

# Carver County CDA 2022 Community Growth Partnership Initiative Request for Proposals Guide Round 2



*2021 CGPI Project: Workshops of Watertown*

## PURPOSE

The Community Growth Partnership Initiative Grant Program (CGPI) started in January 2016 with the goals to increase the tax base and improve the quality of life in Carver County through three specific strategies:

**Affordable Housing:** The program is intended to promote the development of affordable workforce and supportive housing. The need for affordable housing continues to grow in Carver County and opportunities for affordable housing development are becoming increasingly difficult. Affordable housing provides benefits beyond the housing itself, such as assisting area workers and providing housing for our future workforce.

**Community Development:** The CGPI is intended to assist cities in the area of job creation and community development as Carver County cities continue to work towards creating “Communities for a Lifetime”.

**Redevelopment:** The program is intended to assist with cities’ implementation of Redevelopment Plan goals. Blighted and under-utilized areas do not maximize their potential economic value, can negatively impact the livability of a community, and can be expensive to remedy.

## PROGRAM INFORMATION

**Funding Available:** Up to \$190,000 in grant funds is available during 2022 Round 2. The funds available are for Community Development grants, with a maximum individual award amount of \$100,000.

**Eligible Applicants:** Eligible applicants for this program are Carver County cities and townships. A maximum of \$100,000 in Community Development requests will be accepted per city/township per year either through one project or a combination of projects.

**Application Instructions:** It is the applicant's responsibility to be aware of the submission requirements needed to prepare a complete application in accordance with this guide. The application consists of the program application and all required attachments. Applications may be submitted via email to [chucks@carvercda.org](mailto:chucks@carvercda.org) or sent to the Carver County CDA; Attention: Chuck; 705 North Walnut Street; Chaska, MN 55318.

### Timeline:

Applications available:	<u>August 3<sup>rd</sup>, 2022</u>
Applications due to CDA:	<u>September 8<sup>th</sup>, 2022.</u>
Scoring Committee meeting:	<u>September 12<sup>th</sup>, 2022</u> <u>1:00pm</u>
CCFDA Board Meeting	<u>September 15<sup>th</sup>, 2022</u>

Applications determined by the CDA to be incomplete will not be accepted and will be returned to the applicant. No applications, attachments or documentation will be accepted after the application due date unless requested by the CDA. The CDA retains the right to refuse the application in whole or in part for any reason. Contact Chuck Swanson, (952) 556-2778 or [chucks@carvercda.org](mailto:chucks@carvercda.org), if you have questions. Applicants are strongly encouraged to discuss their project prior to submission.

## DEFINITIONS

**Activity:** Component(s) of the Project for which funds are requested.

**Housing Affordability:** "Affordable" is defined as (a) rental—available to households at or below 50% of the area median income; (b) owner—available to households at or below 80% of the area median income.

**Living Wage Jobs:** defined as \$17 per hour or more.

**Project:** Development component for which Community Development grant funds are requested.

**Redevelopment:** is defined as the reconstruction, re-use or change in use of any developed property that improves the economic use and value of property. Redevelopment is usually characterized by the partial or complete clearance of existing structures and new construction. The new use(s) may be residential, commercial, retail, industrial, office or other uses the city supports.

**Redevelopment Plan:** as defined by Minnesota Statutes 469.002 Subd. 16: *"Redevelopment plan" means a plan approved by the governing body, or by an agency designated by the governing body for the purpose of approving such plans or authorized by law to do so, of each city in which any of a redevelopment project is to be carried out, which plan provides an outline for the development or redevelopment of the area and is sufficiently complete (1) to indicate its relationship to definite*

*local objectives as to appropriate land uses; and (2) to indicate general land uses and general standards of development or redevelopment.*

The Redevelopment Plan will identify a redevelopment area, activities to be undertaken within the area, as well as city objectives, land use requirements, and development or redevelopment standards. The city's comprehensive plan or other city-wide planning documents do not qualify as Redevelopment Plans under the CGPI Program unless the area is specifically identified and documented in detail in the plan.

## COMMUNITY DEVELOPMENT GRANTS

Community Development funding is restricted to the Eligible Activities, defined below, necessary to prepare for the development.

### Eligible Activities

Grant funding is restricted to the following activities:

1. Property acquisition (see "Other Requirements" below for additional stipulations)
2. Relocation payments to occupants of property acquired with program funds
3. Clearance and demolition expenses related to site assemblage for redevelopment and consistent with the Redevelopment Plan
4. Clean up of pollution or other contaminants on the impacted site
5. Historic preservation (rehabilitation of properties with national or local significance in order to preserve that significance)
6. Necessary public improvements including, but not limited to, public parking structures, sewer and water, utilities, sidewalks, lighting, streetscape, street reconstruction, and stormwater
7. Corrections to soil conditions with extraordinary remediation expenses
8. Rehabilitation/expansion/new construction of a facility that is linked to job creation of living wage jobs or affordable housing units

### Ineligible Activities

Grant funding cannot be used for the following activities:

1. Costs not included in the application
2. House moving
3. Administration expenses
4. Public facilities (non-parking)

### Threshold Criteria

Applicants must first meet the threshold criteria to be considered for funding.

