



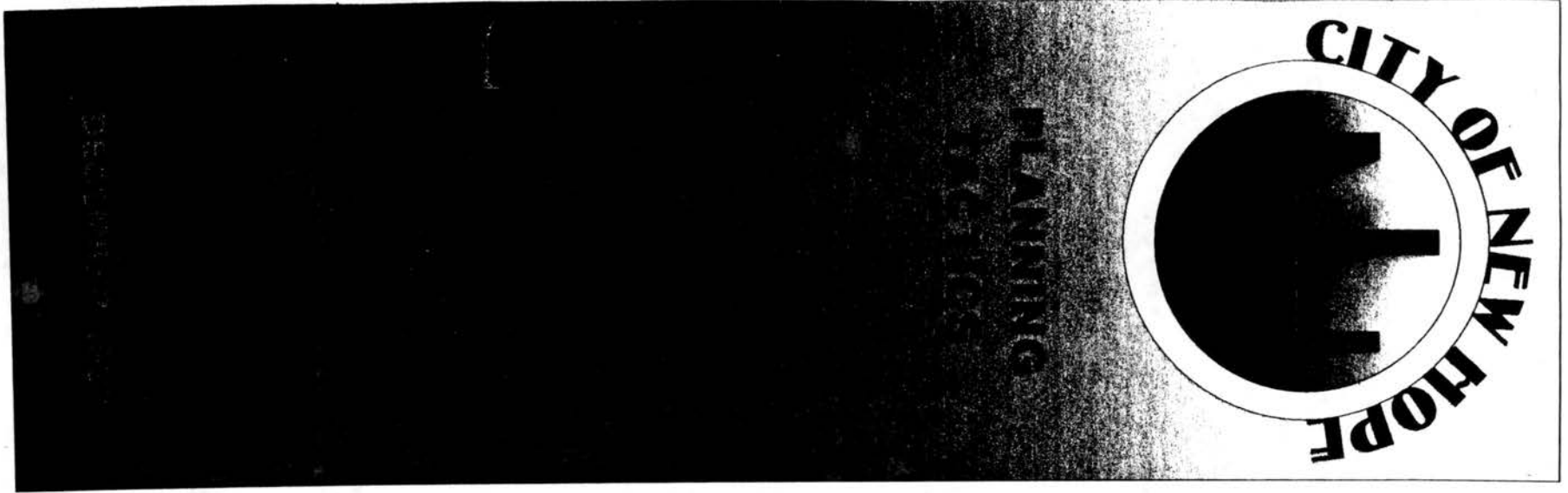
Irene Gomez-Bethke Papers.

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# COMPREHENSIVE PLAN UPDATE

## **Residential Land Uses**

Housing and residential land uses raised numerous comments from the interview participants. The general theme was the maintenance and enhancement of the City's current housing stock. As the community continues to mature, the age and conditions of the City's housing stock becomes a direct reflection on the City's image and quality of life.

Most of the interview participants were very complimentary of the City's single family neighborhoods, noting that they are attractive living environments and generally very well maintained. The excellent condition of New Hope's single family residential areas was attributed to pride of ownership by residents, and the City's active enforcement of housing maintenance codes and redevelopment of residential properties.

The strong condition of New Hope's single family housing stock has continued to maintain local housing values. New Hope provides attractive and affordable housing options for young families. Interview participants expressed observations that through housing turnover, New Hope is again attracting young households with children. This is viewed as a favorable trend that should continue to be promoted. These family households will serve to re-populate the City and strengthen the local commercial trade area with the introduction of additional disposal income.

A number of people expressed concerns about the amount of multiple family rental housing stock within the City and the condition of select older multiple family sites. Problems with poor building conditions, poor site design, lack of site amenities, tenant occupancy and crime were identified as being characteristics of a number of older multiple family apartment complexes. Specific problem sites were identified along Bass Lake Road, Winnetka Avenue, 62nd Avenue, and other scattered sites within the City. Concerns were expressed that if left unchecked, the housing conditions in these areas will continue to deteriorate, impacting both the quality of life and property values of the adjoining neighborhoods and overall City.

The interview participants identified two voids in the City's available housing. The first void would be high value housing options. Most of the City's existing housing stock consists of moderately priced homes. More affluent residents seeking move up housing options often must look to neighboring cities for this housing opportunity.

The second housing void identified through the interviews was the need for expanded life cycle housing opportunities. Specifically mentioned was the need for more medium density, low maintenance housing that will be attractive to the City's empty nester households or independently living elderly residents. The preferred housing type mentioned to meet this need was townhome units.



In view of the City's current residential issues, the interview participants identified housing maintenance, redevelopment, and greater housing diversity as primary objectives of the Comprehensive Plan Update.

### **Commercial**

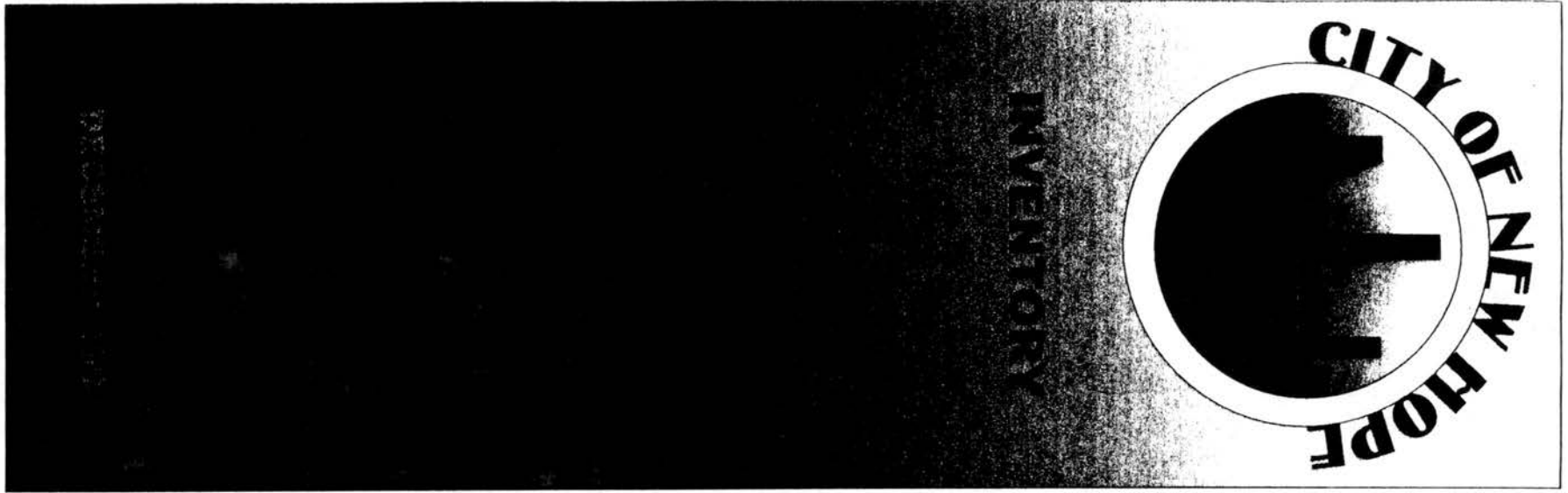
New Hope's commercial areas presented the greatest concerns for those who were interviewed. The City shopping areas display a declining commercial image through building appearance, vacancies, and an erratic commercial land use pattern that provides little continuity or business interchange between commercial areas.

The local business people who were interviewed indicated that New Hope has a different retail trade area than what existed 30 years ago when most of the City's shopping areas were new. New Hope no longer has strong homogeneous trade area demographics due to the aging of the City's population, out-migration of affluent households, and new growth in Plymouth and Maple Grove. Based on these changing demographic trends, the local business people interviewed suggested that the center of their original trade area has shifted west over the past 25 years. This shift in trade area complicates their ability to compete with new retail establishments.

The building appearance, site design, and vacancies associated with older City commercial areas detract from the attractiveness and vitality of these commercial sites. The consensus of the interview participants was that the City must aggressively pursue commercial redevelopment to change the image of New Hope's shopping areas. Specific redevelopment target areas include the Winnetka Center, Kmart site, Post Haste Center, freestanding commercial sites along Bass Lake Road, 42nd Avenue, and 62nd Avenue. In examining these areas of the City, recommendations included reducing the amount of commercial land through redevelopment and the introduction of alternative land uses such as office or multiple family land uses.

Interview participants also identified that the City's erratic commercial development pattern segregates the various commercial areas within the City. This development pattern works against business cooperation, business interchange, and a cohesive community identity. Past City promotional efforts have focused on the 42nd/Winnetka Avenue commercial area. Businesses in other areas of the City do not feel they have received the same attention from the City.





# COMPREHENSIVE PLAN UPDATE

## SUMMARY

- New Hope's population has remained at fairly constant levels for the last 15 years, even declining slightly. This trend is due in part to New Hope being a fully developed City, having a declining household size, and due to its aging population characteristics.
- Household growth in New Hope has slowed since the peak growth period in the 1970s. This statistic supports the trends identified by the population analysis that there are fewer new housing units being developed within the City as a result of the City being almost fully developed.
- The average size of households in New Hope has been declining over the last 20 years. As with the population and household statistics, this trend reflects an aging community and an increasing number of "empty nester" households where the children have grown and moved away from their parent's home. However since 1990, the City has experienced a significant housing turnover which has introduced families with younger children in the community.
- Household trend also reflects the availability of a large number of multiple family and elderly housing units within the City, as these dwelling units are often occupied by families without children or elderly people. The declining rate of household size has slowed between 1990 and 1995, indicating a stabilization of household size.
- The City's overall population is growing older. The percentage of the population age 55 and older increased from 14 percent in 1980 to 24 percent in 1990, while the median age increased by more than 22 percent during the same period.
- New Hope's per capita and median household income is in the middle of a range of median incomes when compared with adjacent communities. These statistics are somewhat reflective of older population in the community and the percentage of occupational characteristics of the population.
- In 1990, poverty status was determined for approximately 6.5 percent of the total population within the community. These individuals and families are a potential focus of future housing programs and assisted efforts.



