



# SOUTHWEST LRT community works

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## Southwest LRT Community Works Steering Committee

Thursday, March 21, 2013

1:30-3:00 pm

Council Chambers, St. Louis Park City Hall

### Agenda

- I. **Welcome & Introductions**
  
- II. **Approve February 2013 Meeting Minutes**  
Chair Gail Dorfman, Hennepin County
  
- III. **Corridor Wide Housing Strategy**  
Lisa Middage, Hennepin County
  
- IV. **Housing Inventory Presentation**  
*Mary Bujold, Maxfield Research*
  
- V. **Southwest Corridor TOD Assessment**  
GB Arrington, GB Placemaking

#### Attachments:

*February Meeting Minutes*  
*Corridor Wide Housing Strategy*  
*Housing Inventory Executive Summary*  
*GB Arrington Bio*  
*FTA Comment Letter on Proposed New Starts Guidance*  
*Legislative Report*  
*Southwest LRT Project Update*

The Steering Committee will meet next on **Thursday, April 19**, from 1:30-3:00 at the St. Louis Park City Hall.

EDEN PRAIRIE ■ MINNETONKA ■ EDINA ■ HOPKINS ■ ST. LOUIS PARK ■ MINNEAPOLIS

METROPOLITAN COUNCIL





**Southwest LRT Community Works Steering Committee**

Meeting Minutes

Thursday February 21, 2013

1:30 - 3:00 pm

St. Louis Park City Hall

**Meeting Attendees**

Steering Committee Members & Alternates

Chair Gail Dorfman, Hennepin County Member

Jan Callison, Hennepin County Member

Peter McLaughlin, Hennepin County Regional Railroad Authority

Anne Mavity, City of St. Louis Park Member

Tony Wagner, City of Minnetonka Member

Jason Gadd, City of Hopkins Member

Nancy Tyra-Lukens, SouthWest Transit Member

Dick Miller, Minnehaha Creek Watershed District Member

Jeff Casale, Minnehaha Creek Watershed District Alternate

Anita Tabb, Minneapolis Park and Recreation Board Member

Bob Fine, Minneapolis Park and Recreation Alternate

Terry Schneider, City of Minnetonka Alternate

Kathy Nelson, City of Eden Prairie

Jim Hovland, City of Edina Member

Caren Dewar, Urban Land Institute (ULI) – Minnesota Member

**Other Attendees**

Katie Walker (Hennepin County), Kerri Pearce Ruch (Hennepin County), Kathie Doty (KLD Consulting), Mark Koegler (Hoisingon Koegler), Antonio Rosell (Community Design Group), Sam O'Connell (Southwest Project Office), Julie Wischnack (Minnetonka), Cathy Bennett (ULI-MN), Mark Fuhrmann (Metro Transit), Mark Ruff (Ehlers), Bill Schreiber (Messerli Kramer)

**I. Welcome & Introductions**

Chair Gail Dorfman called the meeting to order and asked members and attendees to introduce themselves. Chair Dorfman asked Julie Wischnack, Minnetonka, to provide an overview of the newly produced Station Area Profiles booklet, which was distributed to Committee members. Ms. Wischnack indicated that city and county staff worked together to create a dynamic document that gives a clear snapshot of each station area along the proposed Southwest LRT line.

Chair Dorfman also asked Sam O'Connell to provide an update on the hiring of three outreach staff coordinators for the SW LRT project outreach effort. Ms. O'Connell said they'd be introduced at the combined meeting of the Community Advisory Committee and the Business Advisory Committee meeting scheduled for that night.

## **II. January 17, 2013 Meeting Minutes**

It was suggested that the meeting agenda be approved. Chair Dorfman asked for a motion, and the agenda was moved and approved on a voice vote.

Chair Gail Dorfman asked the Committee members for comments on the January 17, 2013 meeting minutes. Ann Mavity asked for the date to be corrected and Chair Dorfman agreed to make that change. Meeting minutes were passed on a voice vote.

## **III. Southwest LRT Community Works 2013/2014 Workplan**

Chair Dorfman asked Kerri Pearce-Ruch to provide an overview of the workplan. She walked through the sections of the workplan including organization and engagement, development/re-development toolkit, corridor wide housing strategy, station area planning, infrastructure inventory, strategic redevelopment action plan and a corridor wide transit oriented development strategy, workforce and business growth development strategy, and corridor wide investment framework. The workplan will cover the next two years and build upon work conducted to date.

Cathy Bennett (ULI) provided an update on work on a housing inventory. The housing inventory is complete and generated a large amount of demographic and other data. There will be a presentation to the staff Technical Implementation Committee in March. Chair Dorfman asked about timing to develop a corridor wide housing strategy. Ms. Bennett replied that it will depend upon funding for additional work and other timing. She estimated that by the third quarter of this year, staff will have more to present to the Steering Committee on a corridor wide housing strategy, including a gaps analysis. This work will be aligned with the work conducted previously by Bonestroo.

## **IV. New Starts Proposed Guidance – Economic Development and Land Use**

Commissioner McLaughlin emphasized that the criteria developed should be embedded in the work of this group so we can maximize our position with regard to funding from the Federal Transit Administration (FTA). Chair Dorfman underscored this point, saying that even though the SW LRT project has received approval to enter Preliminary Engineering, it will still be important to bolster our case for federal funding. Chair Dorfman distributed a draft letter to the FTA that includes comments regarding new criteria for New Starts funding.

Kerri Pearce Ruch reviewed proposed changes including the treatment of “enrichments” in calculating costs and benefits. Ms. Pearce Ruch noted that there is a presentation on the SW Transitway Community Works website on proposed policy guidance on New Starts criteria. The public comment period will close on March 11, 2013.

Ms. Pearce Ruch noted that the draft letter shows enthusiastic support for the proposed changes. Chair Dorfman summarized some of the changes and why they are positive for the SW LRT project. Commissioner McLaughlin further detailed how the changes could work, saying they represent a big step forward. Mark Fuhrmann, Metro Transit, stated that, in some ways, the FTA is catching up with our approach. Ann Mavity asked about how the different treatment of enrichments would impact funding available for mitigation. Chair Dorfman asked about the value of conducting a health impact assessment. Ann Mavity asked Mark Fuhrmann about whether the Metropolitan Council will be submitting a letter to the FTA. Mr. Fuhrmann indicated that their letter would address broader and more technical issues such as ridership calculation. Kathy Nelson asked about whether trails and bike paths would be eligible for project funding. Peter McLaughlin noted that another change in approach is that local projects can increase their rating to compete for New Starts funds by requesting less than 50% funding for the project. Committee members offered other questions and comments, and discussed the opportunity that they see.

Chair Dorfman wrapped up the discussion by saying that the draft letter will be finalized after receiving more staff input and coordinating with CTIB and the SPO. She asked the Committee if there was general consensus that the letter should be sent. Members responded informally with head nods and comments of support for sending the letter.

#### **V. Legislative Initiatives**

Chair Dorfman asked Caren Dewar to present on behalf of Elizabeth Ryan, Family Housing Fund, who could not attend the meeting. Many ideas are being discussed around possible legislation to catalyze the development of housing and redevelopment. There's a need to connect the growing demand for housing closer to the core with the transit system being developed in our region. She introduced Mark Ruff, Ehlers, who talked about underlying discussions and strategies for moving forward on legislation that will support development around transit stations. He talked about defining what a transit area is, broadening special service districts, changes to special assessment laws, and strengthening intergovernmental coordination. Julie Wischnack offered that cities are in general agreement about proposing enabling tools and have some trepidation around use of joint powers. Mr. Ruff offered an example of a limitation that is an issue, that being that cities cannot use TIF for public spaces. Bill Schreiber, Messerli Kramer, offered thoughts on whether TIF should be broadened to make up for tight markets that have been experienced lately in relationship to the recession. Peter McLaughlin expressed some skepticism about whether this idea is valid in our area. The Committee continued to discuss the range of options around legislation to catalyze housing development.

