



# City of Blaine Anoka County, Minnesota

Blaine City Hall  
10801 Town Sq Dr NE  
Blaine MN 55449

## Legislation Text

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**ADMINISTRATION** - *Erik Thorvig, Community Development Director*

### **ELECTING TO PARTICIPATE IN THE LOCAL HOUSING INCENTIVES ACCOUNT PROGRAM UNDER THE METROPOLITAN LIVABLE COMMUNITIES ACT**

The Livable Communities Fund is a Metropolitan Council program which is intended to address housing and development issues facing the metro area. Every ten years, municipalities must adopt affordable and life-cycle housing goals and elect participation in the program in order to be eligible for various grant programs. The City of Blaine has previously elected participation in the program and has utilized grant funds. In the last decade, 96 communities in the metro area participated in the program. Livable Communities encompasses three grant programs:

1. Demonstration Account: Innovative development and redevelopment projects that efficiently link housing, jobs, services and transit
2. Tax Base Revitalization Account: Investigation and mitigation of contaminated land, ground water, and buildings, to facilitate redevelopment
3. Local Housing Incentives Account: Support the production and preservation of affordable rental and ownership housing

Electing participation and adopting the housing goals does not obligate the city to do anything other than complete an annual report on activities that created or preserved affordable and life-cycle housing, our progress towards the adopted goals, and what successes and challenges the city has faced in achieving the goals. Staff currently completes this report and it takes approximately one day.

By electing participation, the city is eligible for competitive grant funds to make development and redevelopment projects that incur extraordinary costs viable with less city money.

Previous Livable Communities grants to the City of Blaine include:

1. \$400,000 for the rehabilitation of Northgate Woods, 75-unit affordable housing development constructed in 1980.
2. \$250,000 for soil remediation to facilitate the development of the Woodland Village neighborhood. The city elected to include the construction of 7 affordable ownership units, built by Habitat for Humanity to make the grant application more competitive. While affordable housing is not a required component of any Livable Communities

grants, except for the Housing Incentives Account, grant funds may or may not have been awarded to this project without the inclusion of affordable housing.

3. \$62,400 for soil remediation at the former Lee's Wrecking, which is now the Blaine Medical Center.

The goals are separated into affordable and life-cycle housing. The affordable housing goal is 55% of the affordable housing need, which was established in the comprehensive plan. The goal is less than the need due to the limited state and federal funds available to finance affordable housing. The life-cycle housing goal is based on the anticipated multifamily housing development based on the land guided for high density residential uses in the comprehensive plan. There is no penalty for not meeting these goals.

By electing to participate in the Livable Communities program, development projects in the city will be eligible for grants. Since this comes at no cost or obligation, beyond minor reporting, staff recommends the city continue to participate in the program.

By motion, adopt the resolution.

**WHEREAS**, the Metropolitan Livable Communities Act (Minnesota Statutes sections 473.25 to 473.255) establishes a Metropolitan Livable Communities Fund which is intended to address housing and other development issues facing the metropolitan area defined by Minnesota Statutes section 473.121; and

**WHEREAS**, the Metropolitan Livable Communities Fund, comprising the Tax Base Revitalization Account, the Livable Communities Demonstration Account, the Local Housing Incentive Account and the Inclusionary Housing Account, is intended to provide certain funding and other assistance to metropolitan-area municipalities; and

**WHEREAS**, a metropolitan-area municipality is not eligible to receive grants or loans under the Metropolitan Livable Communities Fund or eligible to receive certain polluted sites cleanup funding from the Minnesota Department of Employment and Economic Development unless the municipality is participating in the Local Housing Incentives Account Program under Minnesota Statutes section 473.254; and

**WHEREAS**, the Metropolitan Livable Communities Act requires that each municipality establish affordable and life-cycle housing goals for that municipality that are consistent with and promote the policies of the Metropolitan Council as provided in the adopted Metropolitan Development Guide; and

**WHEREAS**, a metropolitan-area municipality can participate in the Local Housing Incentives

Account Program under Minnesota Statutes section 473.254 if: (a) the municipality elects to participate in the Local Housing Incentives Program; (b) the Metropolitan Council and the municipality successfully negotiate new affordable and life-cycle housing goals for the municipality; (c) the Metropolitan Council adopts by resolution the new negotiated affordable and life-cycle housing goals for the municipality; and (d) the municipality establishes it has spent or will spend or distribute to the Local Housing Incentives Account the required Affordable and Life-Cycle Housing Opportunities Amount (ALHOA) for each year the municipality participates in the Local Housing Incentives Account Program.

**NOW, THEREFORE, BE IT RESOLVED THAT** the Blaine City Council:

1. Elects to participate in the Local Housing Incentives Program under the Metropolitan Livable Communities Act for calendar years 2021 through 2030.
2. Agrees to the following affordable and life-cycle housing goals for calendar years 2021 through 2030:
  - Affordable Housing Goals Range: 626-1,139
  - Life-Cycle Housing Goal: 1,518
3. Will prepare and submit to the Metropolitan Council a plan identifying the actions it plans to take to meet its established housing goals.

**PASSED** by the City Council of the City of Blaine this 19<sup>th</sup> day of October, 2020.