## HOUSEHOLD GROWTH

The following tables illustrate New Hope's household trends from 1970 to 1995, and projections of new households for the period between years 2000 and 2020. Household growth in New Hope has slowed consistently since the 1970s and has reached an equilibrium. Based on the City's future residential redevelopment plans, projections for years 2000, 2010 and 2020 were estimated. These projection estimates show an increasing trend in the number of households.

The average size of household has also declined during the past 25 years. The lower household sizes are likely to remain at consistent levels as can be seen in the household trends.

HOUSEHOLD TRENDS				
	Number	% Change	Size	Percent Change
1970	6,181		3.75	
1980	7,627	23.4	2.91	-22.4
1990	8,507	11.5	2.44	-19.3
1995 Est.	8,553	0.2	2.41	-1.2
2000	8,575*	---	----	
2010	8,610- 8,680*	---	----	
2020	8,830- 9,040*	---	----	

Source: U.S. Census, 1970, 1980, 1990, Metropolitan Council,  
\* Northwest Associated Consultants, Inc.

As seen in the following table, 67.3 percent of the total households are family households and 32.7 percent are non-family households. A large percent of these non-family households consist of elderly housing, care facilities and group homes which are scattered throughout the City. Additionally, only 31.5 percent of the total households are households with children (under 18 years), and as such, New Hope is considered as a maturing community.



HOUSEHOLD TYPE AND PRESENCE OF CHILDREN (UNDER 18 YEARS)						
	All Households		Households with Children		Households without Children	
	Number	Total HH %	Number	Total HH %	Number	Total HH %
Family - Married Couple	4,639	54.8	1,975	23.3	2,664	31.5
Family - Male Householder	207	2.4	91	1.1	116	1.4
Family - Female Householder	855	10.1	604	7.1	249	2.9
Total Family Households	5,701	67.3				
Non-Family Households	2,765	32.7	---	---	---	---
TOTAL HOUSEHOLDS	8,464	100.0	2,670	31.5	3,029	35.8

Source: U.S. Census 1990, Summary Tape File 3A, Northwest Associated Consultants, Inc.







■ **LAND USE**

## **SUMMARY**

- New Hope is a fully developed City with 100 percent of the land within New Hope's municipal boundaries lying within the MUSA.
- Patterns of land use existing in New Hope are predominantly residential occupying 42.3 percent of New Hope's total land area.
- With the small percentage of vacant land available, the City faces a challenge in promoting and maintaining its current uses.
- Residential land use, which is made up of predominantly single family homes, occupies 34.3 percent of the total land area in the City, 5.9 percent consists of multi-family residential (high), and 2.1 percent of multi-family residential (medium).
- The City has a diverse housing stock and provides a good mix of housing alternatives.
- The City has seen many changes in its commercial market and the commercial land use has been reduced in size and consists mostly of convenience and neighborhood oriented businesses.
- Industrial land uses in New Hope total 472 acres or 13.5 percent of the total land area. The lack of vacant land holds a challenge for in-place industrial expansion and in maintaining its industrial base.
- A significant amount of land within New Hope is devoted to public and semi-public uses, which encompass about 243 acres or approximately 7 percent of the City's total land area.
- The City's proactive housing policy is especially relevant in terms of providing a variety of affordable housing opportunities.
- Whereas for the most part the housing units within the City are in good or excellent condition, several concentrations of deteriorating or blighted structures were identified.
- The City has undertaken a fairly aggressive approach to economic development in assisting industrial and commercial type activities.



LAND USE (ACREAGE)		
	Acres	Percent of Total
Residential Total	1,479.45	42.4
Single Family Residential	(1,198.82)	(34.4)
Multi-Family Residential (Medium)	(74.70)	(2.1)
Multi-Family Residential (High)	(205.93)	(5.9)
Commercial	111.98	3.2
Industrial	473.85	13.6
Public and Semi-Public	244.55	7.0
Parks and Recreation	179.88	5.2
Open Water	96.63	2.8
Vacant*	29.66	.8
Roadway	873.19	25.0
<b>TOTAL</b>	<b>3,489.19</b>	<b>100.0</b>
SOURCE: Bonestroo, Rosene, Anderlik and Associates		

\* There is less than 10 percent difference in the vacant area calculation in the above table and the vacant acreage specified by the City. The difference may be attributed to the methods used to calculate these areas.

## RESIDENTIAL LAND USE PATTERNS

Residential land use occupies 42.4 percent of New Hope's total land area. The predominant residential land use type is low density, single family homes representing 34.4 percent of developed land in the City.

Medium to high density residential buildings are scattered in various areas of the City. This type of residential land use comprises 8 percent of the total developed land within New Hope. The numerical break up of this land use has been illustrated in the land use acreage table.



## **COMMERCIAL LAND USE PATTERNS**

Commercial development presently accounts for 3.2 percent of the City's total land use with the greatest concentration located around the minor arterials and community collectors. For the most part, commercial land use is typified by shopping center and by individual establishments oriented to major intersections or to residential developments in the form of "convenience commercial".

Over the years, the City has conducted a number of market studies to evaluate the market strength of the City's commercial land use in the City Center Area and along other major thoroughfares in the City. The studies indicate that New Hope's commercial retail trade areas have been reduced in size with the development of new commercial space in Crystal, Plymouth and Maple Grove. Most of the retail facilities in New Hope are now convenience and neighborhood oriented as compared to regional scale operations. Due to the nature of commercial market trends, the City has lost each of its four grocery stores since 1990 and is experiencing vacancies in many of the commercial facilities. In response to a changing retail environment, the City has had to address a number of ordinance changes pertaining to various types of commercial activities, including adult use, billiard halls, pawn shops, and tattoo parlors. The changing commercial patterns and planning for future commercial development in the short term is extremely important and should be tied into completion of the Comprehensive Plan process. This will allow for high quality site design in conformance with all Zoning Ordinance performance standards.

## **INDUSTRIAL LAND USE PATTERNS**

Industrial use represents 13.6 percent of the total land area. The majority of industrial uses are located east of Highway 169 and south of Bass Lake Road, and another area of concentration is along the North South Soo Line. The City has played an aggressive role in promoting industrial growth in the City. With the City being fully developed, very few vacant lots are available for new industrial development. The City faces challenge in promoting continued in-place industrial expansion and in maintaining its industrial base.

## **PUBLIC/SEMI-PUBLIC AND PARKS/RECREATION SPACE**

A significant amount of land within New Hope is devoted to public and semi-public uses which encompass about 244 acres or 7 percent of the City's total land area. This use category includes governmental buildings, churches, cemeteries, and semi-public utilities.



The City parks are separately classified in the land use table as parks/recreation space although are nonetheless public facilities. These areas encompass 5.2 percent of the City's total land use area. The park areas will be discussed in detail in the Community Facilities section of this document.

**VACANT LAND**

The City has identified 19 developable vacant lots within the City of New Hope. The total acreage of these lots is 28.38 acres. Of this 28.38 acres, 17.5 acres are industrial vacant, .4 commercial vacant, and 10.68 acres of residential vacant. With the small percentage of vacant land available, the City has identified (on the following maps) future developments and redevelopments for the various land uses.

<b>VACANT LAND</b>	
	Acres
<b>Industrial:</b>	<b>17.5</b>
9200 49th Avenue North	2.7
7550 49th Avenue North	4.6
9001 Bass Lake Road	2.9
5501 Boone Avenue North	3.0
2919 Nevada Avenue North	2.0
7500, 7516, & 7528 42nd Avenue North	2.3
<b>Commercial:</b>	<b>.4</b>
5551 Louisiana Avenue North	.4
<b>Residential:</b>	<b>10.48</b>
7849 49th Avenue North	.6
8808 41st Avenue North	.2
7813 Angeline Drive	.25
7819 Angeline Drive	.15



4864 Flag Avenue North	.25
7621 Bass Lake Road	.7
5530 Sumter Avenue North	.4
5559 Sumter Avenue North	.35
"Pond Place" Unplatted	7.0
7621 62nd Avenue North	.28
<b>TOTAL</b>	<b>28.38</b>
Source: City of New Hope (February 1998)	

NOTE: 6 of 11 lots are City-owned - 9.03 acres

### HISTORIC SITES

The State Historical Preservation Office at the Minnesota Historical Society was contacted to identify any historical significant sites in New Hope. No historic property, sites, or structures were registered in the State or National Register.



## ZONING

New Hope is currently governed by the New Hope Zoning and Subdivision Ordinances, adopted in 1980. Development applications are reviewed by the Planning Commission and subject to approval by the City Council.

The following map illustrates the current arrangement of zoning districts. An approximate statistical breakdown of the amount and proportion of land zoned for various uses is provided in the following table. A description of all zoning districts follows the zoning area table.

ZONING (ACREAGE)		
Zone	Acres	Percent of Total
R-1	2,129.00	63.9
R-2	43.60	1.3
R-3	33.29	1.0
R-4	176.51	5.3
R-5	26.84	.8
R-O	25.49	.8
R-O (PUD)	.38	.01
B-1	2.80	.7
B-2	14.53	.4
B-3	14.17	.4
B-4	78.45	2.4
I-1	478.20	14.3
I-2	50.88	1.5
OSP	209.68	6.3
Non-City	51.99	1.5
<b>TOTAL</b>	<b>3,335.91</b>	<b>100.0</b>
SOURCE: Bonestroo, Rosene, Anderlik and Associates		



### **R-1, Single Family Residential**

The R-1 District is designed to provide for exclusive low density single family detached residential dwelling units and directly related accessory uses.

### **R-2, Single and Two Family Residential**

The purpose of the R-2 District is to provide for low density one and two unit dwellings and directly related, complementary uses. This district provides an excellent transition between the existing R-3 and R-1 uses.

### **R-3, Medium Density Residential District**

The purpose of the R-3 District is to provide for medium density housing in townhomes and multiple family structures and directly related complementary uses.

### **R-4, High Density Residential District**

The purpose of the R-4 District is to provide for high density residential uses, and directly related uses. Nursing homes, elderly housing, group care facilities are allowed by conditional uses in this district.

