Pre-Development
  - o 25% match requirement
  - o No cap on request amount
  - o Award limit: $100,000 per city, per round
  - o 2-year grant term (no extensions)
  - o Application limit: three per City
  - o Eligible uses: design workshops, market studies, project-specific stormwater management plans, soil testing to determine feasible uses, impact analyses, architectural work for site plans or development staging plans
- o LCDA-TOD Zoning Implementation
  - o 25% match requirement
  - o No cap on request amount
  - o Award limit: $100,000 per city, per round
  - o 2-year grant term (no extensions)
  - o Eligible uses: development of zoning implementation tools
- o TBRA-TOD Site Investigation
  - o 25% match requirement
  - o 1-year grant term (no extensions)
  - o $50,000 cap on request amount
  - o Award limit: $100,000 per city, per round
  - o Eligible uses: same as TBRA Site Investigation
- o TBRA-TOD Cleanup
  - o No match requirement
  - o Award limit: $1,000,000
  - o 3-year grant term (2-year extension possible)
  - o Eligible uses: are the same as TBRA Cleanup
  - o Special note: available only in conjunction with concurrent LCDA-TOD application and award.

Award Limits

The Metropolitan Council reserves the right to award less than the amount requested and to award less than the available funding in a funding cycle.

Section 2:   TOD changes for 2018

- Reduction of TOD Pre-development funding available from $500,000 to $250,000.

- Later application deadline and shortened process timeline for the LCDA-TOD Development grants. In response to partner feedback, the overall timeline from submission of application to approval of grant awards has been shortened by approximately one month.

Section 3: Evaluation Process

LCDA-TOD Development and TBRA-TOD Cleanup Application Evaluation Process

The evaluation process includes both a Threshold evaluation process and a two-step Ranking process. First, to compete in the LCDA-TOD Development and TBRA-TOD Cleanup grant categories, **all** threshold criteria must be met at the time of the application; if not already met, the applicant must agree it will fulfill all threshold criteria within one year of completion of preliminary engineering for the station's transit line. A staff evaluation team will review the application to determine if the proposal meets the threshold criteria (see table below.) Only proposals that have met **all** threshold criteria will move on to the Ranking Criteria process.

After the Threshold evaluation process, the Council further evaluates these applications in a two-step Ranking process. First, a staff evaluation team reviews and scores eligible applications using the Step One evaluation criteria (see table below). Step Two of the evaluation process is conducted by members of the Livable Communities Advisory Committee (LCAC) using the Step Two evaluation criteria (see table below.)

LCDA-TOD Development and TBRA-TOD Cleanup Category Threshold Criteria		
Transit-Oriented Development Design Features in the TOD Area		
The development project must comply with an approved station area plan or small area plan that addresses the following TOD design features: • Minimal building setbacks • Short blocks with pedestrian connections adjacent to the buildings • Optimal pedestrian convenience between station and other connecting transit. A range of housing densities, types and costs • Connections between housing, retail, employment centers and recreational uses • Cycling and walking conveniences • Current and future employment opportunities within the TOD Area and within the connecting transit corridor/corridors • Conservation, protection, and enhancement of natural resources • Residential and commercial parking is limited, shared between uses, located to the rear of buildings, and/or is structured	Pass	Fail
Housing and Economic Diversity Considerations within the TOD Area		
City has adopted a policy/plan/guideline or other official local control to:		
Create or preserve a mix of housing affordability around transit investments in the TOD area by addressing both the preservation of existing subsidized and naturally occurring affordable housing units in the TOD Area **and** • The addition of affordable housing units in the TOD Area **or** • The addition of higher-value housing in lower-income areas to achieve a mix of housing affordability.	Pass	Fail
Address how the applicant will proactively and intentionally address gentrification	Pass	Fail

