

Whittier Housing and Land Use Committee Meeting Minutes

Tuesday, June 20, 2023, 6:30-8:00pm

Hybrid Format: WhittierAlliance (10 E 25th St) +
Zoom Digital Meeting

Attendees: Danny(B), Natalie(B), Jacob Molho, Ryan, Dave, Kedar Deshpande, Dawn, Nick(B), Matthew Trettel(B), Samira Missaghi, Halley Norman, Kami(B), Brendan Kuaup, Aaron Keith, Arjun(B), Stephanie (B), Jo Ann, George Rishmawi(B)

Presenters: Aisha Chugthai, Bianca Paz, Francisca Pass

Staff: Kaley Brown, Meggie Garcia,

Welcome/Introductions

-The meeting is called to order at 6:30pm.

-The meeting chair presented the agenda. Motion to approve the agenda is seconded and passes unanimously.

-The meeting chair recognized Standard of Conduct; Non-discrimination and Anti-racism; and Conflicts of Interest Policies.

-April Meeting Minutes were reviewed and approved.

-Attendees completed a round of introductions.

- HLU chair up for vote

- Talk about the position and what this chair does

- Keeping neighborhood up to date with policies, housing developments

- Motion to appoint George as chair for 2023-2024

Whittier Alliance -

2116 Nicollet Avenue Lot update

- One of the last empty lots on Nicollet ave
- Walked through the process of choosing a partner - Alliance housing
- Moving office to new location along with Alliance housing
- Purpose of lot: create affordable housing to those transitioning out of homelessness
- Current housing in Whittier sro's are in very old building and not ada accessible
- We are creating what may be the first new SRO (Single Room Occupancy) units
- Doing a lot of engagement with similar housing orgs and their residents to learn from them to make this successful
 - NUWAY, simpson housing, and salvation army women's shelter
- Funding being found through available sources
- Attendee recommended funding source - need name
- Now that WA is gonna be like a landlord what are we doing to build equity retention for residents
 - We are following along based on the community need from engagement done
 - Alliance housing will and is the official landlord of the housing being made available in this project
 - <https://www.whittieralliance.org/2116nicollet.html>

Kmart update

- Second phase of kmart has started and doing lots of engagement planning for pop-ups
 - <https://www2.minneapolismn.gov/government/programs-initiatives/new-nicollet/>
 - Mix use buildings in mind (residential/business)
 - Phase 2.1 what is Nicollet street gonna look like
 - Greenway connections?
 - Phase 2.2 concept design
 - Phase 2.3 concept recommendations

- Site to be demolished in 2024

Whittier Park Project Update

- https://www.minneapolisparcs.org/park-care-improvements/park-projects/current_projects/whittier-park-improvements/
- Design construction happening
- Futsal courts being designed in
- More updates later in the summer as things move along
- Not touching the splash pad this year due to funding
 - The wading pool will be seeing a redesign in the future
- Multi use court with trees in the way - trees will need to be removed
- Trying to move forward without trying to harm the trees/preserve as many trees as they can
 - Some tree have diagnosed and will need to be removed or treated due to being sick
 - Trying to preserve willow tree but might be surrounded by concrete for the courts
- Water issues being addressed - may become a runoff to solve issue
- Engaged children and parents for this project
 - School field day was used to get lots of feedback for the playground
- Had 3 options that were narrowed down to 2
 - First option
 - Keep the same playground just expanded
 - Keeping the shaded trees intact near a new court across from the existing one with sitting
 - A plaza i between the 2 playing containers
 - Multi use playcourt- futsal or basketball
 - Adding more seating /picnic
 - Some kind of loop for kids to bike around
 - Might have to add a retaining wall
 - Don't like the fencing: feels weird and might limit space or push people from using it
 - Rain garden
 - Second options
 - open / not traditional
 - 2 basketball hoops
 - More flexible and multi use
 - May create more conflict with open concept on the court but also very inviting
 - Might be displaced by those playing basketball - referring to futsal
 - Fitting more playground equipment
 - Taking advantage of the shaded areas to fit more sitting
 - Rain garden
- Option 1 is getting more favorites
- Getting feedback on new type of playground options
 - Kids want climbing equipment more than extra swings
 - Blue paneling for some of the courts with additional hoop on the outside
 - Want more colorful playground and more challenging playground options
- Timeline
 - Community engagement summer 22-23
 - Concept approval - july 2023
 - Construction doc summer -fall 2023