### **R-5, Senior Citizen and Physically Handicapped Residential Housing**

The purpose of the R-5 District is to provide areas within the City which are particularly suitable as to location and amenities for elderly and physically handicapped housing, and to limit the development of such districts to this type of residential construction, and directly related complementary uses. Nursing homes, adult day care, physically handicapped housing are allowed as conditional uses in this district.

### **R-O, Residential Office District**

The purpose of the R-O District is to provide for high density residential use and for the transition in land use from mid-density residential to low intensity business allowing for the intermixing of such uses.

### **B-1, Limited Neighborhood Business District**

The purpose of the B-1 District is to provide for the establishment of local centers for convenient, limited office, retail or service outlets which deal directly with the customers





- NOTES:
- (a) Where adjacent structures within the same block have front yard setbacks different from those required, the front yard minimum setback shall be the average of the adjacent structures. If there is any one adjacent structure, the front yard minimum setback shall be the average of the required setback and the setback of the adjacent structure. In no case shall the minimum front yard setback exceed thirty feet.
  - (b) Not less than twenty feet from lot line, if lot is on a corner.
  - (c) Ten feet with the exception that an attached garage may be located within five feet of the side yard lot line and subject to the provisions in Section 4.032 (3) of the Code.
  - (d) Refer to the Zoning Ordinance for special district standards and setbacks.

## HOUSING

The City of New Hope participated in the Metropolitan Livable Communities Program which resulted in the 1996 Housing Act Policy Action Plan. The City has recognized the completion of this plan as an opportunity to identify and address the housing needs and issues relevant within its own boundaries. The continued maintenance, rehabilitation and redevelopment of housing in communities such as New Hope is key for sustaining these communities and encouraging people to settle in the existing urban areas.

As seen in the following table, the City of New Hope has a wide diversity of housing unit types. Approximately 51 percent of the housing stock is single family units, whereas the remainder is made up of multiple family units. Multiple family structures containing 10 or more units represent a large percentage of the total housing units. This is attributed to the large number of group homes, nursing homes and elderly housing located within the City.



1996 HOUSING UNIT TYPE BY STRUCTURE			
Housing Type	Housing Units	Total	Percent
Single Family	1, detached	4,563*	51.8
	1, attached	305	3.5
	Mobile Home	0	--
Twin Home	2	44	0.5
Medium Density	3 or 4	137	1.6
	5 to 9	153	1.7
High Density	10 to 19	984	11.2
	20 to 49	1,241	14.1
	50 or more	1,337	15.2
Other		43	0.5
TOTAL		8,807	100.0
Source: U.S. Census, 1990 City of New Hope Building Permit Data Hennepin County Property Info. System, March 1997 Northwest Associated Consultants, Inc.			



1990 TENURE BY HOUSING UNITS IN STRUCTURE								
Housing Units	Vacant	% of Vacant Structure	Owner	% Owner Occupied	% by Unit Type	Renter	% Renter Occupied	% by Unit Type
1, detached	24	0.5	4,446	94.1	97.7	81	2.1	1.8
1, attached	6	2.0	85	1.8	27.8	214	5.7	70.2
2	0	--	8	0.2	18.2	36	1.0	81.8
3 or 4	32	23.4	0	--	--	105	2.8	76.6
5 to 9	5	3.3	0	--	--	148	3.9	96.7
10 to 19	90	9.1	46	1.0	4.7	848	22.4	86.2
20 to 49	29	2.3	0	--	--	1,212	32.0	97.7
50 or more	102	7.6	128	2.7	9.6	1,107	29.3	82.8
Mobile Home	0	--	0	--	--	0	--	--
Other	0	--	10	0.2	23.3	33	0.9	76.7
TOTAL	288	3.3	4,723	53.7		3,784	43.0	

Source: U.S. Census, 1990, Summary Tape File 3A  
Northwest Associated Consultants, Inc.

In 1990, approximately 54 percent of the City's total housing stock was owner occupied versus 43 percent renter occupied. Approximately 3 percent of the housing units were vacant. Almost 98 percent of the single family houses are owner occupied with just more than 2 percent renter occupied. Only 0.5 percent of the single family housing stock was vacant.

In 1990, the vast majority of the multiple family units was renter occupied. There were very few owner occupied units in multiple family structures. Vacant units were more common in multiple family structures with 3-4 units and less common in those structures with 20 to 49 units.



<b>1990 ASSESSED VALUE (Homestead Properties)</b>		
Value	Properties	Percent
Less than \$95,000	2,091	42.4
\$95,000 - \$117,999	1,975	40.1
\$118,000 - \$149,999	808	16.4
\$150,000 - \$249,999	53	1.1
\$250,000 and over	0	0
<b>TOTALS</b>	<b>4,927</b>	<b>100.0</b>

Source: Hennepin County Property Info. System,  
March 1997  
Northwest Associated Consultants, Inc.

<b>1990 STRUCTURE VALUE (Specified Owner Occupied Units)</b>		
Value	Units	Percent
\$49,999 and under	28	0.6
\$50,000 to \$74,999	393	9.0
\$75,000 to \$99,999	2,510	57.2
\$100,000 to \$124,999	1,156	26.3
\$125,000 to \$149,999	246	5.6
\$150,000 and over	58	1.3
<b>TOTALS</b>	<b>4,391</b>	<b>100.0</b>

Source: U.S. Census, 1990, Summary Tape File 3A,  
Northwest Associated Consultants, Inc.



The Metropolitan Council currently defines an affordable single family house as having a value of less than \$115,000. Based upon 1997 Hennepin County Property Information, approximately 82.5 percent of homestead properties in the City of New Hope had a value of less than \$115,000. The Metropolitan Council's current index of affordable owner occupied housing in New Hope is 92 percent. A map of New Hope, developed by the Hennepin County Office of Planning and Development, shows the approximate property value of homesteaded property. Several concentrated areas of houses with values less than \$70,000 are identified. High value homes represent a very low percentage of the housing stock.



GROSS RENT PER UNIT BY BEDROOM														
Gross Rent	No Bedroom			1 Bedroom			2 Bedroom			3+ Bedrooms			Total	
	#	% of Unit Type	% of Rent Range	#	% of Unit Type	% of Rent Range	#	% of Unit Type	% of Rent Range	#	% of Unit Type	% of Rent Range	#	% of Rent Range
\$199 or Less	4	5.1	2.4	88	4.7	52.1	62	4.1	36.7	15	6.6	8.9	169	100.0
\$200 to \$299	0	--	--	25	1.2	47.2	28	1.8	52.8	0	--	--	53	100.0
\$300 to \$499	58	73.4	4.3	938	49.7	69.8	314	20.5	23.4	33	14.4	2.5	1,343	100.0
\$500 to \$749	7	8.9	0.4	731	38.8	40.7	986	64.4	54.9	71	31.0	4.0	1,795	100.0
\$750 to \$999	10	12.6	3.2	99	5.2	32.4	111	7.3	36.3	86	37.6	28.1	306	100.0
\$1,000 or more	0	--	--	6	0.4	10.1	29	1.9	49.2	24	10.4	40.7	59	100.0
Total	79	100.0	--	1,887	100.0	--	1,530	100.0	--	229	100.0	--		100.0

Source: U.S. Census, 1990, Summary Tape File 3A  
Northwest Associated Consultants, Inc.

The Metropolitan Council considers a rental unit affordable if the gross monthly rent is \$500 or less. Based on this standard, 42 percent of the rental units in New Hope were affordable in 1990, as seen in the table above. It should be noted, however, that in terms of unit types, only 26.4 percent of two bedroom units and 21.0 percent of three+ bedroom units are affordable. Seventy-five point eight percent of efficiency units and 55.6 percent of one bedroom units are affordable. As evidenced by the table, the City has a very small number of three+ bedroom multiple family housing units when compared with the other housing unit types.



1990 HOUSEHOLD TYPE BY AGE OF HOUSEHOLDER		
Age	Family Household	Non-Family Household
15 - 24 years	296	331
25 - 34 years	1,202	583
35 - 44 years	1,387	264
45 - 54 years	1,188	243
55 - 64 years	1,019	336
65 - 74 years	430	336
75 years or more	177	672
Source: U.S. Census 1990, Summary Tape File 3A		

CURRENT PERMITTED DENSITIES FOR RESIDENTIAL DEVELOPMENT	
Unit Type	Density Units/Acres
Single Family	4.6
Multiple Family	14.5
Source: City of New Hope *Acres exclusive of streets	

To date, the City of New Hope has a total vacant land supply of 27.1 acres. Of the 27.1 acres, 9.9 acres are designated for residential development and redevelopment. The City has also estimated an additional 22.6 acres for residential redevelopment in the next 25 years.



1990 CURRENT HOUSING VACANCY RATES		
Unit Type	Number of Units	Percent
Single Family	24	.5
Multiple Family	264	2.8
Total Vacant	288	3.3
Source: U.S. Census 1990, Summary Tape File 3A Northwest Associated Consultants, Inc.		

1996 STRUCTURE AGE (Housing Units)		
Year Constructed	Number	Percent
1939 or earlier	41	0.5
1940 to 1949	110	1.2
1950 to 1959	1,036	11.7
1960 to 1969	4,467	50.6
1970 to 1979	2,000	22.6
1980 to 1989	1,130	12.8
1990 to April 1996	49	0.6
TOTAL	8,833	100.0
Source: U.S. Census, 1990 City of New Hope Building Permit Data Northwest Associated Consultants, Inc.		





The largest period of growth in New Hope occurred during the 1960s and early 1970s with growth slowing in the 1980's and stabilizing in the early 1990s. Not surprisingly then, 64 percent of the housing units within the City were constructed prior to 1970. This is significant, as older buildings may require additional maintenance and rehabilitation in order to avoid becoming a blighting influence. The map of New Hope, developed by the Hennepin County Office of Planning and Development showing the approximate age of structures on homesteaded property has been included on the following page. Analysis of this map reveals that the majority of the older housing in the community is located along the major thoroughfares.

New Hope is an aging community. However, there has been a change in housing turnover. In the last five years, the City has sold 351 single family homes, 43 condominium and townhomes, and eight duplexes. Based on opinions expressed during Tactics interviews, the neighborhood characteristics of New Hope are changing with new and younger families moving in.