Step One Evaluation Criteria for LCDA-TOD Development and TBRA-TOD Cleanup	Possible Points
Housing:	
• The proposal's ability to produce affordable and/or life cycle housing including the willingness to accept Housing Choice Vouchers • The city has adopted affordability requirements for housing assisted with city funds or other fiscal devices applicable in the TOD Area • The proposal's ability to create or preserve a mix of housing diversity within the station area	20
Transit Accessibility, Walkability, & Ridership	
• The degree to which the TOD Area provides the opportunity for residents and/or employees in that TOD Area to live or work there without relying on an automobile to meet daily needs through the use of transit or walking, and to reduce automobile ownership, vehicular traffic, and associated parking requirements that would otherwise be necessary to support a similar level of more traditional development • The project's ability to increase the share of transit ridership to a level above what would be expected from a more traditional development	16
Jobs & Economic Competitiveness	
• The project's ability to create or preserve permanent jobs • The city has established hiring and procurement goals and/or processes that advance and promote the employment of local workers and/or disadvantaged businesses • The project's proximity to employment centers with high job densities and its ability to enhance the local tax base	15
TOD Design:	
• The degree to which the city has formalized TOD guidelines • The intensity of future use of the site, and • The project's ability to demonstrate TOD design features and/or connections that promote walking, bicycling, recreation, and the use of transit	14
Environmental Design	
• The project's ability to minimize stormwater runoff, filter sediments, and promote infiltration • Integrate native vegetation • Incorporate green building design and energy efficiency standards, and • Clean contaminated land	6
Leverage/Partnerships:	
• Partnerships have been established to advance the proposal and leverage other resources • The extent to which the project advances equitable development	4
TOTAL	**75**
Applications must score 45 or more points to advance to the Step Two evaluation process.	

Step Two Evaluation Criteria for LCDA-TOD Development and TBRA-TOD Cleanup	Possible Points
TOD Model/Demonstration Value	
• The project's demonstration value and potential to provide area-wide benefits • The degree to which the development plan demonstrates TOD design features as listed under the threshold criteria • The degree to which equitable development strategies were incorporated when planning and/or designing the proposed project	20
Catalyst	
• The extent to which TOD funding-requested elements will be a catalyst to implement the project of which it is a part • The extent to which the proposed project will catalyze additional development and private investment to future project phases and/or to the immediate area and throughout the region	10
Readiness	
Project readiness and anticipated timeframe of development (higher points for proposals further advanced on predevelopment continuum and development projects closest to "shovel-ready/ground breaking" stage)	15
Step Two Total	**45**
Combined Step One and Step Two Total	**120**
Applications must score 72 or more points of the total 120 available points from Step One and Step Two combined to be considered for funding.	
Housing Performance Score	
The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.	10
Overall Total	**130**

LCDA-TOD Pre-Development LCDA-TOD Zoning Implementation and TBRA-TOD Site Investigation Application Evaluation Process

Applicants seeking funding for LCDA-TOD Pre-Development LCDA-TOD Zoning Implementation and TBRA-TOD Site Investigation activities may apply for funds in two funding rounds. The process for evaluating applications for these grants is conducted by the staff evaluation team in a single step.

To be considered in the LCDA-TOD Pre-Development, or TOD Zoning Implementation, or TBRA-TOD Site Investigation grant categories, **all** threshold criteria (see table below) must be met at the time of application. If not already met, the applicant must agree it will fulfill all threshold criteria within one year of completion of preliminary engineering for the station's transit line. A staff evaluation team will review the application to determine if the proposal meets the threshold criteria. Only proposals that have met **all** threshold criteria will move on to the Ranking Criteria process.

LCDA-TOD Pre-Development, TOD Zoning Implementation and TBRA-TOD Site Investigation Threshold Criteria		
Transit-Oriented Development Design Features in the TOD Area		
The development project must comply with an approved station area plan or small area plan that addresses the following TOD design features: • Minimal building setbacks • Short blocks with pedestrian connections adjacent to the buildings • Optimal pedestrian convenience between station and other connecting transit • A range of housing densities, types and costs • Connections between housing, retail, employment centers and recreational uses • Cycling and walking conveniences • Current and future employment opportunities within the TOD Area and within the connecting transit corridor/corridors • Conservation, protection, and enhancement of natural resources • Residential and commercial parking is limited, shared between uses, located to the rear of buildings, and/or is structured	Pass	Fail
Housing and Economic Diversity Considerations within the TOD Area		
City has adopted a policy/plan/guideline or other official local control to:		
Address both the preservation of existing subsidized and naturally occurring affordable housing units in the TOD Area, **and** • The addition of affordable housing units in the TOD Area **or** • The addition of higher-value housing in lower-income areas to achieve a mix of housing affordability	Pass	Fail
Address how the applicant will proactively and intentionally address gentrification	Pass	Fail

