

Minutes

Prospect Park East River Road NRP - 2 Steering Committee Meeting of November 15, 2004

1. The meeting was called to order by Steve Cross, co-chair of the steering committee, at 7:35 pm in the multi-purpose room at Luxton Park Community Center. There were 7 steering committee members in attendance. Steve proposed the printed agenda. There were no objections and a consensus was assumed. (see attached copy)
2. Steve proposed that the minutes of the last meeting be adopted. There were no objections and a consensus was assumed.
3. It was noted that there were few committee members in attendance, so no action was taken to ratify prior proceedings. Steve said he had called Ann Munt to ask if the Somali women from Luxton who are on the committee would be attending and was told they would be at the meeting with a translator. They did not come and there was speculation that it might be due to Ramadan even though the meeting time was arranged with that in mind. Steve also called _____ about getting a business member on the steering committee but the person had not yet returned the call.

Eric Sahnaw, the student intern member of the steering committee asked for advice on getting another student to fill an opening on the steering committee. He has tried without success – the students he has talked to are not interested. It was noted that this has been a recurrent difficulty. Dean Lund asked where the current student interns came from (a geography class at the University of Minnesota) and noted that the neighborhood has benefited. He suggested that someone call Tom Scott, professor of Political Science in the Center for Urban and Regional Affairs (CURA) – perhaps a student would be interested.

4. University of Minnesota student interns (all 5 in attendance, including one who is also a committee member) presented the results of their research, with questions from committee members interspersed:

Eric Sahnaw and Matt Haller looked into how many students are living in the neighborhood. They went to the 3 large student housing complexes, University Village, Melrose and Jefferson Commons, and to the University. Due to privacy issues, none would give information. It is known how many units there are in the buildings and assumptions could be made as to how many people per unit live there, but it would be unknown how many are students because the complexes are by law not allowed to ask for that information. To manually look through a list of student addresses to see how many live in the neighborhood would be a formidable task, since there are 60,000 students at the University.

It was noted that information on rental units in the neighborhood is available to realtors through MLS. Jack Whitehurst from NRP was in attendance, filling in for Barb Lickness, and he said he could get information on the number of rental units in the neighborhood.

Question: Why do we want this information? The answer given was that it would help determine whether some of the NRP 2 funds should go to student/renter interests. However, if affordability is

the issue, why single out students?

Some data was given on the number of rental units in the neighborhood, but there were several sets of numbers that did not correlate well.

Question: What is the student impact in the neighborhood? They tend to be transient and willing to occupy substandard housing. The neighborhood does not want substandard housing.

Note: students will probably have a higher income when they graduate; therefore they don't have the same problems as non-students who need affordable housing.

Pam Wollum said thinks many people do not realize that Prospect Park has low income residents; she knows many. She found out that 62 of the 67 Minneapolis neighborhoods had NRP Phase 1 programs for low interest loans for repairs such as roofs. She felt that there are great needs among low income residents and questioned whether the student needs were as great. Dick pointed out that we are in the data gathering stage of planning. We need to find out what is needed. Do we have affordable housing that needs to be fixed up? If so, we need to identify it.

Census data on income/household was presented by the interns, but data came from more than one database and were broken down differently: they were hard to correlate. Jack Whitehurst told about a Minneapolis neighborhood information database that is password protected. It functions as an early warning system and identifies properties that meet a certain threshold. It does not tell the actual violation. Jeff Matson at CURA should have access – 625-1551.

Steve Cross and Dick Poppele will try to get good statistical information and distribute it to all committee members, hopefully before the next meeting.

Question: Was all the traffic calming money used from NRP Phase 1? Answer: Approximately \$8900 is left and it is believed that all the requested speed bumps were either installed or not possible and that the money could be re-allocated.

5. The committee then began “brainstorming”. It was noted that 70% of the money must go to housing.

Suggestion: Devote 80% to housing, some to affordable housing and some to a loan program, and 20% of the money to all other programs. The city has not yet decided on its definition of affordable housing. Do not put our neighborhood's money into the NRP pool and have it just disappear into the city budget. Define criteria and spend the money on something the neighborhood can “point to,” even if it is not in our neighborhood. Divide into subcommittees to consider ideas for the remaining 20%.

Suggestion: Spend 80% in the neighborhood for loans for low income residents, particularly the elderly, for repairing their homes, and 20% for other programs.

Question: Is there is a better way to get Glendale residents to come to the meetings and participate. Is there a person they trust who can work with them? It was pointed out that Ann Munt is working with them and said they would be coming tonight. This location seems to be best; it is close to their

homes and not in the church, which might be objectionable to them. Having meetings at Luxton rather than at PPUMC also gives the committee a separate identity from PPERRIA.

