

Whittier Alliance-Community Issues Committee-
Monday September 14, 2009 Whittier Elementary School
DRAFT MINUTES

Attendees: Tom Bissen, Mary Cable, Andy Exley, Garen Gotfredson, Scott Smith, Michael Garr, Daphna Stromberg, Erica Christ, CM Robert Lilligren, Chris Swaggert, Melo Lawson, Chris Gottshall, David Bagley, Austin Short, Anthony Carchedi, David W. Schroth, Laura Jean, John Wilson, Mike Tupper, Jessica Frehse, Cynthia M. Wong, Tod Skallerup, Felino de la Pena
Presenters: Faith Cable (Midtown Community Works Partnership), Ron Staff (Stevens House), Mikkel Beckmen (St. Stephen's Human Services), Chelsea Adams (Precinct 5), David Hayhoe (Precinct 5), Cynthia Lee (Common Bond Communities) **Staff:** Marian Biehn, Becky Neamy, Jessica Rosenberg

Call to order at 6:06 by David Bagley, CI committee board member, who noted the Conflict of Interest & Standard of Conduct policies. A **motion** to approve the agenda was made and Steven's House was added to the agenda, at 7:30 in the event that the 7:30 presenter doesn't show or in New Business. A **motion** to approve the agenda as amended **Carried**. Attendees were given time to review the previous months minutes; a **motion to approve** the August 10, 2009 CI minutes was **carried**, with two typographical corrections.

Announcements and Community Comments

5th Precinct Report: Lt. David Hayhoe reports that crime in Whittier is down 12% in August, down 10% year to date. Burglary, however, has increased, up from 11% to 14% from August 2008 to 2009. They are noticing in particular bike thefts, and thefts from open garages. Officers have door hangers to put on properties where they notice garage doors open, as a preventative measure. Burglaries are trending towards apartment buildings, first floor, not forced entry. The majority happen Saturdays, 2-4pm. Four of the suspects were known to the victim. Please come to Whittier Elementary on October 6th at 6pm, for the Whittier Neighborhood Policing Plan meeting, a chance to hear from the police, and voice your concerns and issues, which will be used to shape precinct goals and performance measures for the year. Becky Neamy mentioned that the Whittier Alliance has been getting calls about suspected drug dealing in several locations around the neighborhood; please call 911 for this and watch for patterns.

2008 Pillsbury Listing. Bob Glancy gave an overview and update of 2008 Pillsbury. The house is now on the market, Bob is the listing agent for TCF. The building is on 1/3 acre, with a carriage house and some historic significance. The property is listed at \$624,500. Bob hopes to find a single family to buy it, or someone to operate it as a B&B, rather than someone buying it for the property and tearing the building down. Question: is it possible to protect the house with historic preservation? A nomination has been submitted to Heritage Preservation Commission. They are backlogged, and would like a letter from the owner that they want that, which TCF is not overly enthusiastic about, but members of the preservation community are working on it, and Bob thinks is very possible. Why is it being valued at that much? Is that what the bank has outstanding? Realtors were asked to submit suggestions and comparables, TCF made their decision from those estimates. CM Lilligren has reached out to TCF. He is willing to request a preservation study, but needs to show that he's representing someone's interest. The WA's historic context study is one month from finished, and 2008 Pillsbury is in a draft as candidate for historic preservation. If the building was protected, it would be harder to tear down, and if changes were needed to be made, HPC would have some flexibility in granting that. WA board and staff have discussed using discretionary funds to market property in architecture magazine.

CI Motion 1: The Community Issues Committee supports the application and historic designation of 2008 Pillsbury and requests that Councilman Robert Lilligren recommend the designation to the Heritage Preservation Commission. **Motion carries 16-0-0.**

Ranked Choice Voting info will be available at September 16 Forum & October 12 CI Meeting. Brochures are available on the info table if anyone wants to take them. **Barb Lickness** was not present to make her announcement. **Candidate Forum – Sept 16.** 6th Ward has six candidates running for city council seat. Five of six candidates will participate in the forum. It will take place in the multipurpose room at Whittier Elementary starting at 6pm. Information on the candidates and rank choice voting will be in atrium. At 6:30 the forum will be moderated by Steve Brandt of Star Tribune. Please submit questions in advance to Marian, to make things efficient and consolidate questions. **Southwest Transit Public Hearing-** There is still a chance to weigh in on 3A and 3C lines. County has recommended 3A, the Kenilworth alignment. The Whittier Alliance and Community Issues Committee have voiced support of light transit, but 1st, Blaisdell, or Nicollet would not be the preferred routes, due to disruption of our commercial area, with lack of service to neighborhood. A recommendation has not yet been voted on by the Policy Advisory Committee. **Eat Street** dining guides are available for your refrigerator or apartment. **2009 Calendars** still available-not much time left in the year but the photos of Whittier are nice! **Neighborhood Clean Up Sept 19** – Make Whittier Prettier this Saturday. Come to the WA office Saturday morning between 9:30 – 10:30 to get bags, gloves, and cleanup supplies. Cleanup your area, and meet back up at the park for pizza and prizes for best garbage find.