- Court being used for hockey in the winter?
 - Maybe: needs to be thought out bc normally done on grass but climate change making it difficult to maintain
- Bike path running through park?
 - Can it still happen or can there be a bit of a wider path ?
 - Bike trail will be through but not in the original asked spot
 - Can create conflict with children playing in the area bc of all the school use
 - Question of who will maintain bike path since this project is not from the park but from the city
 - Might be run through the west side next to sidewalk
- Only 3 trees getting removed and will be reassessed during construction
 - New trees would be placed but space is limited and might not happen
- Plaza use is to be used as seating space or gathering space and will be managed by rec center staff

Housing Policy - Rent Stabilization - Ward 10 council member Chughtai

- Council rep. Chughtai understands the seriousness of this policy being implemented and here to talk about it with the community
- Gonna break it down into 4 parts because this is a heavy topic that affects everyone:
 - What is Rent control:
 - A form of tenant protection policy. Its purpose is to moderate annual rent increases that are allowed for a unit
 - How we got here
 - In late 2019-2020 city of Mpls took part in a policy discussion on housing and anti-displacement around the country where rent control was talked about and some of our council reps that attended then wanted to try it here
 - 2019 city issues a study on mpls housing market - completed by a research group here in mpls - the CURA program
 - Feb 2021 study done presented to city and allowed city to explore this
 - Aug 2021 council put question 3 on ballot
 - This changed city's charter, allowing city to come up with a policy to then put before voters, unlike st.paul that just came up with a policy
 - November 2021 question 3 approved
 - April 2022, city creates rent stabilization work group, made up of 20 members, half applied for position, half appointed having to meet specific criteria
 - Framework 5 : strong rent cap policy → 3% cap
 - city tried to do a research analysis but no economic firm took on this project to confirm theories about rent caps because you can not predict the future of how a policy will affect society
 - May 2023 ward 6/10 reps brought forward a motion to draft up policy language
- Q: Did it surprise you that no firm would take on the work and that maybe it was a bad idea to move forward?
 - Think that there were some groups that would have liked to take on the work but didn't apply, the mayor was in on most of the conversations about taking on this. Politics was a big reason they didnt want to get involved and no point in doing the work if it was going to fall on deaf ears.

- Comment: It's important to agree on the facts. Only a certain amount of units out there and there is an average unit price. Mpls is a desirable city and this drives pressure on what the price is. Rent control is just gentrification on steroids.
- Q: Since st.paul passed legislation, what have we learned from their rent control policy?
 - Very little. Only one study was built off 3 months of data. St.paul is doing their rent control policy dramatically differently than us. They got sued right away and working to amend policy
- Q: Are there other policies around the country/worldwide we can refer to?
 - There are a lot of neighborhoods/places that have placed rent caps and each one has done it a bit differently. In Puerto Rico there is no rent cap or conversion limit and they have a lot of vacation units /short term rentals and there are no housing units. California state law has no specific limit and they are also seeing issues. There are many ways and evidence that we can look at but have to keep in mind that each is different.
- Q: There's been a lot of back peddling in st.pauls rent control that it is no longer the rent control that voters voted for, will there be a good example of a policy from there?
 - Some day, with more time and evidence as the market changes. The real question is WHAT are we trying to get rent control to do? Is it to expand affordable housing? Then we need to incentivize that. What rent control is supposed to be good at doing is moderating. Stabilizing the annual cost of rent. This is brought up a lot when talking to WA staff about tenant issues happening in Whittier neighborhood. Tenants are seeing rent increases of 20, 30, 40 percent increase, this policy is protecting from this.
- Comment: If there's no cap on the landlord side of expenses, like property taxes, maintenance repairs, materials for repairs etc. How can you put a rent cap and not have something to help small landlords trying to stay a float and keep affordable rent.
 - There will be exceptions/incentives made for this. The 4D program is a good example of financial incentives for landlords to keep units affordable.
- Comment: Minnesota State Law has prohibited rent control to date, and allowed Rent Control to be a local ordinance to be voted on. SP the 1st, MPLS 2nd. In SP, Ford Site Housing on hold, following Rent Control.
- Q: With policies like these we have seen a slow down in building more housing. With this policy you are considering is there any concern this will happen here or are there parts in the policy to help avoid that?
 - There is no denying that there was a serious impact on development and it is exaggerated and the rates were already declining before the policy was announced and amended.
- Q: What conversations we are having and can have to get a policy written and on the ballot that will get the majority vote?
 - Time is now to have these conversations.
- Q: Will there be exemptions for apts that are already affordable units?
 - This is something that has not been decided yet. Framework 5 currently does not allow for this. St.paul did allow this. Have to ask what is the definition of affordable
- Comment: Minneapolis staff recommended against adoption of rent control, see star tribune article April 14, 2023 (article: <https://www.startribune.com/minneapolis-city-staff-report-recommends-against-adoption-of-rent-control/600267143/>)
- Timeline and Process:
 - The local gov passed a branchen which is when the city says “you can't do that unless” for housing caps and the unless in our case is if they get the general consent from voters in an election.