Point: Glendale residents probably would not be interested in housing – they are living in subsidized housing and can't buy anything. They were, however, very interested in the school. Pratt was the issue that was big for the "hill" people and Glendale people. There is uncertainty in Pratt's future. If a public or charter school is ultimately not allowed there, perhaps the 20% will have to go to remodel the school for another purpose. – in that case all potential resources would have to be considered.

Suggestion: A loan program (revolving fund) that would allow money to come back into the neighborhood. The money coming back in could potentially be used for other projects. It may be possible to leverage the money using local banks, possibly by writing down the interest rate to loan to people of increased risk. A loan program has greater potential positive impact on the neighborhood, and longer timeline of benefits.

Jack Whitehurst said that the housing Finance Agency and Fanny Mae may also participate in the proposed NRP funds. Bob Miller is working on this. These funds would be used before neighborhood funds, increasing the leverage.

Question: Are there restrictions on reselling property after it is fixed up using neighborhood money? Yes. Loan programs can have any conditions the neighborhood chooses. We can add more restrictions than NRP has written into them. Example: the Motley home loan program loans were forgivable if the owner/residents stayed in the house. The neighborhood needs to decide the target and set the requirements accordingly. To set the target, information is needed on how many families are in each income bracket.

Suggestion: Put a substantial amount into owner occupied housing and another substantial amount put into rental, perhaps NRP Fund 2. There is not enough money to create new affordable housing.

Suggestion: Include a time limit – if the money allocated for a particular loan program is not used within a set amount of time, put the money in a different fund.

Question: Why decide now what the income limits and loan amounts will be? Why not see who applies and decide who needs it? Reply: We can't make up the rules as we go.

Note: To be approved, the plan must meet NRP and city guidelines.

Note: We are currently gathering proposals – due January 3. Meanwhile, we should be fact finding.

Point: There must be more committee members present to get a consensus on proposals.

Suggestion: Pick 2 NRP funds without saying how much money goes to each one. Let that be determined by the demand.

Point: The neighborhood is not likely to vote to send our money to other neighborhoods. The feeling is that it should benefit this neighborhood.

Point: We may need to see what the city and NRP decide. They may require new affordable housing – that would be hard for us with the amount of money we have.

Point: They will probably not require new construction. Perhaps fixing up old housing to make it “newly affordable” will meet the requirement. Seward, Logan Park and Powderhorn neighborhoods are now going through the approval process. According to Jack Whitehurst, the situation should be clear by the first of the year.

Question: Should we defer until then? Let the city decide what they are going to require and then meet again?

Note: We will need a big public outreach effort to get the word out. We probably have enough money to put into 2 funds. We will have to publicize so there is no backlash against “giving our money to the city”.

The Chair began a summary, noting that it is impossible to have a consensus with so few steering committee members present. He asked if there was any thought that 100% of the money should go to housing? If so, we shouldn't waste time on other proposals.

Joe Ring: The Historic District effort qualifies as housing, according to NRP.

Note: It would be hard to sell the idea to the neighborhood to spend of 100% on housing.

Note: Some things were begun in Phase 1 that still need support. We should not pre-empt the process and say nothing but housing will go forward.

Suggestion: Don't go over the required 70% on housing at this point.

Suggestion: Put as much as possible toward housing, but if a great proposal comes in that would benefit the neighborhood, fund it.

Suggestion: The Best Western hotel is closing and will be rehabbed to senior housing. Perhaps we could use some money there to make some unites affordable. Someone said the day's Inn is also closing and will be converted to housing.

Note: Shriner's hospital was as risk of being closed recently. It is still possible that it will be closed since it has a low bed occupancy. If it closes, the neighborhood would want to get first dibs on redeveloping it into housing, including affordable housing.

Note: Either of these last 2 ideas would take a substantial portion of our little money.

Conclusion: It appeared that of those present, most want 70% or more to go to housing.

Betts Zerby suggested that before the next meeting, all committee members should familiarize themselves with the housing funds proposed by NRP – purpose, terms, restrictions, etc. It would be inefficient to set up our own funds.

Joe Ring said we need regular updates from NRP on the status of their policy decisions. Jack Whitehurst indicated that he would provide that.

6. There were only 7 committee members present at the meeting. It was also suggested that we get more people to attend or postpone the next meeting. Members should assume the next meeting will take place on Dec 6, but should watch their e-mail, as this may change if it doesn't appear that more committee members can attend.

7. There have been 6 proposals submitted so far. (See attached list.) An ad will come out in the next SE Angle, publicizing the process.

8. The budget will be reviewed at the next meeting. However, it can be noted that there is not very much money available. Much of the available money was spent on the 1st neighborhood meeting. There will not be enough money for a lot of neighborhood meetings and publicity.

9. Members will be notified when the next meeting will take place. The meeting was adjourned at approximately 9:00 pm.

Submitted by Joyce Barta
November 19, 2004