Street Car- Charleen Zimmer- Access Mpls & Faith Cable – Midtown Com Works Ptnshp

Charleen Zimmer has been working with city for 10 years, and has worked on the Street Car Feasibility study and Street Car Finance plan, which were completed 2 years ago. Seven lines have been identified: midtown green way, Nicollet, Hennepin, Chicago, Central, University and West Broadway. At the time, it was known there was no financing. But the study has improved feelings towards street cars, and federal government has become more interested in funding street cars. The finance plan assumed no regional or national monetary support, so this is a big change. The funding plan identified the following possible sources: increase in parking meter fees, surcharge on off street parking fees, tax abatement on new development, dedicating city taxes from new development in first 10 years after line was developed, street car benefit districts (some fee on areas that would most directly benefit from street car development), and any revenues from operating street cars. Using those sources, the lines closest to downtown are most able to be funded, due to parking and development fees. Since study has been completed there have been serious financial changes. The study has not gone forward. The city likes streetcars because they operate on the street, in mixed traffic, stop as often as buses and so are easily accessible, useful for jump on/off trips in urbanized areas. The study is available online at <http://www.ci.minneapolis.mn.us/public-works/trans-plan/StreetcarStudy.asp>

Faith Cable, of the Midtown Community Works Partnership, a public-private partnership formed to guide the redevelopment of the Midtown Greenway-Lake Street corridor spoke about their work advocating for street cars along the midtown greenway since 2003. There are unique challenges to Midtown: including a mix of geographies and potential riders. If the Kenilworth LRT goes through, then what can we do to make the Midtown streetcar happen? There are lots of factors, and MCWP hopes to provide a forum for discussion from all parties.

Attendees Comments and Questions: Are there any numbers yet? What would a Nicollet line cost, for instance? Charleen has the numbers for a downtown line, \$65-80 million in capital costs, a midtown greenway line, \$87-115 million, and a Hennepin and Central line, \$106 million. If it were to happen, how long would it take? Depends on way in which the line was constructed. A new street car line was constructed in Portland this year, where they took out pavement, laid electrical lines, replaced it with rail at a rate of 1 block every 3 weeks. It is still a proposed plan, the council has taken no action but to receive and file feasibility study. Is Midtown line being considered separately, or is Midtown being strongly pursued? Faith and MCWP's role is to strongly champion Midtown line. Charleen's job will be to assess overall best feasibility plans. So who can champion Nicollet line? Can we? Charleen says the feasibility study wants a network of

streetcars, not one or the other line. The Midtown line, because of geography, will act more like light rail. Nicollet would look more like a traditional street car. Nicollet is a very strong corridor. Costs of operating? This will depend on cars, size. Would there be electrical wiring above? Yes, all above electric lines. Is it possible to take bikes on street cars? Yes. How would street cars affect traffic? The plan is to operate street cars in automobile lanes, at the same speed. Some advantages to street cars over buses are that they can load and unload faster, no pulling in and out of the lane. The challenge will be intersections. How likely is funding? What's the timing? CM Lilligren says that only recently has Metro Transit Met Council begun to join conversation, and assumption is they would be the operator. A new federal transportation bill is coming, with new priorities, assumption is it is value will go up to investing in street cars. The county bought the Midtown Greenway corridor to be a transit corridor, their investment is for that. The plans that are planned first and ready first will be funded first, so we're getting things together now. We are on a list of cities looking at street cars, but we still have work to do before being shovel ready. The council still needs to take action, that's a tough thing right now. Timing will depend on how quickly we come out of the bottom of the recession, and federal funding will reduce cost by, at most, 50%.