Chair Dorfman asked for updates on other bills related to the SW LRT project. Mr. Schreiber reported that the Governor has not yet indicated bonding priorities, and will be updating his budget based on updated fiscal forecast coming out this month. In response to questions, Mr. Schreiber speculated that there will be a bonding bill this year. The Governor has proposed an increase in sales tax for transit which would generate significantly more revenue for major transit projects such as the Southwest LRT line. Peter McLaughlin indicated that the Governor's proposal would generate \$250 million per year for transit, and could support additional bonding for transit.

#### **VI. TSAAP Technical Design Charrette Debrief**

Chair Dorfman introduced Mark Koegler, Hoisington Koegler, who is the consultant lead for the Transitional Station Area Action Planning work currently underway (TSAAP). Mr. Koegler started by saying that TSAAP is all about getting ready for opening day of the LRT line in 2018. He reported on technical charrettes that were held with city staff and the following discussions with cities about possible plans. Public meetings are being planned for April and Mr. Koegler will report on specifics of that effort at the March meeting of the Steering Committee.

#### **VIII. Adjournment**

The meeting was adjourned at 3:00 pm. The next Southwest LRT Community Works Steering Committee meeting will be held on Thursday, March 21, at 1:30 pm at the St. Louis Park City Hall.



**Agenda Item 3: Corridor Wide Housing Strategy**

**Reviewed By:**

- Chair
- TIC Principals
- TIC
- Hennepin County staff
- Other \_\_\_\_\_

**Steering Committee Action Requested:**

Information

**Background/Justification:**

Staff will provide an overview and update of the proposal to conduct a Corridor Wide Housing Strategy. On September 24, 2012 the Southwest LRT Steering Committee acted to direct staff to proceed with developing a Corridor Wide Housing Strategy.

**Previous Action on Request:**

**Recommendation:** Information

**Financial Implications?** None

**Are These Funds Budgeted?**

**Attachments:** Corridor Wide Housing Strategy

**Comments:**

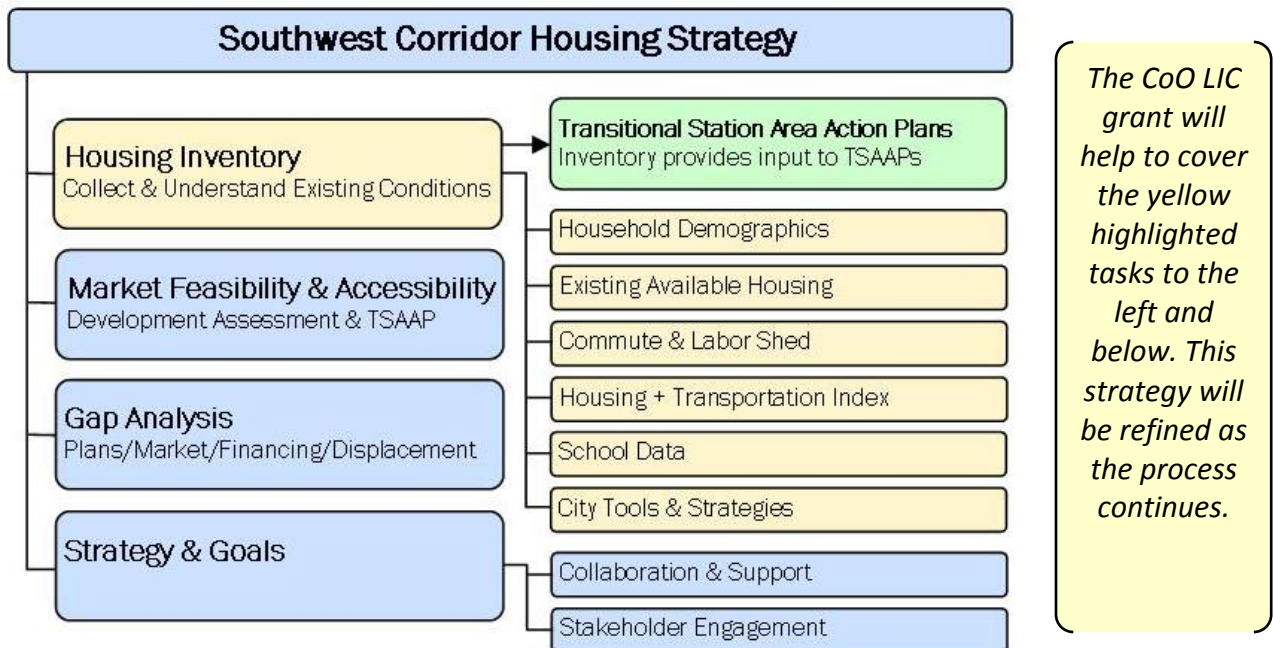


## Southwest LRT Corridor-Wide Housing Strategy Outline of Tasks

**Purpose:** Partner with SW LRT Corridor Community Works and regional partners to recommend joint policies, tools and financing strategies that help to achieve a full range of housing choices along the SW LRT Corridor in conjunction with future transit investments.

- **Respond to Corridors of Opportunity - Fair & Affordable Housing Task Group** - Corridor Transit-Oriented Development Strategies should include a plan for the adoption of measurable corridor-wide goals and strategies to ensure sufficient housing, both new production and preservation, to serve a full range of incomes. This plan should be informed by consultation with all appropriate stakeholders (fair and affordable housing experts, community members and organizations, housing developers, etc.).
- **Build upon Existing SW Corridor Community Works Activities** - Ensure that the housing strategy is grounded in market reality and is connected to financial feasibility and employment growth based upon Southwest Corridor Community Work planning activities completed through Living Cities and HUD Sustainability Grants.

### Corridor Housing Strategy Tasks:



1. **Collect & Understand Existing Conditions:** Set the baseline; document what is already available along the corridor, build upon the ULI MN/RCM Opportunity City Program Housing Audit Process.
  - **Household Demographics** - who is living in the corridor, where are they coming from and where do they move to? What type of housing are people living in currently? What is the household income? *Source: Excensus, Census. DEED, Metropolitan Council*
  - **Existing Available Housing** - determine number and type of subsidized and unsubsidized affordable housing along the corridor. *Sources: Housing Link, Excensus, Cities, County, MN Housing, MN Preservation Plus, etc*
    - Subsidized: Financed with HUD funding, section 8, tax credit projects, Minnesota Housing, TIF, Land Trust Homes, Habitat, etc.
    - Unsubsidized (Naturally Occurring Affordable Housing): Single Family & Multi-Family
  - **Commute & Labor Shed** - determine where people work and where workers come from; evaluate industries; summarize incomes and wages. *Sources: Census LEHD, DEED*
  - **Housing + Transportation Cost Index** - review and apply current Housing + Transportation Cost Index.
  - **School Data** - review school data (early childhood, K-12, and post-secondary) regarding families and changes in school populations, including changes in race/ethnicity and free/reduced lunch numbers.
  - **City Housing Tools & Strategies** - collect & review existing city housing strategies (policies and tools) and current affordable housing goals. *Source: Cities*
    - Metropolitan Council Affordable Housing Goals
    - City Policies & Strategies - Comprehensive Plan Housing Section and other city specific policies and plans that address housing.
    - Financing Tools - federal, state, regional, county, city, non-profit

## 2. **Outline & Agree Upon Key Study Parameters**

- Boundaries for housing strategy will include 1/2-mile, 2-mile radius; station area, corridor-wide, neighborhoods.