As per the Hennepin County Property Information System (March 1997), 165 rental properties were built in 1969 or earlier. In 1970 or later, 128 rental units were built.

#### Home Sale Inspection

In January 1978, the City initiated a Home Sale Inspection Program. The program was initiated in an effort to maintain the condition and values of the overall housing stock within the City. The Home Sale Inspection Program has also encouraged reinvestment in housing within the City of New Hope. As a result, through the enforcement of this program, the City has been credited with increasing the City's housing stock values over the past 20 years.



In May 1996, an extensive housing survey was conducted identifying the housing conditions in the City. The analysis and conclusions of the survey have been addressed in a Housing Policy Action Plan (1996) for the City. The survey found that, for the most part, the housing units within the City are in good to excellent condition. However, several concentrations of deteriorating or blighted structures were identified. The housing condition survey should be utilized in programming future assistance and rehabilitation or redevelopment efforts to focus these activities where they are most needed.

### **Publicly Subsidized Housing Programs**

The City of New Hope's proactive housing policy is especially relevant in terms of providing a variety of affordable housing opportunities. The basic philosophy of removing financial barriers to provide shelter for persons of low/moderate income levels has recently been expanded. The City has identified the importance of coordinating affordable housing efforts with human and social service programs to provide comprehensive assistance to people in order to better help themselves. These programs and initiatives, including those currently being implemented, are summarized below.

#### Section 8 Rental Assistance Program

The City of New Hope, through its Economic Development Authority (EDA), administers its own Section 8 Rental Assistance Program in conjunction with Metro Housing Redevelopment Authority (Metro HRA). This Department of Housing and Urban Development (HUD) program is designed to provide rental assistance for low income persons. Financial assistance is based on a formula whereby participants pay 30 percent of their income for housing. A system of certificates (which require participants to stay within fair market rent guidelines) and vouchers (which allows participants to exceed fair market rent guidelines if they pay the difference) are both utilized by the program. The City is currently assisting approximately 220 families in the City of New Hope and 75 families in four neighboring cities.

#### Scattered Site Public Housing Program

In the past, the City Council would authorize Community Development Block Grant funds to purchase homes in the City that were in need of renovation and repair. These homes were then rented at an affordable rate to families that meet specified income guidelines. The intent of the program was to upgrade the existing housing stock and at the same time allow the families that rent the units time to save money to purchase the homes. At the time the homes were sold, the City assisted with a second mortgage write down, which was



eventually forgiven if the families remained in the homes for a certain number of years. In the past, approximately one-half of the families participating in the program eventually qualified to buy the homes.

The following lists the scattered sites that qualified under this project:

1. 9116 31st Avenue North. In October 1997, the City purchased the single family home at 9116 31st Avenue North. Currently, the City is developing specifications for rehabilitation. After the rehabilitation is complete, the home will be sold to a first time homebuyer.
2. 5212 Winnetka Avenue North. In October 1996, the City purchased the single family home from HUD. The City, in cooperation with Project for Pride in Living (PPL), a non-profit organization specializing in affordable housing development and management, developed plans and specifications for the rehabilitation. Rehabilitation began in August and will be completed in November 1997. Once the rehabilitation is complete, the home will be sold to a first time homebuyer.
3. 6067 West Broadway. In October 1995, the City purchased the single family home from HUD. The existing home was demolished and a two story single family home was constructed on the site. In June 1997, the home was sold to a first time homebuyer.
4. 6073/6081 Louisiana Avenue North. The site for this twin home was a City-owned property developed through the purchase and replatting of surrounding properties. A three bedroom handicap accessible twin home was built on the site. Construction began in November 1995 and was completed in May 1996. Both homes were sold to first time homebuyers with accessibility needs.
5. 7901/7909 51st Avenue North. In February 1994, the City purchased the dilapidated HUD property at 51st and Winnetka Avenue North. The original home was demolished and a two bedroom, one bathroom handicap accessible twin home was constructed on the site. Construction began in May 1995 and was completed in September 1995. Both homes were sold to first time homebuyers with accessibility needs.
6. 7109 62nd Avenue North. In 1994, the City purchased the single family home at 7109 62nd Avenue North. The home was rehabilitated and sold to a first time homebuyer.



7. 7621 Bass Lake Road. In October 1995, the City purchased the single family home at 7621 Bass Lake Road. The single family home was demolished and the site is land banked for future development.
8. 5559 Sumter Avenue North. In October 1995, the City purchased the single family home at 5559 Sumter Avenue North. The single family home was demolished and the site is land banked for future development.
9. 5530 Sumter Avenue North. In June 1996, the City purchased the single family home at 5530 Sumter Avenue North. The single family home was demolished and the site is land banked for future development.
10. The City purchased and rehabilitated a duplex for long term supportive housing for persons with mental or physical disabilities.

#### Scattered Site Private Housing Rehabilitation Loan Programs

Each year the City designates a certain amount of Community Development Block Grant funds to provide rehabilitation grants to residents with low/moderate incomes to make repairs to homes that they own in the City. The \$15,000 grants assist persons in making basic repairs to their homes that bring the structure into compliance with City codes to provide safe, decent, sanitary housing and improve the overall housing stock. The program is managed by Hennepin County on behalf of the City. These grants are forgiven provided the homeowner remains in the unit for a ten year period.

#### Winnetka West Barrier Free Housing Project

Winnetka West, a 26 unit barrier-free accessible housing project, was constructed in May 1991. Completed as a joint effort between Westminster Corporation and the New Hope EDA, the City contributed funding for property acquisition and an underground parking facility. Low and moderate income disabled residents pay rents equal to 30 percent of their adjusted gross income.



North Ridge Care Center

North Ridge Care Center, the largest senior care center in Minnesota, contains 600 nursing home beds and 309 apartments for senior housing. The City assisted the North Ridge development through \$4,000,000 in tax increment financing and the sale of housing revenue bonds.

MHFA Blighted Property Acquisition Grant

In 1992, the City received a \$60,000 grant from the Minnesota Housing Finance Agency (MFHA) to acquire and rehabilitate single family homes in neighborhoods designated as blighted with a goal of selling the properties to low/moderate income New Hope residents. In 1994, the City completed an extensive renovation of a former vacant HUD property on the north side of the City and sold the property to a first time homebuyer. The funds received through the sale of the property were put into a revolving loan fund to help support future rehabilitation projects.

Multiple Family Housing Developments

The City supported the following low/moderate income housing developments over the past years through contribution of land, industrial revenue bonds, housing bonds and/or tax increment financing:

<u>Project/Address</u>	<u>Units</u>	<u>Assistance</u>
New Hope Terrace 36th Avenue North	152	\$7,155,000 multi-family housing Development Revenue Bonds
Volunteers of America 8201 45th Avenue North	106 (senior)	\$3,000,000 multi-family housing Development Bonds
Broadway Village 6020-6050 W. Broadway	170	\$2,000,000 multi-family housing Development Bonds
St. Therese Home 8008 Bass Lake Road	220 (senior)	\$13,375,000 industrial Development Revenue Bonds
Chardon Court 5700 Boone Avenue North	129 (senior)	\$8,360,000 multi-family housing Development Revenue Bonds



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Anthony James Apts. 6100 West Broadway	73 (senior)	\$3,350,000 multi-family housing Revenue Bonds
Pheasant Park Apts. 5625 Boone Avenue North	92	\$2,571,700 FHA First Mortgage Revenue Notes

#### Multiple Family Housing Financial Assistance Policy

In 1993, the New Hope (EDA) adopted a multi-family housing financial assistance policy to provide financial assistance for owners of multi-family housing units to upgrade buildings for basic needs, such as roofing, windows, heating systems, etc. In 1994, the City entered into a loan agreement with New Hope Apartments, a 48 unit complex, to provide a low interest loan for 50 percent of the \$250,000 renovation project. The project was completed in the summer of 1996. The City is currently considering other potential projects.

#### MHFA Minnesota City Participation Program

The City of New Hope began participation in 1994 in the Minnesota City Participation Program (MCP) for first time homebuyers. The MHFA sells mortgage revenue bonds, on behalf of participating cities, to meet locally identified housing needs. The proceeds from the bonds are used to provide below market interest rate mortgage loans for low/moderate income first time homebuyers. The MCP is an eight month program. During the first six months, participating cities have exclusive use of their individual allotment. During the final two months, the individual allotment is deposited into a state-wide pool that is available to all MCP participating cities.

#### Five-City HOME Grant

New Hope recently provided leadership in organizing five cities (New Hope, Crystal, Brooklyn Park, Brooklyn Center, and Robbinsdale) in the formation of a five-city non-profit Community Housing Development Organization (CHDO) as part of the activities of CO-OP Northwest. The CHDO was awarded a \$275,000 grant in 1993 for scattered site home ownership projects for low/moderate income residents. New Hope utilized \$90,000 of these funds to complete the construction of two handicapped accessible twinhomes on city-owned sites. The units were sold to low/moderate income residents that needed accessible housing. The five-city CHDO provided a \$15,000 second mortgage write down and \$5,000 grant per unit to assist in making the units affordable.



The CHDO also received \$200,000 in funds in 1995. The City used \$90,000 of the 1995 funds to help in the purchase and rehabilitation of a duplex for long term supportive housing for persons with mental or physical disabilities. In 1996, the CHDO received \$100,000 in HOME funds. The City utilized approximately \$20,000 for the purchase, rehabilitation and sale of a single family home.

In 1997, the CHDO received \$157,200 in HOME funds. The City will utilize \$53,000 for the purchase, rehabilitation and sale of two single family homes.

Community Fix Up Fund (Loan)

In 1997, the Cities of New Hope and Crystal, in conjunction with Park National Bank, participated in the Community Fix Up Fund Program. The program provides below-market interest rate home improvement loans to residents within designated communities.

New Hope Apartments (Loan)

During 1996, work was completed on the rehabilitation of the 48 unit New Hope Apartments. Fifty percent of the project was funded with a low interest loan by the New Hope Economic Development Authority (EDA).