Evaluation Criteria for LCDA-TOD Pre-Development and TBRA-TOD Site Investigation with an Identified Future Development Project	Possible Points
Applications will be evaluated on the degree to which the proposed activities will enhance the potential for an associated development or redevelopment project to:	
Transit Accessibility, Walkability, and Ridership	
• Provide the opportunity for residents and/or employees in the TOD Area to live or work there without relying on an automobile to meet daily needs by using transit or walking; to reduce automobile ownership, vehicular traffic, and associated parking requirements that would otherwise be necessary to support a similar level of more traditional development • Increase ridership	15
Housing	
• Produce affordable and/or lifecycle housing • Assist the city in meeting its affordable and life-cycle housing goals • Create or preserve a mix of housing affordability within the station area	15
Jobs	
• Create or preserve employment opportunities	15
TOD Design	
• Exemplify TOD design features • Intensify future use of the site	15
TOD Model/Demonstration Value	
• Lead to a project that can serve as a model of TOD, providing demonstration value and area-wide benefits	15
Catalyst	
• The extent to which pre-development activities will be a catalyst to implement the project of which it is a part • The extent to which the proposed development project will catalyze additional development and private investment to future project phases and/or to the immediate area	5
Partnerships and Readiness	
Applications will also be evaluated on the degree to which: • pre-development activities provide for meaningful and appropriate public engagement • The city has identified and secured financial commitments to move the project forward • The city has demonstrated political commitment for the future development or redevelopment project • The proposed project is ready and able to use the grant, if awarded, within the 24-month grant term (Higher points will be given for more advanced projects on the pre-development continuum)	10
Total	**90**
Applications must score at least 54 of the total 90 available points	

Evaluation Criteria for LCDA-TOD Pre-Development and TBRA-TOD Site Investigation with an Identified Future Development Project	Possible Points
Housing Performance Score	
The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.	10
Overall Total	**100**

Evaluation Criteria for Pre-Development TOD Implementation Zoning Ordinances Applications	Possible Points
Applications will be evaluated on the degree to which the proposed zoning ordinance will enhance the potential for the TOD Area to:	
Transit Accessibility, Walkability, and Ridership	
• Improve the ability of residents and/or employees in the TOD Area to live or work there without relying on an automobile to meet daily needs by using transit or walking; to reduce automobile ownership, vehicular traffic, and associated parking requirements that would otherwise be necessary to support a similar level of more traditional development	20
TOD Design and Demonstration	
• Demonstrate TOD design features • Intensify future development in the TOD Area	25
Catalyst	
• The extent to which the zoning ordinance will catalyze (induce, stimulate, prompt, effectuate, or cause to happen) development and private investment to future projects	10
Partnerships and Readiness	
Applications will also be evaluated on the degree to which: • pre-development activities provide for meaningful and appropriate public engagement • The city has identified and secured financial commitments to move the project forward • The city has demonstrated political commitment for the proposed zoning ordinance	15
Total	**70**
Applications must score at least 42 of the 70 available points	
Housing Performance Score	
The applicant's Housing Performance Score will be converted from a 100-point scale to a 10-point scale. If a proposed project includes new affordable housing or if a significant amount of affordable housing is already located within the project site/area, the proposal will be held harmless by assigning the higher of the community's actual performance score or the average performance scores from all proposals being evaluated.	10
Overall Total	**80**

Appendix A. Definitions

- *Affordable housing* is ownership or rental housing affordable to households with incomes of 80% or less of Area Median Income (AMI). All Livable Communities Act affordable housing grant applications that include affordable housing must have a minimum 15-year affordability term, and a mechanism to ensure the affordability for that period of time, to be considered as affordable.

- *Equity* connects all residents to opportunity and creates viable housing, transportation, and recreation options for people of all races, ethnicities, incomes, and abilities so that all communities share the opportunities and challenges of growth and change.

