Getting the Big Picture Right:
A series of conversations on Housing + Transit, 2016 - 2017

Reflections for Moving Forward
June 1, 2017
Wilder Conference Center
THEMES

Renters
THEMES

Renters

Interconnect
THEMES

Renters

Interconnect

Inclusive Growth
Program:

• Jonanthan Sage-Martinson, Saint Paul Planning and Economic Development (PED)
• Minneapolis Council Member Cam Gordon
• Minneapolis Council Member Russ Stark
• Peter Mathison, Wilder Research
• Jason Peterson, Neighbor Works Home Partners
• Paul Creager, Gordon Parks High School
• Nekessa Julia Opoti, Bully Creative Shop / Underground Media Collective
Discussion Questions:

• What of this work has been valuable? What was missing?
• What are the greatest opportunities in front of us for strengthening communities of opportunity along the Green Line?
• What housing goals should be addressed over the next 3 – 5 years along the corridor?
Green Line Area Housing Investment

Housing Projects
- Complete, New Construction
- Complete, Rehab/Refi
- Under Construction, New Construction
- Under Construction, Rehabilitation
- Pending/Pipeline, New Construction
- Pending/Pipeline, Rehabilitation (Affordable/Market Rate)

Metro Green Line
Interstate/Highway
½ Mile Green Line Radius
Lakes and Rivers
Park

Summary
Major projects with public funding participation within a half mile of the Metro Green Line and west of Rice Street since 2010. Those listed as pending may or may not receive public investment in 2016 and beyond. Two projects, Selby/Victoria and St. Albans Park, are shown due to proximity but are not within a half mile of the Green Line.

Total Residential Units
Affordable: 2,438
Market Rate: 615

Affordability
- All New Units: 65%
- East of Snelling: 100%
- West of Snelling: 41%
HOUSING

2700 University

C&E Lofts and Flats

Hamline Station

The Penfield
PLACEMAKING
GREEN SPACE
EDUCATION
STRENGTHENING NEIGHBORHOODS
COMMUNITY PARTNERS

Frogtown Rondo Home Fund

LITTLE MEKONG

ASANDC

Aurora/St. Anthony Neighborhood Development Corporation

LITTLE AFRICA

BUSINESS & CULTURAL DISTRICT OF MINNESOTA

CREATIVE ENTERPRISE ZONE

NDC Neighborhood Development Center

Community Stabilization Project

“Tenant Stability Leads to Community Stability”
FUTURE DEVELOPMENT
Big Picture Project: Data update

- **Objective 1:** Invest in the production and preservation of long-term affordable housing
- **Objective 2:** Stabilize the neighborhood and invest in activities that help low-income people stay in their homes
- **Objective 3:** Strengthen families through coordinated investments
Big Picture Project: Data update

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Objective 1: Invest in the production and preservation of long-term affordable housing

Expanded Goal: **4,500** new or preserved affordable units by 2020

Baseline goal reached!

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<thead>
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<th>Year</th>
<th>Preserved</th>
<th>New</th>
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Legend: Preserved, New
Objective 1: Invest in the production and preservation of long-term affordable housing

Where is the long-term affordable housing development occurring (2011-2016)?

- **Preserved**
  - Downtown Minneapolis: 27%
  - UMN/Environs: 14%
  - Midway West: 17%
  - Midway Central: 0%
  - Midway East: 4%
  - Downtown St. Paul: 0%

- **New**
  - Downtown Minneapolis: 39%
  - UMN/Environs: 31%
  - Midway West: 14%
  - Midway Central: 8%
  - Midway East: 3%
  - Downtown St. Paul: 30%
Objective 1: Invest in the production and preservation of long-term affordable housing

Where will long-term affordable housing development occur?

- Downtown Minneapolis: 18%
- UMN/ Environ: 13%
- Midway West: 12%
- Midway Central: 4%
- Midway East: 10%
- Downtown St. Paul: 44%

1,350 units in the pipeline!
Objective 1: How does this compare to new market rate development?

***2011-2016 - Does not include preserved units***

- Affordable: 1,186
- Market-rate: 8,083

13% of all new units are affordable.

For every 1 affordable unit added to the Corridor housing stock, 8 market rate units were added.
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Overall, on track to meet some but not all goals within this objective

- Work in foreclosure prevention and impact fund lending will exceed goals
- Progress towards first mortgage lending and redevelopment of vacant and foreclosed properties are strong
- Progress towards home improvement lending is not on track to meet goals
Objective 2: NeighborWorks Home Partners Lending

From 2011-2016 – We originated 78 loans totaling $1.4mm within Big Picture Service Area
Objective 2: Market pressures we have witnessed effecting progress towards goals

- Homeownership rates remain well below area averages for these neighborhoods.
- While still below median averages, home values have begun to rise in these neighborhoods.
- As a result, property values have also begun to rise, meaning higher tax payments for homeowners.
- Income gains have not kept pace with these rising costs, making it increasingly difficult for families to buy or fix their home.
Objective 2: Challenges we have faced in administering programs under this objective

- While progress towards goals for multi-family have been strong, many single family goals have lagged behind.

- Challenges include:
  - Coordinating and aggregating resources for single family scattered site programs.
  - Operating programs at a sustainable scale.
  - Reaching families in the community in need of these services.
Big Picture Project: Data update

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- **Objective 3:** Strengthen families through coordinated investments
• **Objective 1:** Invest in the production and preservation of long-term affordable housing

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Median rent

Tracking change in median rental rates for available 2-bedroom units

2015-2016:

$1,700 to $2,000

$1,199

$1,012

Median rent on the Corridor: +66% since baseline

Median rent in Mpls-Stp: +28% since baseline

+16% over last year
Objective 3: Strengthen families through coordinated investments

Median rent

Median Rent by Corridor Segment Area

+26% over baseline

+47% over baseline

+86% over baseline
Objective 3: Strengthen families through coordinated investments

Median Estimated Market Value

Tracking change in median estimated market value for single family homes

Median SF-EMV in City of St. Paul: -3% since Baseline

Median SF-EMV on the Corridor: -8% since Baseline

2015-2016:

$140,100 to $143,500

+2% over last year
Objective 3: Strengthen families through coordinated investments
Cost-burdened housing

Corridor: Higher share of Corridor households are burdened by housing costs

**But...** It’s hard to be a low-income renter everywhere (under $50,000)

- Minneapolis-St. Paul: 37% (70%)
- Central Corridor: 44% (73%)
Objective 3: Strengthen families through coordinated investments

Income

**Corridor:** Lower median income

- **MSP:** $52,900
- **Corridor:** $43,600

Central Corridor

- 43% Very low-income households
- 57% Low-income households

Minneapolis-St. Paul

- 30% Very low-income households
- 70% Low-income households

Higher share of very low-income households
Objective 3: Strengthen families through coordinated investments

Demographics

Population (2015): **109,598**
up from **94,611** at baseline (2010)

Corridor is **5%** Hispanic/Latino (of any race)

20% foreign-born
Big Picture Project: Data update

- **Objective 1**: on-track to meet affordable housing production/preservation goals

- **Objective 2**: on-track to meet goals in some but not all activity categories

- **Objective 3**: Little change in economic/demographic context measures, but continue to monitor rents

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