Metropolitan Council Housing and Redevelopment Authority Housing Assistance Loan (Loan)

In 1995, the City was awarded two loans from the Metropolitan Council. The first loan, in the amount of \$125,000, was utilized for the construction of a three bedroom handicap accessible twin home. The second loan, in the amount of \$120,000, will be utilized for the purchase and rehabilitation of two homes that would be resold to low income families.

Northwest Suburban Remodeling Fair (Activity)

For five consecutive years, the Cities of New Hope, Crystal, Robbinsdale, Plymouth, Brooklyn Park, and Brooklyn Center have sponsored the Northwest Suburban Remodeling Fair. The purpose of the fair is to encourage homeowners to make improvements to their homes and includes over 75 exhibits from local contractors, lenders, manufacturers, and municipal inspectors.





**- PRELIMINARY DRAFT -**

**MEMORANDUM**

TO: New Hope City Council

FROM: Alan Brixius

DATE: 6 February 1998

RE: New Hope Comprehensive Plan - Policy Plan

FILE NO: 131.20C

Based on the issues identified in the Planning Tactics and Planning Inventory, the following preliminary community goals and policies have been drafted and reviewed by the Comprehensive Plan Committee. This preliminary draft Policy Plan is intended to be expanded upon through discussions with City staff, Comprehensive Plan committees, and the City Council.

We would like to receive Council feedback on these initial goals and policy statements to determine if the planning process is heading in the appropriate direction.



## INTRODUCTION

The purpose of the Policy Plan is to describe in writing what the community desires to produce or accomplish with regard to the physical environment. The plan also provides guidelines as to how these desires are to be achieved.

This chapter identifies general community goals and supporting policies. The policy statements can be used as a benchmark against which development requests, proposed plans, programs and actions can be assessed. Policies should provide a decision-making framework for all public and private actions and development within the City.

The Policy Plan does not provide information on the timeliness and priorities for needed community improvements. Instead, it provides a series of criteria which can be used to direct general actions undertaken by public and private groups in response to community needs. Moreover, the policies should be considered and utilized collectively. In some cases, a single policy may define and outline a course of action. More frequently, however, a group of policies will be applied to a given situation.

The flexibility and adaptability of the Policy Plan is particularly useful when unanticipated development decisions emerge. The plan further complements the City's maps, ordinances, and codes which are more static documents. In some instances, policies may not address a new situation in the community. In this case, the Policy Plan should be updated or modified. This will give the Comprehensive Plan an up-to-date quality which will withstand the test of time.

In the sections which follow, the terms "goals" and "policies" are frequently used. These terms are defined as follows:

**Goals:** The generalized end products which will ultimately result in achieving the kinds of living, working and recreational environments that are desired.

**Policies:** Definite courses of action which lead to general achievement. They serve as guides to help make present and future decisions consistent with the stated goals.

## **RESIDENTIAL GOALS**

**Goal 1:** Provide a variety of housing types, styles and choices to meet the needs of New Hope's changing demographics.

### **Policies:**

- A. Through infill development and redevelopment efforts, increase life cycle housing opportunities not currently available within the City (i.e., high value housing, townhomes).
- B. Promote medium density attached housing to address the needs of an expanding empty nester or independently living elderly population.
- C. Continue the City's efforts to provide special needs housing for people with various types of disabilities.

**Goal 2:** Maintain and enhance the strong character of New Hope's single family residential neighborhoods.

### **Policies:**

- A. Promote private reinvestment in the City's single family housing stock.
- B. Examine City development regulations to provide greater development flexibility for single family homeowners.
- C. Prevent the intrusion of incompatible land uses into low density single family neighborhoods.
- D. Aggressively enforce the City's housing maintenance regulations.
- E. Provide community education and information to local property owners on home maintenance, repair, and assistance opportunities.
- F. Pursue the redevelopment of substandard single family homes when it is judged not economically feasible to correct the deficiencies.
- G. Encourage neighborliness through block clubs, block parties or neighborhood associations.

**Goal 3:** Promote multiple family housing alternatives as an attractive life cycle housing option.

**Policies:**

- A. Redevelop substandard multiple family properties that display deteriorated building conditions, no site amenities, poor site design, or incompatible land use patterns when it is judged not economically feasible to correct the deficiencies.
- B. Adhere to the highest community design and construction standards for new construction and redevelopment projects.
- C. Accompany medium and high density development with adequate accessory amenities such as garages, parking, open space, landscaping, and recreational facilities to insure a safe, functional, and desirable living environment.
- D. Consider mixed land uses as an alternative land use option in planning and redevelopment of obsolete commercial or industrial sites.
- E. Encourage neighborliness through block clubs, block parties or neighborhood associations.

**COMMERCIAL GOALS**

**Goal 1:** Maintain and improve New Hope's commercial areas as vital retail and service locations.

**Policies:**

- A. Work with local business people to gain an understanding of the changing needs of the business environment.
- B. Promote a full and broad range of office, service, retailing, and entertainment uses within the commercial areas of New Hope.
- C. Attract new businesses to New Hope that are complementary to existing businesses and will contribute to the customer attraction and business interchange of the local commercial areas.
- D. Promote the redevelopment and expansion of existing businesses within the City to obtain a higher level of sales and business attraction.

**City of New Hope**

**Life Cycle Housing Study**

**For the Year 2010**

**Prepared by**

**Nancy Reeves and Associates**

**November, 1997**

## Introduction

Cities throughout the Twin Cities Metropolitan Area will experience, to varying degrees, the aging of the population over the next several decades. A few cities, one of them being New Hope, will have a housing supply in place that will adapt quite well to the overall aging of the population. Other cities, most notably cities with less diversity within their housing supplies, will find it more difficult to accommodate the changing housing needs of their populations.

The purpose of this Life Cycle Housing Study is to determine what changes, if any, the City of New Hope will need in order to have a housing supply that will meet the needs of the population in the year 2010 and beyond. The study begins with a picture of the community in the current decade (1990 Census) and moves on to the year 2000 and then 2010, using changes in the age groups of the population, as well as other factors such as turnover of the existing housing supply, to determine what types of housing the community will need to meet the demands of the future. Special housing characteristics of the community, such as the existence of nursing homes and other housing for older people and people with disabilities, are also taken into account.

With the information contained in the Life Cycle Housing Study, the community will be in a good position to plan for future housing development and redevelopment needs. It will be able to anticipate both shortages and oversupplies of various housing types, if any, which may also serve to protect the housing values of the city's current housing supply.

The information provided by the Life Cycle Housing Study can be used by New Hope to review its comprehensive plan housing goals, as well as its goals under the Livable Communities Act. In a city such as New Hope, with very little land available for housing development, it is particularly important that development and redevelopment decisions be made carefully and with as much supporting information as possible.

## Population and Housing in New Hope in 1990

### Population

While the City of New Hope lost population between 1980 and 1990, going from 23,087 to 21,653 residents, the city actually gained a total of 880 households, moving from 7,627 to 8,507 households.

New Hope showed increases in the older population groups, including the empty-nesters and older people, ages 55-64 and 65+, between 1980 and 1990. There was also an increase in first-time home buyers, ages 25 to 34. The largest decrease was in children ages 6 to 17, which dropped from 23.6 percent of the population to 14.3 percent. Also decreasing were the young adults, ages 18 to 24. Other population groups remained relatively unchanged. See Table One.

**Table One**  
**Age of Population, 1980 and 1990**  
**City of New Hope**

<b>Age group</b>	<b>1980</b>	<b>1990</b>
0-5	1,841 - 8.0%	1,702 - 7.8%
6-17	5,452 - 23.6%	3,117 - 14.3%
18-24	3,099 - 13.4%	2,367 - 10.8%
25-34	3,568 - 15.5%	3,885 - 17.8%
35-54	5,941 - 25.7%	5,552 - 25.4%
55-64	1,413 - 6.1%	2,111 - 9.7%
65+	1,773 - 7.7%	3,119 - 14.3%
<b>Totals</b>	<b>23,087</b>	<b>21,853</b>

**Source:** 1980 and 1990 Census, Metropolitan Council

Between 1990 and 1995, Metropolitan Council estimates indicate that New Hope had a slight population loss, going from 21,853 to 21,646 people, a decrease of 207 people. At the same time, New Hope once again gained households, from 8,507 to 8,553, an increase of 46 households.

## Housing

The 1990 housing supply increased by 958 units over 1980, from 7,837 to 8,795 units. A large share of the new housing units added in New Hope during the 1980s was rental housing, with a total of 804 units. These new rental units helped New Hope to have one of the most balanced housing supplies of any suburban community in the metropolitan area, with 44.5 percent rental and 55.5 percent owner-occupied housing. Housing in New Hope is also available in a variety of price ranges, from subsidized and affordable rental units and starter homes to move-up housing units.

Since the 1990 Census, total housing units in New Hope have increased from 8,795 to 8,837, a net increase of 42 units. Seven units were demolished during this time period, and 49 units were added. Of the 49 units built during the 1990s, 26 have been apartments and 23 were in the 1- and 2-family category.

## Flexible Housing

A large share of the housing in New Hope can be considered "flexible housing", which means that it is affordable to households at many income levels, not just the upper levels, but also not just the lower income groups. And, it consists of housing types that can be lived in by many different population groups, including multi-family rental units for young people starting out, as well as older people; and many one-story ramblers that can be used by young families but are also attractive to older people.

Table Two provides information on the variety of housing types in New Hope.

**Table Two**  
**Housing Types - 1996**  
**City of New Hope**

Housing Type	Total Units	Percent
Single-Family Detached	4,569	51.7
Single-Family Attached	305	3.5
Twin Home	42	0.5
Multi-Family 3-4 units	137	1.6
Multi-Family 5-9 units	153	1.7
Multi-Family 10-19 units	984	11.1
Multi-Family 20-49 units	1,267	14.3
Multi-Family 50 units or more	1,337	15.1
Other	43	0.5
<b>Total Units</b>	<b>8,837</b>	<b>100.0</b>

Sources: 1990 Census

New Hope Building Permit and Demolition data, June, 1997.

Because a considerable share of the New Hope housing supply is flexible enough to accommodate occupants of various ages and income levels, and because many of the housing units added to New Hope between 1980 and 1990 were rental units for older people, the increase in older people in New Hope during the 1980s was not a hardship for the community, nor for the residents.