- Define affordability levels to target research; e.g., Area Median Income at and below 30%, 60%, 80% and 120%. Define and review a full range of housing options to include a review of mortgage and rent levels at 30 percent of household income for ownership and rental housing along the corridor.

### **3. Market Feasibility/Transitional Station Area Action Plans**

- Incorporate relative market feasibility of different housing uses/types based upon previous work; e.g., market assessment, transitional station area action plans and existing inventory of infrastructure improvements. Connect housing type and value to current and future jobs and wages along the corridor.
- Determine locations and station areas where the market is strongest for new housing types; identify key housing for preservation and areas that should be protected from displacement; make connections to areas of job growth.
- Review and update station typology chart—a tool used to communicate and assist with complex TOD decisions on a corridor level that helps articulate the expectations and objectives of TOD investments by stakeholders, from private developers to community members to policymakers.

### **4. Gap Analysis**

- Based upon information collected and review of market feasibility, determine gaps in housing types and values and areas that need enhanced connectivity between current and planned housing and jobs.
- Determine the financing tools & strategies that are needed to achieve transitional station area plans and to provide a full range of housing choices along the corridor.
- Identify barriers to preserving and building a full range of housing choices along the corridor.

- 5. Develop Coordinated Strategy to Meet Future Housing Goals:** Develop a strategy that provides coordination in preserving and constructing a full range of housing choices along the corridor. Seek to clearly identify goals and future implementation measures/benchmarks.

- a. Collaboration and Support:** Seek input and support among SW LRT Community Works and with each Southwest Corridor City.
- Incorporate into City Comprehensive Plans and other city policies and plans
  - Inform and align with the Hennepin County Consortium Consolidated Plan



- Collaborate with the Metropolitan Council Regional Housing Policy Plan
- b. Stakeholder Engagement:** Collaborate with existing city and corridor community engagement efforts and seek input from key stakeholders.
  - Build upon the Corridors of Opportunity community engagement activities and individual City citizen engagement processes.
  - Conduct additional targeted engagement as necessary at key points in the process.
  - Seek to communicate with stakeholders using technology.
- c. Partners/Stakeholders:**
  - Cities - Minneapolis, St. Louis Park, Hopkins, Minnetonka, Eden Prairie, Edina
  - Hennepin County
  - Community Works
  - Metropolitan Council
  - Corridors of Opportunity - Community Engagement & Affordable Housing TOD Team
  - MN Housing
  - Family Housing Fund
  - McKnight
  - ULI/Regional Council of Mayors
  - Twin Cities LISC
  - Businesses
  - Schools
  - Neighborhood Groups



# SOUTHWEST LRT

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## Agenda Item 4: Housing Inventory

**Reviewed By:**

- Chair
- TIC Principals
- TIC
- Hennepin County staff
- Other \_\_\_\_\_

**Steering Committee Action Requested:**

Presentation. Receive and file report.

**Background/Justification:**

Maxfield Research will present an overview of the key findings from the Housing Inventory.

**Previous Action on Request:**

**Recommendation:** Receive and file report.

**Financial Implications?** None

**Are These Funds Budgeted?**

**Attachments:** Housing Inventory Executive Summary  
(full report available at [www.southwesttransitway.org](http://www.southwesttransitway.org))

**Comments:**



**Purpose of Study**

Maxfield Research Inc., was engaged by Hennepin County (on behalf of the Southwest LRT Community Works) to provide a housing inventory for the areas surrounding the 17 proposed transit stations along the Southwest Light Rail Transit Corridor (SWLRT). The corridor extends from Downtown Minneapolis through St. Louis Park, Hopkins, Minnetonka, and Eden Prairie. Housing inventory research was completed corridor-wide and at the half-mile, one-mile, and two-mile radii from each station.

The outcome of the analysis is intended to provide Hennepin County and the Southwest LRT Community Works Project with a baseline housing inventory and demographic/economic profile that will enhance local and regional housing goals and policies as identified in the Corridors of Opportunity (CoO). The Southwest Corridor-wide Housing Inventory will establish the starting point for the broader Southwest Corridor Housing Strategy, while simultaneously providing input to the Southwest Transitional Station Area Action Plans (TSAAP). Future housing strategy tasks include market feasibility and accessibility, gap analysis, and strategy/goals that will be completed at later dates. Future phases will build upon the housing inventory and provide detailed recommendations related to housing strategy and goals.



## Demographics

Extensive demographic research was completed to obtain a full scope of factors that affect each station's demographic and economic compositions. Demographic analysis was compiled corridor-wide and at the half-mile, one-mile, and two-mile radii of each station area.

Demographic highlights include:

- The overall transit corridor (half-mile) experienced growth in population and households of +15% and +16% respectively between 2000 and 2010. Growth is projected to continue through 2017 but at a much lesser rate of +3% for both population and households. This growth rate will likely increase as transit oriented development will likely increase closer to the arrival of the SWLRT.
- In 2010, the Blake Road Station had the highest population with nearly 5,400 persons (half-mile). However the West Lake Station posted the highest number of households (2,685).
- The half-mile corridor population is younger as the largest age cohort for nearly all station areas is ages 25 to 34 years old. Over 50% of the corridor's population was 35 and under.
- The average corridor-wide household size was only 1.83 persons per household at the half-mile corridor. Only four stations (Penn, 21<sup>st</sup>, Louisiana, and Blake) average over 2.0 people per household, indicating that there were a high percentage of households living alone and two-person households.
- The majority of households (54%) within a half-mile SWLRT Corridor rented their housing in 2010. The percentage of renters is projected to increase for nearly all of the stations through 2017. This trend started after the housing bust and Great Recession out of necessity for some householders, but has also become a lifestyle choice.
- Minorities accounted for about 27% of the half-mile corridor population in 2010. This compares to about 26% of the Hennepin County population and 21% of the Metro Area population. The largest concentration of the non-white population was within Royalston and Van White station areas in Minneapolis.
- In 2012, the median half-mile corridor household income was \$50,580. Median incomes ranged from \$31,475 (Hopkins Station) to \$131,200 (21<sup>st</sup> Street Station). By 2017, the median household incomes are projected to increase at all stations by an average of about 16% (3.2% annually). Seven of the stations are projected to have income growth from 20% to 30%.

## Employment

Employment growth can fuel household and population growth as people generally desire to live near where they work. Employment data and mobility trends were compiled both corridor-wide and for each individual station area. Key employment findings include:

- SWLRT Corridor communities are home to numerous employment centers as there are approximately 107,200 jobs at the half-mile corridor as of 2010. This accounted for 13% of all Hennepin County jobs and 7% of the Metro Area jobs.
- The Royalston Station had the greatest number of jobs (10,208) within the half-mile corridor due to its proximity to Downtown Minneapolis. The Louisiana Station (8,469 jobs) and the City West Station (7,629 jobs) were the next two station areas with high concentrations of jobs. The 21<sup>st</sup> Street and Penn Stations had the fewest number of jobs within half-mile with 167 and 457 jobs, respectively.
- A higher percentage of workers within half-mile of the SWLRT line compared to the Metro Area had a bachelor's degree or advanced degree (31% compared to 28%). Higher educational attainment also correlated to higher earnings. Approximately 52% of workers earned more than \$3,333 per month within half-mile of the SWLRT line compared to 47% in the Metro Area. The Opus Station had the highest earners with 78% of jobs earning more than \$3,333 per month.
- Most station area residents commute outside of the community they live in. For example, 44% of residents living within half-mile of stations in Minneapolis also worked in Minneapolis; while only 7.1% of residents living within half-mile of stations in Hopkins also worked in Hopkins. Corridor-wide, approximately 31% of all residents within half-mile of the SWLRT work in Minneapolis followed by 7.6% in St. Louis Park.