CI Motion 2: The Community Issues Committee supports the implementation of Nicollet Avenue and Greenway trolley lines, and asks that funding be identified and a timeline be established. **Motion passed: 18-0-0**

Whittier Co op - 2609 Blaisdell - Cynthia Le, Common Bond

CommonBond Communities is applying to the Affordable Housing Trust Fund for money to aid in their rehabilitation of 2609 Blaisdell, and has returned to the CI meeting with more of the information requested at the August meeting. CBC will convert the property from a limited equity cooperative to rental housing, for the amount of outstanding debt. LHB Architects are starting in depth inspection of the property. The preliminary scope says it will be \$2.3 million for interior, exteriors, and to meet MN Green Community Standards. CBC is applying to the affordable housing trust fund, and nonprofit administration operating funding. All of the sources (except for the nonprofit operating funding, which is grant), are repayable at maturity. The building's affordability requirements: all 45 units will continue to have section 8. Fifteen will have restrictions to 50% of median income. CBC understands that it's important to n'hood to have mix of income; the rest of units will remain at 80% of median income. CBC is very willing to explore the concept of providing parking to the community, but is committed to resident and visitor parking. The financing sources are subject to ongoing covenants.

Attendees Comments and Questions: Can co-op owners be reimbursed for amount they own? This would be far more likely in a market rate co-op. The Whittier Co-op has been 100% section 8, rent assisted co-op. Both deferred maintenance costs and capped rents have prevented equity from accruing. CBC analysis states that what they are offering for acquisition and improvements are appropriate. How did analysis happen? This was a cap rate analysis, physical property analysis, and finance modeling. A Limited Equity Cooperative, the co-op owns the property. However, because it has had 100% section 8, it is different from a market rate co-op. The residents have co-op board of residents who govern. They did not pay to be a part of the co-op, they pay monthly rent. What's the rent now? 1 BR units = \$647, 2 BR units = \$809, 3 BR units = \$936. What cap rates did you use? For rental properties, range of 7-10 on cap rates. What's the tax assessed value? 3.56 million. The property tax assessor uses different methodology than CBC uses to assess as the acquirer. What are the soft costs? Legal, architect. The rents charged are higher than Whittier average? It was expressed that more money would be made by putting the co-op up for sale. Thanks to CBC for continuing the discussion on parking. Could they get a variance to lower 1:1 ratio to .8:1 parking spots per resident? Residents have requested keeping existence parking numbers. What are the residents and co-op board feelings about this? There have been meetings and discussions, and motions coming out of those meetings have supported

the acquisition. CBC has entered an option to purchase agreement, the board is discussing it. Are the minutes of those meetings available? CBC will check.

CI Motion 3: The Community Issues Committee denies the letter of support for the Affordable Housing Trust Fund application by Common Bond for The Whittier Co-op at 2609 Blaisdell Avenue. **Motion passed.** 12-0-8

UrbanHomeworks – 2616 Blaisdell – Ben Post

Urban Homeworks, is a nonprofit community developer focused on community development around housing issues. UH has put in an application to Affordable Housing Trust Fund for 40 unit, scattered site, small unit, rental housing, throughout north and south Minneapolis, 4 are in Whittier, a four-plex at 2616 Blaisdell Avenue. The application is for \$800,000 total. These are old, small buildings, so the cost for upkeep is more than with larger buildings. The funds will go to preserve and stabilize existing units. 4 are rehabilitation of older units, 36 are existing affordable units, that UH is looking to improve, beautify, green, remove asbestos, etc. Focus is to preserve the units, not add new units. UH does a mixed income rental model. In the Blaisdell building, 1 is market rate, 3 units are affordable at 50%.

Attendees Comments and Questions: UH took ownership in January 2003, did improvements and rehab with no public dollars, but has tax exempt revenue bond financing mortgage of the project. UH has owned this property, and never turned it into condos? No. And it is affordable? Why didn't UH come to the Whittier Alliance then? It was a private sale, with no public dollars used. It does cash flow, but there are needed improvements required, and it doesn't cash flow if there isn't funding for improvements. Independently the Blaisdell building cash flows, but it's a bundled mortgage. What did you buy it for? Not sure. The county assess the value \$435,000. UH is applying for loan because small unit scattered site housing is difficult to cash flow, but there is a need for that type of housing. When offering as affordable units, it is difficult to maintain debt service. All the units are 3 bedroom, at \$850, \$900, \$960. What's purpose of Affordable Housing Trust Fund? How does it get budgeted? Are there any limits to how often an org can apply, how many in a neighborhood can get it? CM Lilligren: AHTF came into being 7 years ago, to be an endowment of multiple funds to support affordable housing. There are broad policy goals attached to it. Projects score better in diverse neighborhoods. The goal of \$10 million annually has never been reached, it has been in the \$6-9 million range. In this budget cycle, there is talk among the CM's of other uses for AHTF dollars. There will be robust debate on this. Should people weigh in? Yes. CM Lilligren doesn't think there is any limit on how much can go into one project. Marian says there are 15-20 buildings in Whittier participating in the AHTF or ESH funding. Do buildings ever cycle out of the affordable housing trust fund? This is such a large amount of money, when you have a cash flow, do you keep getting this? Ben Post says there is currently \$9 million in the AHTF, and it won't fund any new projects in impacted areas, only fund new projects in not impacted. But what about the Lyndale Green approval-61 new affordable units in Whittier, an impacted area? Unsure of reality, but the stated goals of CPED was to only fund new projects in non-impacted areas, with a 30 year restriction from HUD. What happens if UH doesn't get the funding? They won't be able to do improvements on property, like a new boiler, tile, siding; but UH wouldn't lose the property. Is this a fund that UH will pay back? At what interest? Yes, it is a 0 interest loan, and UH will pay the principal.