### Population Forecasts

The Metropolitan Council forecast for population for the City of New Hope is a leveling off at 22,000 people for both the years 2000 and 2010. The Council forecasts an increase of 100 households, from 8,600 in 2000 to 8,700 in 2010. Using a standard vacancy rate of 5 percent, the total number of housing units needed in New Hope will be 9,030 in 2000 and 9,135 in 2010.

Table Three, below, shows the age groups of the New Hope population and how they are forecasted to change from 1980 and 1990 to 2000 and 2010.

**Table Three  
Population by Age Group, 1980 - 2010  
City of New Hope**

Age	1980	1990	2000	2010
0-5	1,841 - 8.0%	1,702 - 7.8%	1,589 - 7.2%	1,398 - 6.4%
6-17	5,452 - 23.6%	3,117 - 14.3%	3,304 - 15.0%	3,072 - 14.0%
18-24	3,099 - 13.4%	2,367 - 10.8%	1,918 - 8.7%	1,916 - 8.7%
25-34	3,568 - 15.5%	3,885 - 17.8%	3,246 - 14.8%	2,744 - 12.5%
35-54	5,941 - 25.7%	5,552 - 25.4%	6,761 - 30.7%	6,626 - 30.1%
55-64	1,413 - 6.1%	2,111 - 9.7%	2,376 - 10.8%	3,381 - 15.4%
65+	1,773 - 7.7%	3,119 - 14.3%	2,806 - 12.8%	2,863 - 13.0%
Totals	23,087	21,853	22,000	22,000

**Sources:** 1980 and 1990 Census

2000 and 2010 Forecasts: Metropolitan Council and Nancy Reeves and Associates

#### Age Group Changes in New Hope - 1990-2010

While the population of New Hope is forecasted to remain stable, at about 22,000 people, between now and 2010, there will be some shifting among age groups. Children, ages 0 to 5, will continue to decrease from 7.8 percent of the population in 1990 to 6.4 percent in 2010. Older children, ages 6 to 17, a group which had decreased dramatically between 1980 and 1990, from 23.6 percent to 14.3 percent, will go up slightly to 15 percent in 2000 and then back down to 14 percent in 2010. Young adults, ages 18 to 24, the group most likely to leave the family home and seek housing on their own for the first time, go down from 10.8 percent in 1990 to 8.7 percent in 2000 and 2010.

The first-time homebuyer group, ages 25 to 34, also shows a decrease, going from 17.8 percent in 1990 to 12.5 percent by 2010, a considerable decrease. In fact, all four of these younger population groups make up a smaller part of the New Hope population in 2010 than in 1990. Taken together, they are 41.6 percent of the 2010 population, while they were 50.7 percent of the population in 1990.

While the younger population groups in New Hope are getting smaller, the older population is increasing. People in the 35 to 54 age group, most often characterized as move-up housing buyers, increase from 25.4 percent of the population in 1990 to 30.1 percent in 2010. Empty-nesters, the 55 to 64-year old group, also increase considerably, from 9.7 percent in 1990 to 15.4 percent in 2010. Finally, older people, ages 65 and over, who had increased dramatically between 1980 and 1990, going from 7.7 percent to 14.3 percent, actually show a slight percentage decline in 2000 and 2010, at 12.8 percent and 13 percent respectively. Overall, the older population has increased from 48.4 percent in 1990 to 58.5 percent by 2010.

#### Comparisons to the Twin Cities Metro Area as a Whole

The trend in New Hope is toward an older population by 2010. How does this compare with age groups for the metro area as a whole? See Table Four for 1990 and 2010 comparisons between New Hope and the Twin Cities Metro Area.

**Table Four**  
**Age Group Comparisons, 1990 and 2010**  
**New Hope and Twin Cities Metro Area**

Age Group	New Hope - 1990	New Hope - 2010	Age Group	Metro Area - 1990	Metro Area - 2010
0-5	7.8%	6.4%	0-4	8.1%	6.3%
6-17	14.3%	14.0%	5-14	14.2%	13.1%
18-24	10.8%	8.7%	15-24	13.9%	14.4%
25-34	17.8%	12.5%	25-34	20.4%	13.8%
35-54	25.4%	30.1%	35-54	26.4%	30.1%
55-64	9.7%	15.4%	55-64	7.2%	11.5%
65+	14.3%	13.0%	65+	9.7%	10.7%

**Source:** Metropolitan Council, Nancy Reeves and Associates

The population of the metro area as a whole is also getting older, actually at about the same rate as New Hope. The difference is that New Hope started out about 6 points older than the metro area in 1990, and they remain so in 2010. For example, the younger population groups in the metro area, ages 0 to 34, make up 56.6 percent of the population in 1990, but only 47.6 percent by 2010, a decline of 9 percentage points. During that same time period, New Hope's younger population dropped from 50.7 percent to 41.6 percent, a decline of 9.1 percentage points.

The metro area's share of the older population groups increased by 9 percentage points between 1990 and 2010, going from 43.3 percent to 52.3 percent. At the same time, New Hope's share of the older population increased by 9.1 percent, from 49.4 percent to 58.5 percent.

### Housing Needs by Age Group

Information about the age groups of a population can be used to project the types of housing that will be needed in the community. Housing needs can be roughly equated to age categories as follows:

<u>Age Group</u>	<u>Housing Needs</u>
18-24 - New Households	Affordable Rental Housing
25-34 - First-Time Homebuyers	Starter Single-Family Homes, Attached or Detached, or Remain in Rental Housing
35-54 - Move-Up Homebuyers	Move-up Single-Family Homes
55-64 - Empty-Nesters	Remain in Single-Family Homes or Move to Attached Housing
65+ - Older Residents	Remain in Single-Family Homes, or Move to Attached Ownership or Rental Housing

To test the housing type needs and preferences of the age groups described above, the 1990 Census can be consulted for information on ownership and rental housing, by age of the head of household. For each age group, the Census provides the number of households actually living in rental, or ownership, housing in 1990. This information is shown in Table Five.

**Table Five**  
**Ownership and Rental Housing by Age Group, 1990**  
**City of New Hope**

Age Group	Ownership - Number of Households and Percent of Age Group	Rental - Number of Households and Percent of Age Group
15-24	20 - 3.4%	572 - 96.6%
25-34	670 - 26.5%	1,860 - 73.5%
35-54	2,312 - 74.0%	813 - 26.0%
55-64	1,082 - 81.1%	252 - 18.9%
65+	639 - 37.0%	1,087 - 63.0%
<b>Totals</b>	<b>4,723 - 50.7%</b>	<b>4,584 - 49.3%</b>

Source: 1990 Census, Metropolitan Council

Not surprisingly, households in the 35-54 and 55-64 age groups are primarily home owners, with 74 percent and 81.1 percent, respectively. At the same time, a large share of the younger population groups, ages 15-24 and 25-34, are renters, with 96.6 percent and 73.5 percent, respectively. Older people, those ages 65 and over, are most often renters also.

## Housing Needs in New Hope in the Year 2010

### Population Changes

Between 1990 and 2010, the population of New Hope will show very little change, going from 21,853 to 22,000 people, an increase of 147 people. In households, the increase will be from 8,507 in 1990 to 8,700 on 2010, an increase of 193 households. In housing units, allowing for standard vacancy rates, about 298 additional housing units will be needed, for a total of 9,135 units by 2010, including the 42 housing units added since 1990.

Based on the population forecasts, the City of New Hope will have considerable increases in the 35-54 (Move-up Buyer) and 55-64 (Empty-Nester) age groups. At the same time, the 18-24 (New Household) and 25-34 (First-time Home Buyer) groups will decline somewhat and the 65+ (Older) group will show a slight decline.

### The New Hope Housing Supply

The types of housing available in New Hope are shown in Table Two, page 4. Another way to look at the New Hope housing supply is using the categories used by the Metropolitan Council for the Livable Communities Act to determine the availability of affordable and life cycle housing in the community. These will be the categories used to forecast the future housing needs for the city. According to the Council, 92 percent of the city's single-family housing is affordable to households at 80 percent of the area's median income, and 41 percent of the rental housing is affordable to households at 50 percent of the median income. Blending this information with the basic housing type data in Table Two provides a more detailed look at the housing available in New Hope. See Table Six.

**Table Six**  
**Housing Supply - City of New Hope**

<b>Housing Type</b>	<b>Number of Units</b>
Total Housing Units	8,837
Total Owner-occupied Units	4,723
Total Affordable Owner-occupied Units	4,345 - 92% of owner-occ. units
Total Rental Units	3,784
Total Affordable Rental Units	1,551 - 41% of rental units
Total Attached Housing Units	4,242 - 48% of all units
Total Detached Housing Units	4,595 - 52% of all units

Source: 1990 Census, Metropolitan Council

It is noteworthy that a large majority of the owner-occupied housing units are considered affordable to households at 80 percent of median income. These are housing units valued at \$115,000 or less in 1995, affordable to households with incomes of \$40,000 or less. At the same time, while the city has a well above-average supply of attached rental units, less than half of these units, 41 percent, are considered affordable to households with incomes of \$25,000 per year or less. Finally, it is of note that the city has only a relatively small supply of non-rental attached housing units. This is one type of housing often selected by empty-nesters and older people moving out of their single-family detached homes.

### 2010 Housing Needs

Housing needs in New Hope in 2010 can best be forecasted by looking at the housing types generally preferred by people at various age groups. For this forecast, only the population groups 18 year of age and over will be used. It will be assumed that residents ages 0 to 17 will be living in households headed by adults. Table Seven shows the approximate number of housing units needed for each adult age group, as well as the housing types most often lived in by these age groups.

**Table Seven**  
**Estimated Housing Needs by Population Group, 2010**  
**City of New Hope**

<b>Population Group</b>	<b>2010 Population</b>	<b>Units Needed<sup>1</sup></b>	<b>Unit Types</b>
New Households (18-24)	1,945	1,066	Affordable Rental, Attached
First-Time Homebuyers (25-34)	2,757	1,421	Starter Homes, Rental, Attached
Move-up Buyers (35-54)	6,727	3,528	Single-family homes
Empty-Nesters (55-64)	3,380	1,777	Attached, Rental, Single-family Homes
Older People (65+)	2,361	1,343	Rental, Attached, Single-family Homes
<b>Total Units</b>		<b>9,135</b>	

**Source:** Nancy Reeves and Associates

Based on the current own/rent percentages in New Hope for each age group (Table Five), as well as the types of housing most commonly associated with various age groups, the housing types needed in New Hope in 2010 can be estimated as shown in Table Eight, page 12.