## Education

Key data points were obtained for all public, private, charter, and post-secondary schools located within the SWLRT Corridor. The following bullet points summarize education findings:

- There are six public school districts that fall along the SWLRT line: Eden Prairie, Edina, Hopkins, Minneapolis, Minnetonka (not in 2-mile radius of SWLRT line), and St. Louis Park. There were 38 public schools located at the two-mile corridor of the SWLRT line with a total of 30,014 students as of the 2011-2012 school year.
- The Minneapolis Public School District had the largest enrollment with 31,750 students while the St. Louis Park Public School District had the smallest enrollment with 4,350 students. The Minneapolis Public School District also had the highest percentage of minority students (65%) and free/reduced lunches (64%), but the lowest graduation rate

(47%). Conversely, the Minnetonka Public School District had the lowest percentage of minority students (11%) but the highest graduation rate (95%). The percentage of open enrolled students varies between 9% (Edina) and 15% (Minneapolis).

- In addition to the 38 public schools that fall within two-miles of the SWLRT, there are 28 private schools, 22 charter schools, and four post-secondary schools.
- Students and families who attend to schools within half-mile of the SWLRT will have the greatest opportunity to utilize the SWLRT for their transportation needs. There are four public schools, seven charter schools, and ten private schools located within half-mile of the SWLRT.

### Housing Characteristics

The SWLRT Corridor housing stock was analyzed by corridor, community and station area level; including data on the age of the housing stock, housing structure types, mortgage status, building and demolition permit trends, and relocation trends. Housing characteristics highlights are as follows:

- Emulating the housing market over the past decade, building permit activity in SWLRT Corridor communities was strong between 2000 and 2006 before significantly falling in after the housing bubble burst. About 80% of all new housing units built last decade were constructed between 2000 and 2006.
- Minneapolis accounted for 70% of the new housing units over the past decade among corridor communities. However, most of these units were condominiums constructed between 2005 and 2007.
- Since 2005 there has also been the demolition of 270 single-family units within the 2-mile SWLRT Corridor. Two-thirds of the teardowns have been in the Edina portion of the corridor.
- With the exception of the Royalston Station, the age of the housing stock is newer the further southwest from Downtown Minneapolis. About 36% of homes within half-mile of stations in Minneapolis were built before 1940. In comparison, 8.9% of homes within half-mile of stations were built before 1940 in St. Louis Park, 11.3% in Hopkins, 1.8% in Minnetonka, and 0.2% in Eden Prairie.
- Housing type also varies considerably between station areas as the Penn and 21<sup>st</sup> Street Stations in Minneapolis are dominated by single-family detached homes within the half-mile radius (over 80% of stock); whereas there are no single-family homes near the Town Center and Southwest Stations in Eden Prairie.

- Corridor-wide, about 25% of all housing units within the half-mile corridor are single-family units. Over 50% of all housing units in the SWLRT Corridor are located in multifamily structures with over 20 units.
- Most households residing in the SWLRT Corridor tend to stay in the same community or adjacent community when they move. According to the relocation data, about two-thirds of existing householders stay within a SWLRT community when they move.

### **For-Sale Real Estate Market**

The for-sale housing market includes an evaluation of home sales by all SWLRT Corridor cities and within the station areas, an overview of homes for-sale within the station areas, and a review of lender-mediated properties. For-sale highlights include:

- Real estate activity among communities and station areas along the SWLRT Corridor mirrored the Metro Area and national real estate market with strong real estate appreciation between 2000 and 2006 (+59%) before experiencing falling home prices once the housing market bubble burst. However, declining home prices (-17%) between 2005 and 2012 along the SWLRT were not as severe as most communities in the Metro Area.
- Lender-mediated property sales (i.e. foreclosures and short sales) were lower among SWLRT communities compared to the Metro Area (38% among SWLRT communities vs. 50% Metro Area).
- Housing resale prices vary significantly across the SWLRT Corridor. Through 3<sup>rd</sup> Quarter 2012, median resale prices within the half-mile corridor were highest at 21<sup>st</sup> and Penn Stations (\$380,000+) and lowest at the Opus, Southwest, and Mitchell Road Stations (under \$100,000).
- As of the 4<sup>th</sup> Quarter 2012, the median list price for a home within the half-mile SWLRT Corridor was \$348,800 compared to approximately \$200,000 in the Metro Area. The high corridor median list price was inflated based on the price points of homes near the 21<sup>st</sup> and Penn Stations in Minneapolis.

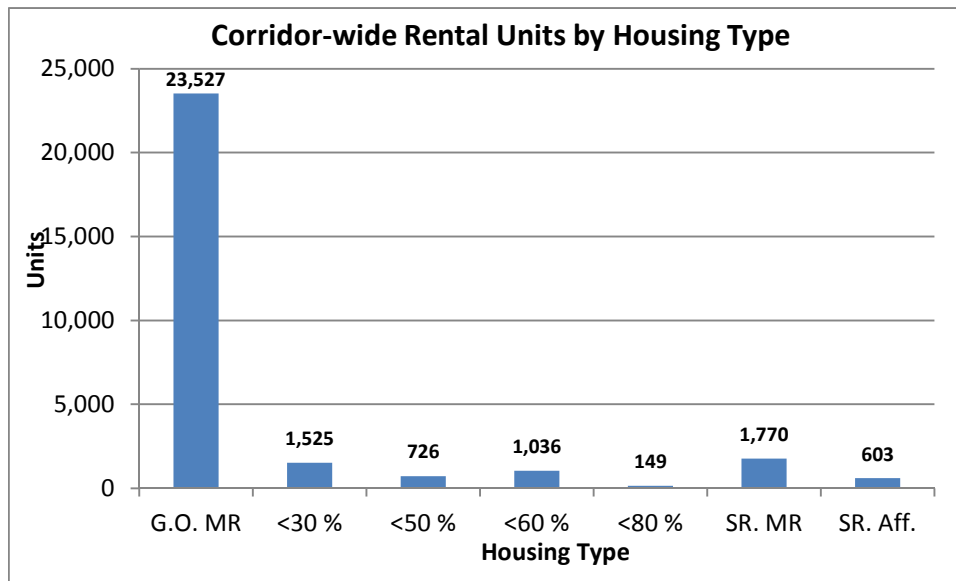
### **Housing Inventory**

The housing inventory analyzed a variety of metrics such as affordability, inventory of rental housing units and condominium units, homestead vs. non-homesteaded properties, naturally occurring affordable housing, and identified housing projects in the development pipeline (i.e. under construction, planned, pending, etc.).