- The *Development Project* is the development or redevelopment project that provides the deliverables upon which a development grant application is scored. Note that in most cases, the Grant-Funded Activities do not comprise the Project.

- *Equitable Development* creates healthy vibrant communities of opportunity where low income people, people of color, new immigrants and people with disabilities participate in and benefit from systems decisions and activities that shape their neighborhoods.

- *Fair Housing Policy* A written statement regarding the local municipality's commitment to fair housing, typically including the policy's purpose, procedures for complaint identification and referral, designating a fair housing officer, and outlining internal and external actions the municipality will undertake to advance fair housing. A best practices guide, as well as a copy of a model local fair housing policy can be found here: *https://metrocouncil.org/Handbook/Files/Resources/Best-Practices/Fair-Housing-Policy-Guide.aspx*

- The *Future Development Project* is the development or redevelopment project that provides the deliverables upon which the Pre-Development grant application is scored. These criteria apply only to LCDA-TOD Pre-Development applications as specified in the LCA-TOD eligibility criteria.

- The *Grant-Funded Activities* are components of the project described in the application. The Grant-Funded Activities do not in and of themselves make up the project for which the Council awards grant funds.

- A *Living Wage* is 130% of the poverty guideline for a family of four within the 48 contiguous states established annually by the U. S. Department of Health and Human Services.

- *Participating Community.* To compete for Livable Communities grants, a community must elect to **participate** in the Local Housing Incentives program established by the *Metropolitan Livable Communities Act* (LCA) as well as negotiate with the Metropolitan Council to establish a set of *goals for affordable and lifecycle housing*. There are currently 95 Twin Cities communities participating in LCA programs.

- The process of *Placemaking* can lead to the creation of physical spaces that foster civic engagement, build social connections, catalyze economic development, demonstrate environmental sustainability, and contribute to the unique sense of identity of a project area or neighborhood. LCA placemaking eligible spaces are intentionally designed spaces, such as plazas, squares, greens or courtyards, that serve to create an identity, a focal point of, or gateway to the development. Playgrounds, tot lots, neighborhood parks, or general amenity areas primarily for the use of the development project's tenants are examples of spaces that do not meet eligible placemaking criteria for Livable Communities.

- The ***Project Area*** is the specific geographic area in which LCDA-TOD Pre-Development activities will be conducted.

- For the purposes of LCDA and LCDA-TOD Development applications, ***site improvement*** means demolition and removal of obsolete structures; excavation, filling, grading and soil correction to prepare a site for construction.

- ***Transit-Oriented Development*** *(TOD)* is moderate to higher-density development located within easy walking distance of a major transit stop, generally with a mix of residential, employment and shopping opportunities designed for pedestrians. (Additional information about transit-oriented development can be found in the Council's online handbook, the Guide for Transit-Oriented Development.)

- **An *LCA-TOD-Eligible Area*** is
  - A ½-mile radius of a proposed station on the following planned transit corridors:
    - METRO Blue Line and Green Line Extensions, and Orange Line
    - C Line (excluding temporary stations)
  - A ½-mile radius of a bus stop or station on high-frequency express routes. High-frequency express service is defined as bus service on or outside the I494/694 freeways providing six or more trips during at least one of the peak morning hours between 6:00 AM and 9:00 AM and every 10 minutes during the peak morning hour.
  - A ¼-mile radius of a bus stop along high frequency local bus lines, defined as those routes providing service at least every 15 minutes and running between 6:00 AM to 7:00 PM on week days and between 9:00 AM and 6:00 PM on Saturdays.
  - Additionally, for Pre-Development: A ½-mile radius of a proposed station on METRO Gold Line.

The criteria to determine areas eligible for TOD funding is that a project has entered environmental review for LCDA Pre-Development applications, and has completed environmental review, or received a Record of Decision, for LCDA-TOD development applications.