<sup>1</sup> Based on average household sizes of 1.82, 1.94, 1.91, 1.90, and 1.76 adults per household, in order by age group, beginning with ages 18-24.

**Table Eight**  
**Estimated Housing Needs by Housing Type, 2010 - City of New Hope**

Housing Type	Estimated Number of Units
<b>Owner-Occupied:</b>	
Detached Single-Family Home - up to \$115,000	1,750
Detached Single-Family Home - over \$115,000	2,563
<b>Renter-Occupied:</b>	
Affordable Rental Housing - up to \$500/mo.	1,675
Other Rental Housing - over \$500/mo.	2,460
Other Attached Housing - Townhouses, Condominiums, etc.	687
<b>Total Housing Units</b>	<b>9,135</b>

Source: Nancy Reeves and Associates

The final step is to take the estimated housing needs for 2010 and compare them to the existing housing supply. See Table Nine.

**Table Nine**  
**Comparison of 2010 Housing Needs and 1996 Housing Supply - City of New Hope**

Housing Type	Total Units Needed by 2010	Units Available in 1996	Recommended Change
<b>Owner-Occupied:</b>			
Detached S.F. Home - up to \$115,000	1,750	4,345	Remove 25 substandard units; Maintain at least 1,750 existing units as lower-cost units
Detached S.F. Home - over \$115,000	2,563	378	Upgrade, modernize 2,185 existing units
<b>Renter-Occupied:</b>			
Affordable Rental Housing - up to \$500	1,675	1,551	Add 124 rent assistance certificates for existing rental units
Other Rental Housing - over \$500/mo.	2,460	2,233	Add about 150 rental townhouses or co-ops
Other Attached Housing	687	330	Add about 173 ownership townhouses or condos
<b>Total Units</b>	<b>9,135</b>	<b>8,837</b>	<b>Net increase of 298 units</b>

Source: Nancy Reeves and Associates

*Move up hog*

### Discussion of Recommended Changes to the New Hope Housing Supply

The recommended changes to the New Hope housing supply, while significant, are not impossible to achieve between now and the year 2010. The changes are, for the most part, going to make the housing supply in New Hope even more flexible than it already is. This may mean that very few changes, if any, will be needed beyond 2010.

#### Detached Single-Family Homes - Up to \$115,000 (Starter Homes)

As noted earlier, New Hope has an ample supply of housing in this price range, more than Census demand numbers would say are needed, especially in view of the forecasted decline in the number of first-time homebuyers. However, many of the units in this price range have features that make them attractive to people who might actually be able to afford more expensive units. They are well-maintained and in well-maintained neighborhoods. Many are one-story units, which empty-nesters and older people want. Over time, these units have held their value and shown increases which indicate that they will not all remain in this price category into the next century.

While it is important that all housing units be maintained, it is also important that an adequate supply of single-family homes remain affordable to lower-income residents. New Hope will need at least 1,750 of its existing single-family homes to remain affordable to households at 80 percent of median income or less.

As is the case in almost any community, New Hope will, however, have a few homes that will not remain serviceable over the long haul. They will need repairs that cost more than the value of the home, or will have to be cleared to make way for other types of development, or will for other reasons need to be demolished. Based on recent city actions, it is estimated that about 2 homes per year will be in this category and will be removed from the city housing supply. Because of the ample supply of affordable single-family homes already available, these demolished homes will not need to be replaced with similar homes, but may be able to make way for other housing types that will be needed in the community.

#### Detached Single-Family Homes - Over \$115,000 (Move-Up Homes)

At first glance, the supply of homes in this category appears to be relatively small, with only 378 homes, or 8 percent of the owner-occupied homes in New Hope, found to be valued at more than \$115,000 in 1994. However, Multiple Listing Service reports of real estate sales in New Hope indicate that homes sold in recent years have more often been in the higher value ranges. For example, 1996 sales included 126 homes (64 percent) that sold for \$115,000 or less and 71 homes (36 percent) that sold for more than \$115,000. 1997 sales (through September) have included just 50 homes (41 percent) that sold for \$115,000 or less, and 73 homes (59 percent) selling for higher prices.



Because the market itself seems to be adjusting the housing in New Hope in the direction of meeting the demand for additional move-up housing, it is not recommended that the city attempt to build additional move-up housing units. Occasional move-up units on infill lots could be provided, but land for large new developments is not likely to be available, and other housing types are needed for what little land there might be.

It is recommended, however, that existing housing units in New Hope be maintained, remodeled and upgraded to accommodate the demand for additional move-up housing. Modernizing kitchens, adding bathrooms, family rooms, master suites, garages, and even landscaping can all increase housing values and make homes more marketable. Many existing New Hope residents will be seeking move-up housing units in the next decades. If the supply in New Hope is not sufficient to meet their needs, they will have to leave the community for the larger, newer housing available in other communities.

Based on the information in the Multiple Listing Service reports, housing units in New Hope are selling quickly and at prices higher than the 1995 data used for the Livable Communities Act would indicate. Home-owners are clearly maintaining their properties and in many cases upgrading them to meet the demands of today's buyers. It is recommended that this upgrading and modernization continue until a total of about 2,185 single-family homes in New Hope have moved into the Move-up Housing category, increasing the total number of units in this category to about 2,563. It is not necessary that these homes increase dramatically in price, but only that they are modernized sufficiently to be attractive to move-up buyers.

#### Affordable Rental Housing - Rent of \$500/Month or Less

New Hope has a well-above-average supply of affordable rental units, especially when compared to other suburban communities. And, this has been accomplished without the problems that have plagued some other communities that have large supplies of rental units. The rental licensing program in New Hope has been effective in keeping rental units well-maintained.

In all communities, rental housing is the housing most often sought by lower-income people of all ages, particularly those who are just starting out on their own and, quite often, older people no longer interested in the maintenance demands of home ownership. While the city of New Hope appears to have an adequate supply of rental housing overall, about 124 more affordable rental units will be needed by 2010. Because very little land would be available to build new rental units in the community, a better solution would be the addition of about 124 more rent assistance certificates or vouchers that could be used with existing market-rate rental units. If existing rental units are not available within the rent limits of these programs, it may be necessary for the city to seek exceptions to the rent limits or other program regulations.

This approach will not result in the construction of 124 additional rental units. Because the rental units that will be used with the rent assistance certificates or vouchers will come

from the existing supply of market-rate (over \$500/month) rental units, additional units will have to be added to that category to make up for the units taken for the lower-cost unit category.

#### Other Rental Housing - Rent of Over \$500/Month

There will be a shortage of about 227 rental units in the "Over \$500/month" category in New Hope by 2010, plus another 124 units to replace the units taken from this category and put into the lower-income rental category, for a total of 351 units. Included in this category are not only apartment units for all age groups, but also duplexes, townhouses, rental houses and other types of rental units. The population groups most in need of this type of housing by 2010 are empty-nesters and older people.

The City of New Hope offers a variety of rental housing choices for older people, including various types of apartments, with and without services, as well as nursing homes and other specialized facilities. Perhaps most notably lacking are rental townhouses and co-op apartments. Townhouses, particularly one-story units, are gaining in popularity with empty-nesters and older people. Co-op apartments, with some of the tax advantages of ownership but without the maintenance demands, are also desirable for older people, especially those who may spend several months a year living in warmer climates.

It is recommended that the city add about 150 units of rental townhouses or co-op apartments to increase the rental housing choices available in the community. If land is available for more units, the number added could go up to about 351 units to meet the actual demand. If more than 150 units were added, it would mean a slight increase over the Metropolitan Council's population and household forecasts for 2010.

#### Other Attached Housing

The need for attached rental housing is covered above. This category includes attached ownership housing. The city of New Hope has very little housing of this type, only an estimated 330 units at the time of the 1990 Census. The need, by the year 2010, is for 687 units to meet the needs of the expanding population of empty-nesters and older people, a difference of 357 units. It does not appear, however, that land will be available to build 357 units of this type by 2010.

To meet the population forecast for 2010, it is recommended that 173 additional ownership townhouses or condominium units be built. If more land is available, more than 173 units can, of course, be added. This will increase the overall 2010 population and household forecasts.

One alternative to building additional attached ownership units could be to explore the possibility of converting existing neighborhoods of single-family detached, preferably one-story, homes to more user-friendly alternatives. This could include the establishment of official neighborhood associations to which monthly dues would be paid by each

household, in return for association-provided services such as lawn-mowing, snow-shoveling, and other maintenance items. Joint contracts could also be negotiated, as needed, to add maintenance-free exteriors to the homes or for other home improvements. It is quite possible that demonstration projects of this type might be eligible for foundation or government grants for innovative housing ideas. Many cities with increasing populations of older people and little vacant land could benefit from exploring options of this kind as an alternative to new construction.

Up to 410 detached single-family housing units could be used for this type of housing arrangement, since this is the number of this type of units in excess of the demand in the year 2010.

#### Housing for People with Disabilities

New Hope is known as a community that has made special efforts to provide housing for people with various types of disabilities. Given the lack of Census data regarding people with disabilities, this study does not attempt to forecast the extent of housing needs for people with disabilities. New Hope is encouraged, however, to continue to make housing units of all types and all price ranges available for people with disabilities, either through conversion of existing housing units or construction of new specialized housing.

#### How the Recommended Actions Will Affect the Total New Hope Housing Supply

Because so many of New Hope's existing housing units are flexible and usable by various age groups, the changes needed to meet the needs of the population in 2010 are quite minimal. No additional single-family homes will need to be built. Upgrading of about half of the existing supply of detached single-family homes will be sufficient to meet the demand for move-up housing units, and it appears that much of this may have already taken place.

The increase of about 124 units of affordable rental housing can best be achieved through rent assistance certificates for use with existing rental units, rather than building more units.