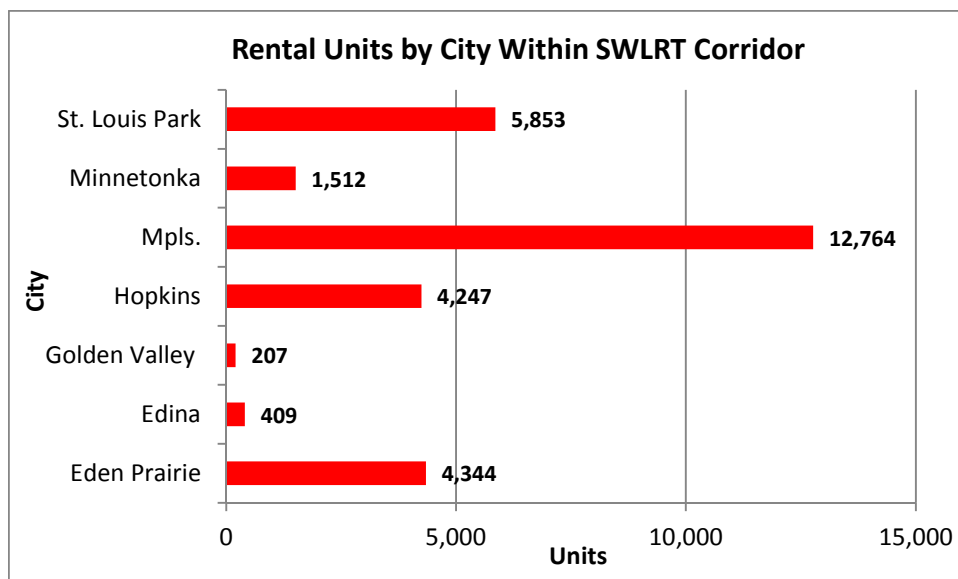
Maxfield Research Inc. identified and surveyed rental properties of 12 or more units along the corridor for both general occupancy and senior (age restricted) housing. Properties were

inventoried within a two-mile radius for the suburban stations and a one-mile radius for the Minneapolis stations. The following bullet points highlight key findings:

- Corridor-wide, 401 projects were inventoried that encompassed over 29,300 units. Market rate projects (those with no income restrictions) accounted for 80% of the total units. Affordable/subsidized projects represented about 12% of the units, and age-restricted senior projects accounted for 8%.

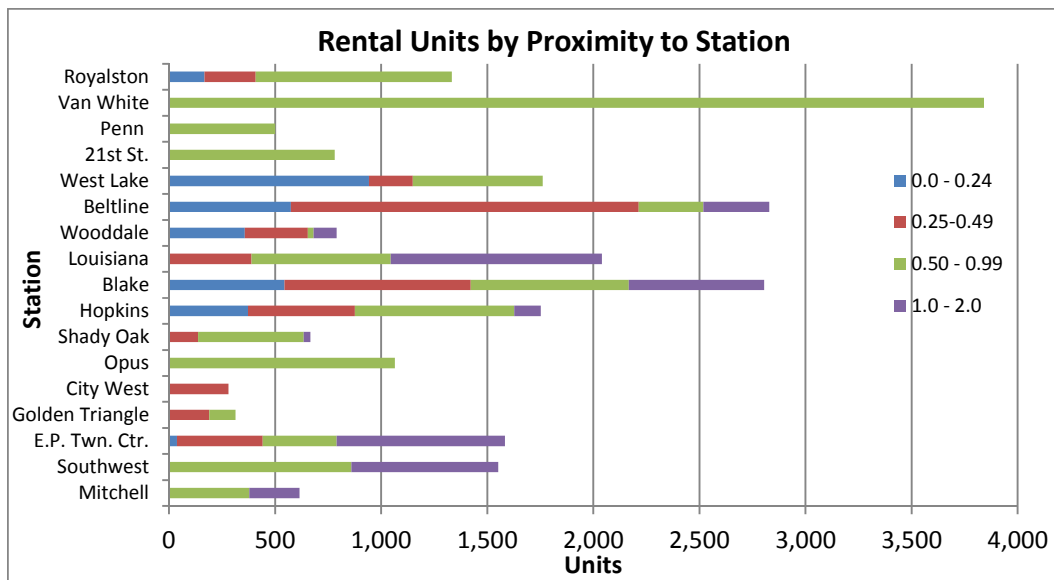
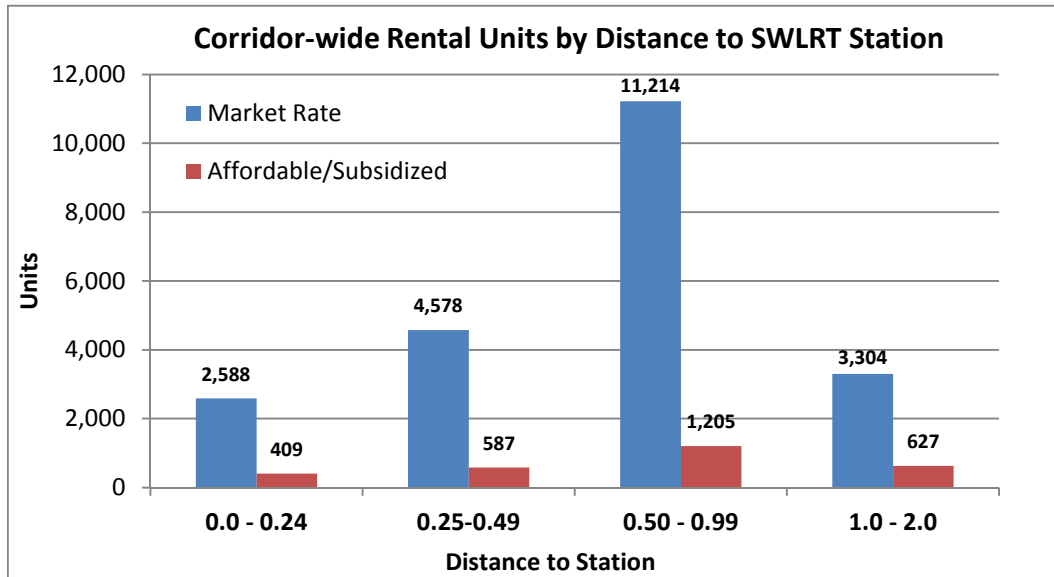


- About 44% of the total rental units (12,764 units) inventoried are located in the City of Minneapolis. However, over 4,500 of these units are located closer to existing LRT lines. St. Louis Park had the highest rental inventory among the suburban SWLRT communities (5,853 units).





- Only 12% of the units (almost 3,000 units) are located within one-quarter mile of station areas. Furthermore, only five of the seventeen stations have rental units within a quarter mile of the station. Just over one-half (51%) of the units are located within one-half to one-mile of station areas.



- Housing units that do not have income guidelines yet are more affordable than other units in a community are considered “naturally occurring or “unsubsidized affordable” units. Typically these units have lower values based on a combination of factors such as age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc. A review of market rate rental projects found that 53% of the total units were constructed at least 30 years ago; indicating the rents were more affordable than newer product.

Finally, about two-thirds of market rate projects with available rents were considered affordable to households at 50% to 60% of AMI (households earning between \$29,300 and \$50,340 for a one- or two-bedroom unit).

- Corridor-wide in 2012, non-homesteaded properties accounted for 21.5% of all non-apartment residential units. Minneapolis accounted for 69% of the over 11,000 non-homesteaded properties and about one-half of the non-homesteaded units in Minneapolis were condominiums. Corridor-wide, 11% of single family homes were non-homesteaded.
- As of late 2012, there were 9,700 housing units either under construction, planned, or pending along the SWLRT Corridor. However, the number of units declined to 4,200 after excluding projects closer to other LRT stations. About 70% of the planned product is general-occupancy market rate rental housing; most of which is higher-end renting at over \$1.75 per square foot). Although 80% of the units in the development pipeline are located in Minneapolis, there are several projects under construction or planned in the suburban communities.

### Housing Programs

There are a variety of tools and strategies the communities along the SWLRT Corridor provide that are designed to improve and enhance housing choices and services. Many cities strive to provide programs supporting a wide variety of housing choices across all incomes, housing types, sizes, and price points. Examples of housing programs include first-time homebuyer programs, fix-up funds, rental ordinances, foreclosure prevention, etc. As part of the housing inventory, housing programs were summarized for all SWLRT communities and for Hennepin County. Key housing program findings are as follows:

- The number and type of programs vary significantly from city to city along the SWLRT Corridor. While the Cities of St. Louis Park and Minneapolis offer numerous housing programs (17+); Golden Valley and Edina offer very few.
- There are no housing programs that are offered in all seven communities. However, there are four programs that are offered by five of the seven communities; as identified below:
  - Housing Fair
  - Deferred Loan Program
  - First-Time Home Buyer Program
  - Land Trust
- In addition to the housing programs currently offered by communities, there are a number of programs referred to or administered by third parties. Examples include the Community Action Partnership for Suburban Hennepin County, Minnesota Homeownership Center, Center for Energy and the Environment, Centerpoint Energy, Xcel Energy, among others.

