



To: MAYOR AND COUNCIL

Agenda Item #: VIII. D.

From: Bill Neuendorf
Economic Development Manager

Action
Discussion
Information

Date: June 3, 2014

Subject: Consider Metropolitan Council Livable Community grant award – 66 West Apartments by Beacon

Action Requested:

Authorize the City Manager to acknowledge the receptivity of Metropolitan Council Livable Community Account (LCA) funding to assist the development of affordable housing potentially located at 3330 West 66th Street.

Information / Background:

On May 20, 2014, Beacon Interfaith Housing Collaborative presented their concept to develop new transitional housing for formerly homeless young adults at 3330 West 66th Street (at Barrie Road). This concept requires several changes to Edina's zoning code and Comprehensive Plan. The City has made no decision about the appropriateness of the potential changes and at this time has no official position on the potential project.

Keeping in mind the authority of the City to either approve or deny requested changes to local ordinances and laws, the City is also aware that it can be very difficult to finance affordably-priced housing units. Such projects typically require funding from a number of different sources; and each source typically operates under unique criteria and schedules.

The Metropolitan Council, through the Minnesota Housing Finance Agency "Super RFP" process, makes grant funding available for new affordable housing using their Livable Communities Account (LCA). The Super RFP is a highly competitive funding application that is only available once per year. It can often take several application cycles before an award is made to a project. New developments located in municipalities that participate in the Met Council LCA programs are eligible to receive a grant. The intention of the funding stream is to help municipalities meet their negotiated LCA housing goals. The City of Edina previously approved Resolution 2010-71 to remain an active participant in the LCA program in order to achieve the shared goal of 138-212 new affordably-priced housing units in Edina from 2011 to 2020.

Beacon anticipates moving forward in their pursuit of development approvals for the 3330 West 66th Street location in a manner responsive to the comments and concerns voiced at the May 20, 2014 sketch plan review. Despite their pending zoning application, Beacon also intends to submit a Super RFP application to satisfy the June 10, 2014 deadline. If successful, the LCA award would be one of several funding sources necessary to satisfy the capital construction budget. LCA program rules award the grant to the City of Edina who then would enter into a sub-recipient grant agreement with the developer.

The City is requested to demonstrate its willingness to accept an LCA grant if the application is successful. Willingness to accept an LCA grant in no way binds the City to approve regulatory or legislative changes to accommodate the proposed transitional housing development at the proposed language. Any LCA funding award would be contingent on final land use approvals.

Staff recommends that the City express its receptivity and willingness to accept LCA funds. This show of receptivity is consistent with Resolution 2010-71 and would allow the developer to pursue site approvals and financing commitments concurrently. In the event that the City grants regulatory approvals, concurrent efforts would expedite delivery of the finished project.

Attachments:

LCA Receptivity to Award form

ACKNOWLEDGEMENT OF RECEPTIVITY TO A METROPOLITAN COUNCIL LCA FUNDING AWARD

As a participant in the Metropolitan Council’s Livable Communities Local Housing Incentives Account program, the [City of Edina](#) (name of city or township) supports the affordable and life-cycle objectives of the Livable Communities Act (LCA). Accordingly, it will accept and make available in a timely manner to Request for Proposal (RFP) applicant, [Beacon Interfaith Housing Collaborative](#), any LCA award to the city/township to assist the housing program or activity proposed in this application, if such an award is made.

By: _____
(Authorized City Official)

PROPOSED PROJECT INFORMATION (Required for grant contracting purposes)

PROJECT INFORMATION

[66 West Apartments](#)
Project Name

[3330 66th Street W](#)
Project Address

[Edina](#)
Project City

Street boundaries or major intersections:

PROJECT CONTACT INFORMATION

[Sarah Larson](#)
Contact Name

[2610 University Avenue, Suite 100](#)
Address

[St. Paul](#)
City

[55114](#)
Zip Code

[651.789.6260](#)
Phone Number

[651.789.6288](#)
Fax Number

slarson@beaconinterfaith.org
E-mail address

CITY/TOWNSHIP CONTACT INFORMATION

[Cary Teague](#)
Contact Name

[Community Development Director](#)
Title

[952-826-0460](#)
Phone

cteague@edinamn.gov
E-mail Address

AUTHORIZED CITY, COUNTY OR DEVELOPMENT AUTHORITY OFFICIAL(S) CONTACT INFORMATION

[Scott Neal](#)
Name

[Executive Director, Edina HRA](#)
Title

[952-826-0401](#)
Phone

sneal@edinamn.gov
E-mail Address