

# SMART GROWTH IN ACTION

## Livable Communities Program

### MINNEAPOLIS-ST. PAUL METROPOLITAN AREA, MINNESOTA

Consistently ranked among the top locations in the country to raise a family or establish a business, the Minneapolis-St. Paul region is experiencing rapid population growth. The metropolitan area is showing signs of growth-related stress: increasing traffic congestion, rising housing prices, and dwindling open space. Instead of trying to limit growth, the Minnesota state legislature passed the Livable Communities Act (LCA) in 1995 to provide the Metropolitan Council with a voluntary, incentive-based approach to help communities grow in a way that addresses many of the region's issues.

Supported by a local property tax, the LCA underwrites three grant programs: Tax Base Revitalization (brownfield cleanup), Local Housing Incentives (homes for people of varying incomes and ages), and the Livable Communities Demonstration Account (mixed-use projects). To be eligible for funding from any of the grant programs, municipalities must first develop a housing action plan that provides a variety of housing types to address the need for homes that middle- and low-income people can afford.

From 1996 through 2004, the council awarded 368 grants totaling over \$127 million, including a one-time Inclusionary Housing Account grant program to support affordable housing developments in which reducing local controls and regulations resulted in lower development costs. The grants are expected to leverage more than \$6 billion in private and other public investments. LCA funding has helped rehabilitate or build almost 25,000 homes, create or retain over 17,000 jobs, and reclaim 1,180 acres of polluted land.

The voluntary program has engaged 106 communities in the seven-county metropolitan area. Annual requests for grants consistently exceed the funds available. If all funded projects meet their goals, by 2010 the region can expect an additional 43,000 rental units, including 15,000 priced affordably, and 84,400 more affordable units for homeownership.

The range of funded projects reflects the diverse urban, suburban, and rural communities in the region. In Hastings, a mid-sized town south of St. Paul, the Guardian Angels project used LCA funds to construct affordable apartments and to redevelop a church and school into a community center. An award to St. Louis Park, a first-ring suburb of Minneapolis, created a walkable town center with ten new buildings and 660 housing units along an aging commercial corridor (see photo). In downtown St. Paul, a grant helped convert 15 blocks of surface parking into a new mixed-income, mostly residential neighborhood. 2003 National Award for Smart Growth Achievement winner, Overall Excellence category (see [www.epa.gov/smartgrowth/sg\\_awards\\_publication\\_final\\_10\\_17.htm](http://www.epa.gov/smartgrowth/sg_awards_publication_final_10_17.htm)).



#### SMART GROWTH PRINCIPLES LIVABLE COMMUNITIES PROGRAM, MN

#1	Includes Mixed Land Uses	✓
#2	Exhibits Compact Building Design	✓
#3	Provides Range of Housing Types	★
#4	Promotes Walkable Neighborhoods	★
#5	Exhibits a Distinct Sense of Place	
#6	Preserves Open Space	✓
#7	Utilizes Existing Development	✓
#8	Provides Transportation Choices	✓
#9	Practices Fair Decision-making	✓
#10	Promotes Stakeholder Participation	✓

### QUICK FACTS

Contact:	Metropolitan Council Data Center 230 E. 5th Street St. Paul, Minnesota 651-602-1140 data.center@metc.state.mn.us	Location:	Minneapolis-St. Paul Region
		Website:	<a href="http://www.metrocouncil.org/services/livcomm.htm">www.metrocouncil.org/services/livcomm.htm</a>
		Implemented:	1996

Additional Smart Growth Initiatives can be found at [www.smartgrowth.org](http://www.smartgrowth.org).