- Additional housing programs implemented by other cities were also identified. Examples included inclusionary zoning, density bonuses, rent-to-own programs, among others.
- Finally, the study provided examples of collaboration programs that could be implemented while addressing common goals and housing issues along the SWLRT Corridor.

### **City Policies**

Accompanying the data review was the review of plans and policies adopted by the seven jurisdictions (Minneapolis, Golden Valley, St. Louis Park, Hopkins, Edina, Minnetonka and Eden Prairie) that are anticipated to be influenced by the SWLRT line. The following bullet points summarize key city policy findings:

- Corridor cities have adopted polices and land uses which incorporate the future SWLRT, even though it was uncertain if the corridor would be constructed.
- Polices and land use plans identified and incorporated language that supports higher densities along the corridor, utilizing mixed use developments, promote alternative housing other than single-family, and provide opportunities for affordable housing for their elderly and transient workforce.
- Some cities have potential competing interests in their development policies. For example, new development could encroach upon areas the city may be striving to preserve.
- Most of the plans and policies were prepared in the early to mid-2000's as cities were updating their comprehensive plans. As a result, most of the data is sourced to the 2000 census and is outdated. However, the policies established within the updated comprehensive plans do not reflect a specific timeframe but establishes future guidance for each city.

### **Financing Tools**

The financing tools analysis summarized the current tools, resources, and funding sources which could be used to create affordable housing along the SWLRT Corridor. The following three bullet points are recommended to help mitigate impediments to development along the SWLRT line:

- Address the expensive and cumbersome land acquisition process
- Form a consensus over what TOD in Minnesota should be
- Modify the statutory requirements for establishing TIF districts.



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## Agenda Item 5: TOD Assessment

**Reviewed By:**

- Chair
- TIC Principals
- TIC
- Hennepin County staff
- Other \_\_\_\_\_

**Steering Committee Action Requested:**

Presentation. file report.

**Background/Justification:**

GB Arrington of GB Placemaking to provide a presentation on TOD and the proposed TOD assessment for the Southwest Corridor.

**Previous Action on Request:**

**Recommendation:** Information.

**Financial Implications?** None

**Are These Funds Budgeted?**

**Attachments:** GB Arrington Bio

**Comments:**





GB Arrington is recognized as an innovator in policy, research, planning and design services that assist public- and private-sector clients in solving politically and technically complex land use and transportation challenges.

**GB ARRINGTON**  
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971-282-5118  
[arrington.gb@gmail.com](mailto:arrington.gb@gmail.com)

GB created and led the global transit-oriented development (TOD) practice for a major A&E firm. His work has taken him across North America, to China, Australia, New Zealand, Dubai, and the Caribbean. GB's career has been defined by a commitment to continuous innovation to reinvent how cities grow while enhancing their quality of life. Before becoming a consultant, he charted a new, award-winning direction for TriMet, Portland, Oregon's transit agency. His innovative planning and community building strategies changed the face of transit and land use in the Portland region and received awards from the White House and the Federal Transit Administration. GB is one of the founders of the Rail~Volution conference.



**DIFFERENTIATOR.** Australia's Urban Development Institute called GB "the world's foremost authority on TOD policy, design & implementation."

**INNOVATOR.** Created Portland's heralded TOD program, GB's strategies reshaped TOD for Washington, DC, Denver and the states of Maryland and California. His Winnipeg TOD Guidebook was part of a Canadian Institute of Planning Award for Planning Excellence for City Planning.



**MASTER PLANNER.** Directed more than 125 integrated land use plans. GB led the Daniel Burnham Award winning plan for Tysons Corner, VA – APA's "most prestigious prize"; Time Magazine highlighted the plan as one of "10 Ideas Changing the World Right Now."

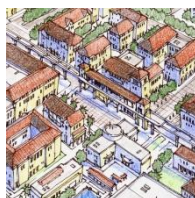


**TRANSFORMER.** Harnessed transit to create value and opportunity in disinvested communities - Detroit, West Baltimore, Austin, Denver and Miami. The West Baltimore "strategy was not only for the community, but by the community," State Secretary of Transportation John Porcari.

**NEW STARTS EXPERT.** A drafter of the federal transit land use criteria. Led more than a dozen New Starts land use submittals. Helped raise Miami's North Corridor rating from low to medium, making it eligible for federal funding, Project of the Year Finalist, PB Americas.



**TRANSIT DESIGNER.** Led design refinement to enable economic development for projects such as Denver's entire 119 mile FasTracks project, Portland's Westside LRT and eastside streetcar extension. Presidential Design Award, The White House, for the Westside Light Rail project.



**INNOVATIVE FINANCE.** Prepared and implementing 'land value capture' strategy for California High Speed Rail. Completed joint development strategies for multiple transit agencies and has served as a longtime advisor to FTA on joint development



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## Updates

1. FTA comment letter
2. Legislative Update
3. TSAAP Outreach
4. Southwest LRT



# SOUTHWEST LRT

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connecting people to jobs, housing, shopping, and fun

March 11, 2013

US Department of Transportation  
Docket Management Facility  
U.S. Department of Transportation  
1200 New Jersey Avenue SE., West Building, Room W12  
Washington, DC 20590.

RE:Docket Number FTA-2010-0009

Dear Docket Manager,

On behalf of the Southwest LRT Community Works Steering Committee, I thank you for the opportunity to provide comment on the Proposed New Starts and Small Starts Policy Guidance published in the Federal Register on January 9, 2013.

The Southwest LRT Community Works is a subrecipient of the Housing and Urban Redevelopment (HUD) Sustainable Communities grant awarded in 2011 to support development along the Southwest LRT line to create distinctive places and strengthen local assets while increasing ridership and expanding access to jobs, affordable housing, and essential services for residents of all incomes and backgrounds.

The Southwest LRT Community Works Steering Committee, formed under the leadership of Hennepin County, is composed of elected officials/representatives from the Metropolitan Council, Hennepin County, the six partner cities, and other partners. The Southwest LRT Community Works vision is to align land use and transit planning so that the Southwest LRT Corridor is a premiere destination that is accessible, livable and vibrant.

The Steering Committee strongly supports the increased emphasis placed upon land use and economic development as criteria for the successful implementation of New Starts projects and we offer the following comments on the proposed guidance that was issued on January 9, 2013.

#### Project Justification - Cost Effectiveness Calculation, Enrichments

We strongly support the FTA proposal to reduce or eliminate "enrichments" from the Cost Effectiveness Index (CEI) calculation. The elements defined by FTA as "enrichments" are essential to the creation of vibrant, successful station areas and align well with the vision and goals of the Southwest LRT Community Works initiative.

#### Project Justification - Economic Development

While we strongly support the inclusion of economic development as a criterion for New Starts projects we have concern over the proposed option quantitative analysis of anticipated development scenarios and its reliance on vehicle miles traveled (VMT) as the data source for assessment. We do not believe that this is an appropriate method for documenting the value of economic development that will occur within ½ mile of LRT stations. We support the recommendations made by the Counties Transit Improvement Board (CTIB) and the





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Metropolitan Council that alternate measures including improvements to job accessibility measured by number of jobs and households within ½ mile of and within 30 minutes travel time be used.