Appendix B. How the Livable Communities Grant Program Supports Thrive MSP 2040

Under state law, the Council is responsible for preparing a comprehensive development guide for the seven-county metropolitan area. *Thrive MSP 2040* provides a framework for a shared vision for the future of our region over the next 30 years. The Council adopted Thrive in 2014, along with the Housing Policy Plan, and in 2015 adopted the Transportation Policy Plan, the Regional Parks Policy Plan, and Water Resources Policy Plan. Thrive MSP 2040 and the policy plans provide the policy foundation and strategies to help accomplish the five desired outcomes that define the shared regional vision: **Stewardship, Prosperity, Equity, Livability and Sustainability**.

The five outcomes reinforce and support one another to produce greater benefits than any single outcome alone. Outcomes describe how Council investments and policies are enriching the region for residents and businesses.

In addition to the Thrive systems and policy plans, the Council will consider how to advance the Thrive outcomes by making investments through **Livable Communities Act** grants. Livable Communities Act funding currently addresses the Thrive outcomes in many ways. Some of the ways include:

Stewardship:

"Leveraging our infrastructure investments with higher expectations of land use."

- LCDA and LCDA-TOD grants, in particular, help fund land acquisition and public infrastructure that increase densities, and provide a mix of uses and housing affordability and types.

Prosperity:

"Planning for and investing in infrastructure, amenities, and quality of life with an eye to what the region needs to be economically competitive"

- LCDA and LCDA-TOD grants help fund basic infrastructure and placemaking features that help create livable neighborhoods, as well as helping provide workforce housing in proximity to job centers and transit

"Encouraging redevelopment and infill development across the region"

- All LCA accounts and associated grant categories have helped, and will continue to help participating communities implement projects in priority sites, that help further their comprehensive plan community development and redevelopment objectives

Equity:

"Using our influence and investments to build a more equitable region."

- The Livable Communities Act, Council policies and participating communities implement projects across the region that provide a range of employment, housing and transportation opportunities

"Investing in a mix of housing affordability along the region's transitways."

- LCA grants have worked with participating communities and funding partners to create and preserve a mix of housing types and affordability levels connected to transit and jobs. Through the TOD grant category, the Council specifically awards grants for affordable housing in transit areas.

Livability:

"Providing housing and transportation choices for a range of demographic characteristics and economic means."

- The Livable Communities Act, by design, provides funding to assist with the production and preservation of a range of housing and transportation choices.

"Aligning resources to support transit-oriented development and walkable, urban places."

- One of the early initiatives of the current Council was to create the TOD category of TBRA and LCDA grants. To date, the Council has awarded $30.2 million in grants to 38 projects through the LCA-TOD grant categories.

Sustainability:

"Promoting the wise use of water through expanding water conservation and reuse, increasing groundwater recharge, and rebalancing surface water and groundwater use."

- Many of the LCDA, LCDA-TOD, and TBRA-funded projects have included water conservation and re-use features, as well as provisions to protect water quality.

In collaboration with regional funding partners and participating cities, the Council will continue work to tailor the scoring criteria for LCA investments to balance the Thrive outcomes recognizing that *"projects that balance all five of the outcomes create positive change, while efforts that advance only one or two at the expense of the others may fall short over the long term."*

The five outcomes focus on the "why" of *Thrive MSP 2040*. Just as important is the "how" - the principles set forth in *Thrive* guide how the Council carries out its work to advance the outcomes. The Council has identified three principles: **Integration, Collaboration, and Accountability.**

An example of the principle of **Integration** at work in the LCA is perhaps most clearly seen in the creation of the LCA-TOD grant category which focuses resources for projects that intensify land use in station areas and along high frequency bus corridors.

Collaboration is inherent in the LCA through statutory language that requires proposals using innovative partnerships between government, private for-profit, and nonprofit sectors be given priority. Additionally, the Council works with participating communities to support their community development needs when reviewing and developing the scoring criteria for the grant accounts

Accountability is essential for LCA. Monitoring and evaluating projects funded with LCA grants is an ongoing effort and challenge. Council staff is committed to continual improvement in this work to measure and report the regional accomplishments gained through completed projects, as well as hurdles experienced by projects that do not materialize. Both accomplishments as well as hurdles will be used to refine future Fund Distribution Plans to advance the *Thrive MSP 2040* outcomes.