1. The proposed project must be identified in the Redevelopment Plan (if it is a redevelopment project).
2. The application must be approved by the respective city council by resolution that includes the Required Resolution Provisions (sample resolution is attached to application attached).
3. The city must be supportive of affordable housing and the CDA's mission. The adopted resolution must contain the following required provision: *The City is supportive of affordable housing and of the CDA's mission, to improve the lives of Carver County residents through affordable housing and community development.*
4. The application must demonstrate a minimum leverage of \$2 of other funds for every \$1 of Community Development grant funds.

5. Demonstration of the project's public purpose and financial need that other funding sources cannot fill.

## Competitive Criteria

If the application meets all threshold criteria, it will be reviewed and ranked on the following competitive criteria.

1. **Leverage and Financial Need:** Applications should include other funding sources committed to the project. Examples include TIF/Abatement, DEED, Metropolitan Council, or other public and private resources. Evidence of funding commitments must be submitted with the application. The project should also show a financial need and demonstrate that other funding sources are not sufficient. [15 Points Maximum]
2. **Readiness to Proceed:** The applicant should be ready to proceed with the identified project upon funding award (e.g. city entitlements, site control secured, financing commitments in place). [10 Points Maximum]
3. **Housing Affordability:** To receive points for Housing Affordability, the project must be either a Tax Credit Development or receiving some other type of funding that requires income and/or rent restrictions (affordability compliance) with a federal, state or local agency. If the project is a rental project, the owner must be willing to accept Tenant Based Rental Assistance (Housing Choice Voucher/other tenant based rental assistance). Compliance reporting required by the federal, state or local agency will also need to be submitted to the CDA annually. [25 Points Maximum]
4. **Economic Benefit:** The project should have a defined impact on the local economy. This impact is measurable through growth in property taxes and new/retained Living Wage Jobs. [25 Points Maximum]
5. **Environmental Improvement:** Projects that will clean-up, prevent and protect from environmental hazards are encouraged. Applicants should work with state and local agencies and professional consultants to identify the optimum remedy and create sustainable redevelopment. [10 Points Maximum]
6. **Removal of Blight:** Points will be awarded to projects that demolish or clean up blighted properties and/or properties with obsolete structures beyond their useful life. [8 Points Maximum]
7. **Livability Concepts:** Redevelopment Plans and Projects should consider the need for public transit, reduced/shared parking, walkable neighborhoods, resiliency, green space, increased density, and mixed land uses that build a strong sense of community. [7 Points Maximum]

## Other Requirements

### *Property Acquisition and Relocation*

Property acquisition may be undertaken by a public, private or non-profit entity as part of a redevelopment project. In all instances, the CDA will provide grant funds to the city as grantee, which in turn, can provide those funds to another acquiring entity if necessary. The corresponding grant agreement will specify conditions whereby the acquiring entity will have no recourse to the CDA in matters related to the acquisition of real property.

If federal funds are used in whole or in part for a project, including property acquisition, clearance and/or construction, all provisions of 49 CFR 24.101 (the Uniform Relocation Act or URA) must be followed. With all funding sources, the cost of property acquisition must be based on a determination of fair market value as derived from an independent appraisal and/or county assessed value. If the final acquisition price exceeds the appraised value, the grant funds requested must be less than this value with the additional cost being paid by other funds.

Minnesota Statutes 117.50 et. seq. and related case law also requires that in all acquisitions undertaken by an acquiring entity without federal participation, the authority must provide relocation assistance as a cost of acquisition. Additionally, the Minnesota Supreme Court held that an authority may be responsible for certain relocation costs when the property is acquired by a private developer if the activities of the authority and the developer are so intertwined to produce a joint acquisition of the project.

### *Financial Need*

As noted previously, leverage of other funding sources is required for a CGPI grant. In addition to identifying leverage, the applicant shall also explain how they have exhausted other resources.

### *Fair Housing*

The Fair Housing Act prohibits discrimination in all housing related transactions based on race, color, religion, national origin, sex, familial status and disability. Projects shall comply with all federal laws, executive orders, and implementing rules and regulations. Projects shall also comply with Minnesota law and local city ordinances.

### *Reimbursement*

The Community Development grant program works on a reimbursement basis. In order to be reimbursed, documentation must be submitted showing the criteria has been met. For example, if scoring is received in growth or retention of Living Wage Jobs, documentation must be submitted to support the number listed in the application.

## SELECTION

Applications must be completed and received by the due date. Applications will be reviewed by CDA staff, and those meeting the threshold criteria and scoring highly on the competitive criteria will be submitted to the CDA Board of Commissioners. After selection and approval by the CDA Board of Commissioners, the CDA will issue a letter of commitment and enter into a grant agreement with the city.

## GRANT AGREEMENT

CDA staff will work with the city and enter into a Grant Agreement. This agreement will detail the terms and conditions of the grant and allow for the release of funds to the city. The grant agreement will require funds to be spent within 18 months of the date of the agreement. Waivers and extensions to any provision in the agreement requested by the grantee will be considered on a case by case basis depending on the merits of the request. Grants will be paid on a reimbursement basis. Grantees will also be required to submit semi-annual progress reports and final report once the project is completed.