### Project Justification - Land Use

We support the FTA's proposal to include station area development character and pedestrian facilities in the land use criterion. Through the HUD Sustainable Communities Grant funds, we have identified station area typologies to reflect the station area character. In addition, through our Transitional Station Area Action (TSAAP) process, we are assessing pedestrian facilities with an emphasis on ensuring that residents of affordable housing units have access, defined as a 10 minute or less walk, to the LRT stations.

### Project Justification – Land Use (housing)

We strongly support the FTA's proposal to preserve, maintain, and increase the amount of affordable housing along transit corridors to ensure access for all. We are currently conducting the Southwest Corridor Wide Housing Strategy which will recommend joint policies, tools and financing strategies that achieve a full range of housing choice. As a first step toward completing the Southwest Corridor Wide Housing Strategy, a housing inventory was completed which will provide a baseline for the corridor.

While we applaud the efforts of the FTA to bring focus to housing we do have concerns over the proposed measure. We recommend greater clarity on income levels targeted; specifically, we recommend that eligible "legally binding affordability restricted" housing units be identified as income restricted units serving households at or below 60 percent of area median income (adjusted for household size). This 60 percent AMI definition is consistent with the federally-assisted Low Income Housing Tax Credit program (LIHTC), therefore all local governments are familiar with this threshold and this definition is replicable nationwide.

In addition, we recommend greater clarity on the Breakpoint Table comparing the share of "legally binding affordability restricted" housing in the corridor compared to the region's share of "legally binding affordability restricted" housing. Specifically, how does the above comparison relate to FTA's goal to avoid significant gentrification over time? Does the Table suggest that a corridor must have a 10 percent greater share of existing "legally binding affordability restricted" housing than the region in order to receive a high rating?

Finally, it is worth noting that limiting the affordable housing metric to "legally binding affordability restricted" housing units significantly understates the amount of existing affordable housing that may be available within a proposed corridor (for example, tenant-based rental assistance vouchers – a primary affordable housing tool – would likely be ineligible for counting).

We would encourage the FTA to consider providing specific income guidelines to define "legally binding affordability restricted" and our recommendation is that the FTA use the number and share of legally binding affordability restricted housing units in the corridor that restrict the household income of residents to no more than 60 percent of area median income (AMI) compared to total housing units in the corridor and the region.





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In closing, we believe that the proposed guidance offers many positive changes that will be beneficial to the New Starts projects, including the Southwest LRT line, and to the land use planning and economic development work that Southwest LRT Community Works is currently engaged in along the corridor.

Sincerely,

Gail Dorfman  
Hennepin County Commissioner  
Chair, Southwest LRT Community Works Steering Committee

CC: Southwest LRT Community Works Steering Committee  
Peter McLaughlin, Chair, Counties Transit Improvement Board (CTIB)  
David Hough, Hennepin County Administrator  
Debra Brisk, Assistant Hennepin County Administrator, Public Works  
Phil Eckhert, Director, Hennepin County Housing Community Works and Transit  
Katie Walker, Manager, Southwest LRT Community Works  
Pat Born, Metropolitan Council, Regional Administrator  
Brian Lamb, Metro Transit, General Manager  
Mark Fuhrmann, Metro Transit, New Starts Program Manager





**March 2013 Steering Committee Legislative update**

*Bill Schreiber, Messerli and Kramer – March 14, 2013*

Hearings on the bonding request for SWLRT have now been held in both the House and Senate. Governor's revised budget, released today, includes a \$750 million bonding authorization. Governor will present his recommendations for specific projects next week.

Rumor is the Governor will not include any Metro area transit projects in his bonding recommendations. He wants all metro transit projects funded with the new metro area sales tax, which he is now recommending to increase ½ cent above the existing ¼ cent.

Lots of policy choices remain for the legislature. Legislature will take an Easter/Passover break from March 23 to April 2. Don't expect any movement on funding mechanism for SWLRT until April. Hornstein's TIF for TOD bill also will not be resolved until later in the session.

Testifiers for SW have been excellent, including Mayors from Eden Prairie, Edina and Minnetonka. TwinWest chamber and business community testimony was outstanding. Commissioner Callison presented for the County and did a very good job.

SWLRT is now nicely positioned with legislators, but legislative leadership will need to resolve policy differences with the Governor: How large a metro sales tax increase and how much do you pay with cash rather than bonds?



Key Pieces of Legislation for SW Corridor	
<b>HF 721</b> (Hornstein) <b>SF 694</b> (Dibble)	Omnibus Transportation Finance bill
<b>HF 617</b> (Hornstein) – no senate companion	TIF for TOD
<b>HF 475</b> (Simon) <b>SF 338</b> (Latz) <b>HF 402</b> (Rosenthal) <b>SF 257</b> (Franzen) <b>HF 401</b> (Rosenthal) <b>SF 258</b> (Franzen)	Bonding for SW LRT – all of these bills contain bonding allocations for SW LRT. They have had committee hearings and may move forward as part of an omnibus bonding bill yet to be developed.

Legislators representing SW Corridor	
District	Member
44	Senator Terri Bonoff
46	Senator Ron Latz
48	Senator David Hann
49	Senator Melisa Franzen
59	Senator Bobby Joe Champion
61	Senator Scott Dibble
44B	Representative John Benson
46B	Representative Ryan Winklar
46A	Representative Steve Simon
48A	Representative Yvonne Selcer
48B	Representative Jennifer Loon
49A	Representative Ron Erhardt
49B	Representative Paul Rosenthal
59B	Representative Raymond Dehn
61A	Representative Frank Hornstein



# MEMORANDUM

Hoisington Koegler Group Inc.



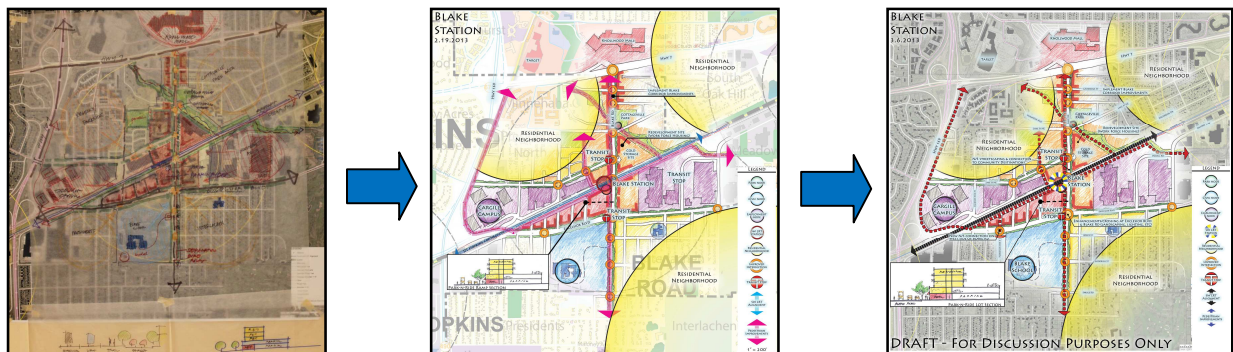
**To:** Katie Walker  
**From:** Mark Koegler  
**Subject:** TSAAP – Status Report  
**Date:** March 14, 2013

This memo serves as a brief summary of the activities that have occurred as part of TSAAP over the past 60 days as well as a look at anticipated activities over the next couple of months and beyond. Since the first of the year, tasks that have been completed include:

- Base mapping
- Station site tours
- Background review and analysis
- Precedent review
- Identification of data gaps
- Corridor characterization
- Technical charrette in early February
- Review of charrette outcomes
- Revision of charrette graphics
- Draft of community engagement plan
- Numerous project meetings – TIC, TIC-P, BAC, CAC, Business Investment Partnership, etc.