- Question 3 gave charter to writing the policy
- The policy language needs to be written up before the election to be put on the ballot and submitted to the county for approval (45 days before election day in aug)
 - August 25th, 2023 language needs to be given to city/gov
- Before this the policy will be reviewed and amended if needed
- Q: What does a compromised rent cap policy look like that actually protects renters?
 - From the research done on the efficiency of rent control, found that the more exemptions, lee-ways, addendums the less effective it is to protect renters and is more complicated. The way we find out there's an issue is when it gets reported and working from there.
- Comment: What works? Living Wages for Working Families. Direct Rent Vouchers, case by case. Building units to meet demand. Property Tax relief for Renters who pay 4 to 6 times per square foot than HomeOwners.
- Property insurance has doubled since George Floyd, property taxes, inflation of everything has increased for property owners and a compromise is not on the table.
- Q:How do we help cover costs, things constantly getting re-read to make units affordable
 - Don't have any choice but drive costs up - Comment from landlord
 - Nothing is transparent
 - Only realize something is wrong until someone speaks up
 - This is not a either or, it is a yes and
- Q:What are the other things are out there to incentives landlords
 - Incentives (4d programs) need to expand
 - Stable Homes Stable schools good program
- Studies mentioned will be shared.
- Large scale policies being tracked for their effectiveness
- What else is being considered other than rent control? What are some other things we can explore for landlords and tenants to work together?
 - We want to live in a city that tenants can afford to live in.
 - Explore options that allow landlords and tenants to work together
 - Common ground that we don't have fight
 - As landlords we need some clarity in knowing that you can still own in the future
- There is so many things in the way of us getting this peace
- Policies like these are more meant for bad landlords like IPG, big landlord in Whittier neighborhood, who file wrongful evictions amongst other things.
- At the end policies suck
- How can we tie vacancy rates to rent control or policies
- Problem of vacancies:
 - When you need 2 or 3 bdrm units it is a zero and hard to maintain bc of deferred maintenance cost
 - Leaning tower building next to it owner is sitting on properties
 - Housing link does a monthly look at vacancies (type of building, rent levels). Useful to look at: <https://www.housinglink.org/Research/Minneapolis-rental-housing-brief>
 - Less adversarial policy coming from rent control and more common ground lee way
- Time crunch
- Thanks for the civil discussion. I would appreciate more data or reports to inform current state locally or nationally on the Whittier website - will be brought up in follow up

Meeting adjourned at 9:00pm.

HLU Meetings Every third Tuesday of the month

NEXT MEETING: Tuesday, July 18, 6:30-8:00 pm - Hybrid in-person/zoom meeting

Meeting minutes submitted by Meggie Garcia.