CI Motion 4: The Community Issues Committee motions to deny a letter of support for Urban Homeworks 2616 Blaisdell project. **Motion Fails 3-7-8**

CI Motion 5: The Community Issues Committee motion requests that Urban Homeworks returns next month with more information regarding their application to the Affordable Housing Trust Fund. **Motion Carried.**

St. Stephen's House Mikkel Beckman, Executive Director of St. Stephen's Housing. Every year, federal dollars are available for emergency shelter. The city of Minneapolis has restricted those funds to capital improvements of existing shelters. St. Stephen's House 1953 boiler was supposed

to last 30 years, and has lasted 56. It has now failed, and St. Stephen's is asking for \$40,000 in federal emergency shelter funds, or 80% of the cost of a new boiler. The Parish of St. Stephen's will provide the other 20%.

Attendees Comments and Questions: What are you asking us? The grant application says it must be reviewed by neighbors, but doesn't need a vote or letter. What's St. Stephen's current budget? There is a \$458,000 budget deficit, but we don't charge rent, our income is people giving us money, and most of that happens between Thanksgiving and New Year. Will save money in utility costs? Yes. Will this improve your budget? SSHS is locked in a rental agreement with the Parish, we'll have to bring it up in two years, when that is renegotiated. Why is Human Services paying for this, not parish? Because it has been operating a shelter there for 20+ years, and Parish is paying 20% of costs. What are you doing to decrease negative effects of St. Stephen's Human Services on the neighborhood? We are a sober shelter. The last permanent address arrest list contains no guests of St. Stephen's. Criminal activity can't be tied to our guests. Would it benefit St. Stephen's application to get a letter? It couldn't hurt. Hopefully the money will come, and be spent in the community for a contractor, and lessen environmental impacts. Noise? Boiler won't make any. Is there a contingency plan? No.

CI Motion 5: The Community Issues Committee thanks St. Stephen's Human Services at 2611 Clinton Avenue for presenting to the neighborhood and supports their application for the grant. **Motion passes.** 15-1-3.

Stevens House: Stevens House is a boarding home with supportive services for 24 mentally ill adults at 1928 Stevens Avenue, at the corner of Steven's and Franklin, in Steven's Square neighborhood, adjacent to Whittier, in operation since 1985. The county has request for proposals for beds for mentally ill adults. Stevens has room for one more person. They are looking for support, approval, or non concern for Stevens House to support one more person, which would help budget. They need to go through the additional use permit like they are starting a new program, but they are adding a 4th bed to a currently 3 bed room.

CI Motion 6: The Community Issues Committee makes a motion to approve application for an additional bed (from 24 to 25) for mentally ill adults receiving supportive services at Stevens House, at 1928 Stevens Avenue. (*Motion preempted by the motion to postpone*).

CI Motion 7: The Community Issue Committee makes a motion to postpone discussion and approval of the request for an additional bed at Stevens House at 1928 Stevens Avenue to the October meeting. **Motion passed 9-7-3.**

Old / New Business

The Salem English Lutheran Church building could have historic preservation designation, could we as a neighborhood try to protect the 1904 part of the building? Are we on record for this? Marian stated we are on record for preserving the structure, but not for it as a historic designation.

CI Motion 8: The Community Issues Committee moves to support an application for historic designation for the 1904 portion of Salem English Lutheran Church at 608 W. 28th St. and asks that Councilman Lilligren recommend the designation to the Heritage Preservation Commission. **Motion passes** 14-1-4

Meeting adjourned: 8:28 pm

Minutes submitted by: Jessica Rosenberg, Administrative Assistant, Whittier Alliance

Next meeting: Monday, October 12, 6 pm, the Whittier Elementary School