Over the past 60 days, we have established communication links with the SPO/PE teams that have helped enhance the level of understanding between the two project groups. SPO/PE team members participated in the charrette sessions as well as in a focused debrief session. We are holding weekly TSAAP/SPO/PE team coordination meetings as well as weekly “catch-up” meetings to discuss outcomes of the ongoing Issues Resolution Team (IRT) design process.

The technical charrette that was held from February 4<sup>th</sup> through February 8<sup>th</sup> created a foundation for all of the subsequent TSAAP work. The charrette created design ideas for each of the stations, evolving from initial sketch ideas to creating a consistent set of graphics to creating refined concepts that incorporated subsequent city staff review comments.



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March 14, 2013

Page 2

In the next 60+ days, the focus of the TSAAP team will be on addressing two levels of the work simultaneously. We are preparing materials generated from the charrette for a series of meetings and open houses that will be intended to both inform the public about the SW LRT line and the TSAAP project and to seek feedback on initial ideas. Simultaneously we will be working on the core elements of TSAAP which are included in the bullet task summary below. Upcoming and ongoing tasks and activities include:

- Business Advisory Committee on March 27<sup>th</sup>
- Community Advisory Committee on March 28<sup>th</sup>
- Five open houses in April/early May
- Five listening sessions
- Modification as appropriate of the initial station concepts
- Preliminary access and circulation plans
- Preliminary infrastructure plans
- Preliminary stormwater plans
- Preliminary station area action plans
- Ongoing coordination with the SPO/PE teams

As we enter the initial phase of public involvement, we want to ensure that the SW LRT line is seen as one cohesive project integrating the current efforts of both TSAAP and the SPO. The TSAAP Community Engagement Plan (CEP) and the Community Works Communications and Public Involvement Plan are being combined. Attached is a brief summary of the blended document that has been assembled by Kathie Doty. Additionally, we are actively coordinating outreach efforts through meetings with SPO outreach personnel including the three community liaisons. We anticipate a joint series of open houses in June integrating both the work of TSAAP and the SPO/PE teams.

Looking further ahead, after the second set of open houses preliminarily scheduled for June, the TSAAP team will continue to add detail to the core project elements. Those elements and some of their key components include:

#### **Access and Circulation Plans**

- Access plans for bus, pedestrian, bike, LRT and auto
- Linkages to support TOD over time
- Linkages to help ensure that low-income and minority residents have access to transit, affordable housing, employment, education, medical facilities, and retail.
- Identify wayfinding improvements
- Opening day connections that support short-term development opportunities while facilitating long-term transit oriented development.

#### **Infrastructure Plans**

- Long-term (2030) infrastructure investment that supports TOD.
- Identification of near-term (2018) infrastructure investments.
- Priority of projects and timing to form infrastructure strategy.
- Inventory compatible with *Southwest Corridor Infrastructure Inventory* and the *Southwest LRT Corridor Development Assessment*

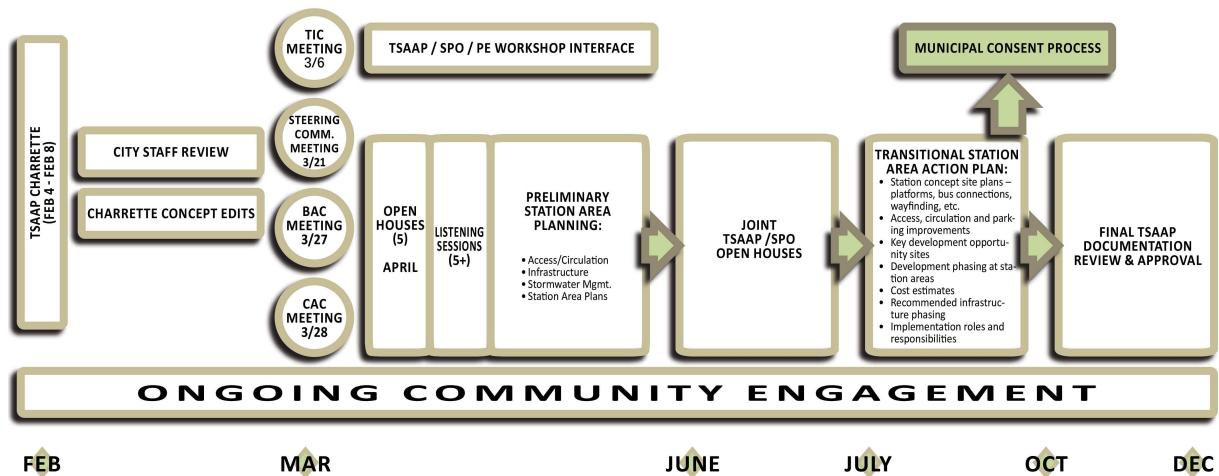
### Stormwater Management Options

- Specific recommendations for Royalston, Blake, Shady Oak and Mitchell Road stations.
- Quantify existing stormwater runoff volume – estimate future runoff and pollutant loading.
- Identify publicly owned sites for green infrastructure
- Recommend green infrastructure scenarios for each station with cost estimates of construction for one station per city.
- Recommend best management practices for each station area to be implemented by the private sector

### Station Area Action Plans

- Concept plans for station and facilities (parking, station platforms, bus loading, bus circulation, wayfinding, bus shelters, etc.)
- Access and circulation improvements at each station
- Identification of key development sites, overall land use mix and building massing and configuration to create transit supportive station environments.
- Development phasing
- Implementation plan – improvements as well as roles, responsibilities and timing
- Suggest on-going review process for keeping plans up-to-date

The following illustrates the general flow of TSAAP work between now and the end of the year.





**Date:** March 13, 2013

**To:** Southwest Community Works Steering Committee

**From:** Chris Weyer, Southwest LRT Project Director

**Re:** February 2013 Southwest LRT (Green Line Extension) progress report

### **Preliminary Engineering**

- SPO developed the SWLRT PE Technical Issues map to track resolution of project issues during preliminary engineering. Issue resolution meetings with project partner agencies began in February.
- During February 2013, the PEC West and PEC East consultants developed draft PE work plans for SPO review.

### **Environmental Program**

- Following the Jan. 4, 2013 Request for Proposals for the Final Environmental Impact Statement, two proposals were received by the Feb. 7, 2013 due date.
- The evaluation panel conducted independent and group evaluations of the proposals and interviews with both proposers were held March 1, 2013.
- Negotiations will occur in March.

### **Staffing**

Two new SPO staff starting work during February 2013:

- Daren Nyquist, Community Outreach Coordinator
- Akinlolu Akinyemi, Rail Budget Analyst

### **Advisory Committees**

- On Feb. 21, 2013, the SWLRT Project held a special Joint Meeting of the BAC and CAC. Meeting topics included updates on engineering activities, Hennepin County Community Works and a workshop on Technical Issue #1: Eden Prairie Alignment.

### **Other Outreach Activities**

During February 2013, SPO staff engaged in the following outreach activities:

- Attended a community sponsored event of the SWLRT Cedar Lake Crossing (Feb. 5).
- Attended the City of Minneapolis Open House on Creative CityMaking (Feb. 5).
- Led a tour of the SWLRT LPA alignment (Feb. 8).
- Attended the State of the Region event and provided information on the SWLRT project (Feb. 11).
- Gave a presentation on the SWLRT project to the Southdale Y Service Club (Feb. 11).
- Gave a presentation about regional rail transit projects to INCOSE (Feb. 26).
- Responded to approximately 20 calls and emails from the general public with questions about the status of the project or potential impacts to property.
- Initiated a meeting with community representatives from the Harrison neighborhood to identify opportunities to share project information and engage community businesses and residents (Feb. 14).