The need for new construction of additional housing units is primarily for attached housing units, both rental and ownership, including townhouses, cooperatives and condominiums. These are the housing choices most lacking in New Hope at the present time to meet the needs of a growing population of empty-nesters and older people. To meet the total population and household forecasts for 2010, New Hope needs a net increase of 298 housing units (323 units added and 25 units demolished). It is recommended that these units be in the attached housing category, about 150 attached rental units (townhouses or cooperatives) and 173 attached ownership units (townhouses or condominiums).

The actual identified need for attached housing is more than 323 units, but to provide more than that total would be to exceed the population forecast for 2010. And, land does not appear to be available for extensive new housing development. Instead, it is recommended that New Hope make use of some of its supply of one-story detached single-family housing as a resource for older people by encouraging the formation of neighborhood residents associations that can provide some of the services needed by older people, such as snow shoveling, lawn mowing, etc.

**NOTE:**

(After review of this study by the City, a final section will be added to the report indicating how this information might be used by New Hope in the updating of its comprehensive plan, and in a review of its Livable Communities goals and Action Plan.)

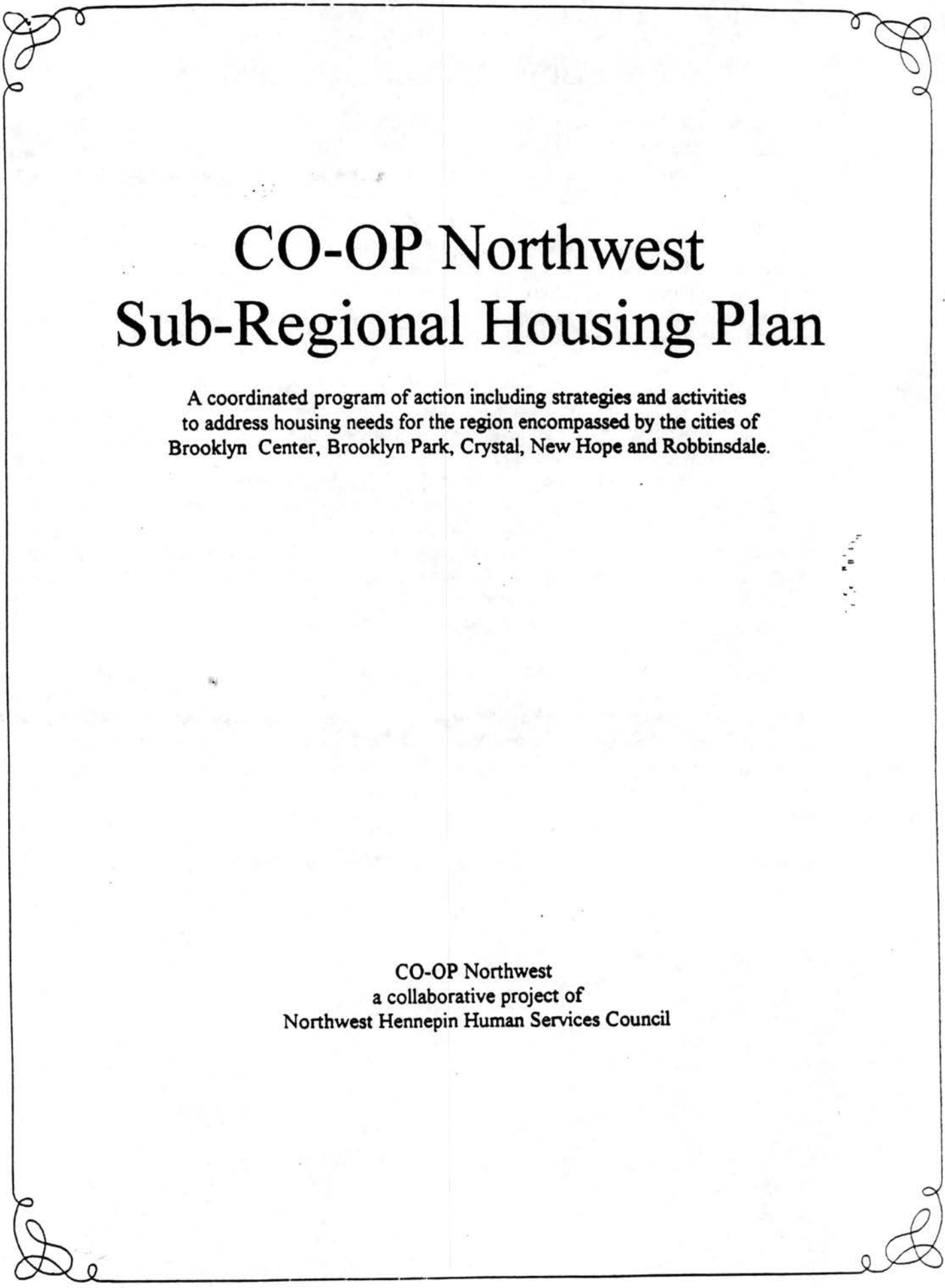
## CO-OP NORTHWEST SUB-REGIONAL HOUSING PLAN

In October of 1993, the City Managers from the five CO-OP Northwest cities (New Hope, Crystal, Robbinsdale, Brooklyn Center and Brooklyn Park) initiated a cooperative planning project with Northwest Hennepin Human Services to develop a sub-regional housing plan to address housing issues in the five cities on a regional level. The plan would include joint housing policies and activities and is intended to supplement the local comprehensive plans. The plan is intended to be a voluntary document and does not bind the cities to take specific actions either individually or as a group. The Sub-Regional Housing Plan is intended to be a proactive document recognizing that the five CO-OP Northwest cities share commonalities in both housing stock and demographics and states that a cooperative approach to planning to address housing needs is beneficial to all cities.

In January of 1994, the five cities and Northwest Hennepin Human Services Council submitted a joint proposal to the Minnesota Board of Innovation and Cooperation to support a Cooperative Planning Project involving the development of a sub-regional housing plan for the CO-OP Northwest area. Since that time, **the CO-OP Northwest Planners Group, which includes representatives from each of the five cities, has been working to develop the Plan.** The Sub-Regional Plan establishes coordinated goals, policies and strategies to address housing issues in the CO-OP Northwest area. The Sub-Regional Plan approaches housing from a sub-regional perspective rather than as a local issue. The Sub-Regional Housing Plan reflects the history of cooperation and collaboration among the five cities. The Plan does not require the cities to undertake any actions related to housing. Rather it sets forth policies and strategies necessary to achieve stated housing goals.

While the CO-OP Northwest Sub-Regional Housing Plan was developed independently of the Metropolitan Livable Communities Act, the feedback received is that the CO-OP Northwest area is ahead of where the Metropolitan Council expects cities to be with regard to planning for meeting life-cycle and affordable housing needs. Furthermore, the Sub-Regional Housing Plan fully embraces the "cluster" approach to sub-regional planning and implementation promoted in both the Livable Communities Act and the Metropolitan Council *Regional Blueprint*.

The New Hope City Council approved the Sub-Regional Housing Plan on November 27, 1995.



# CO-OP Northwest Sub-Regional Housing Plan

A coordinated program of action including strategies and activities  
to address housing needs for the region encompassed by the cities of  
Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale.

CO-OP Northwest  
a collaborative project of  
Northwest Hennepin Human Services Council

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## EXECUTIVE SUMMARY

The CO-OP Northwest Sub-Regional Housing Plan has been developed by the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale and Northwest Hennepin Human Services Council (NWHHSC) to create coordinated housing strategies and systems. The five cities are Northwestern, inner-ring suburbs of Minneapolis and are members of Communities Organizing Opportunities for People (CO-OP) Northwest in Northwest Hennepin County. CO-OP Northwest is a multi-jurisdictional collaborative of NWHHSC designed to develop coordinated solutions to address shared housing, human service, and employment and training issues in Northwest Hennepin County. The Sub-Regional Housing Plan is part of a Cooperative Planning Project which is funded by a 3-year \$50,000 grant from the Minnesota Board of Innovation and Cooperation.

This multi-jurisdictional approach to planning and implementing strategies to strengthen communities is consistent with the concept of regional planning being fostered by the Metropolitan Council through the *Regional Blueprint* and the Livable Communities Act. Components of the *Blueprint* incorporated into the Sub-Regional Housing Plan include "cluster" planning, setting priorities for regional investments, and expanding housing opportunities in the region.

The CO-OP Northwest Sub-Regional Housing Plan makes use of extensive background research including several studies which examined the housing market and condition of the housing stock in the five cities as well as the demographics of the area. Research revealed that maintaining aging housing stock is a growing challenge, housing in the five cities is generally more affordable than other parts of the suburban Metro area, and growing concerns about the need to stabilize rental housing communities. Analysis also found that the demographics of the area are changing: incomes are decreasing; populations which have traditionally faced barriers to acquiring affordable housing are increasing; and a growing percentage of the population are living non-traditional households.

Other studies looked at single-family and multi-family housing policies and programs, issues related to transitional housing, and potential revenue sources for housing activities. Research included extensive work with members of the community, data collection and analysis, surveys, and interviews with housing staff from the five cities, Hennepin County and the Metropolitan Council. Other work on the Cooperative Planning Project which is incorporated into the Sub-Regional Housing Plan includes the formation of a Community Housing Development Organization (CHDO) designed to create affordable housing opportunities for low- and moderate-income households in Northwest Hennepin County.

The Sub-Regional Housing Plan is presented in the form of housing goals for the CO-OP Northwest area which will guide the activities contained in the plan. Specific goals include:

- \* Strengthening the housing stock to support and enhance the liveability and character of



individual neighborhoods.

- \* Providing a mixture of safe, healthy housing types to meet the needs of people at various life cycle stages and income levels.
- \* Actively promoting a variety of efforts to help foster stronger neighborhoods and communities.

**Priorities** have been identified through which the goals are achieved and from which **strategies** are developed that include cooperative programs, activities and mechanisms for implementation.

Strategies developed to achieve the goals of the Sub-Regional Housing Plan will largely be implemented through CO-OP Northwest. Certain aspects will be administered through the CHDO. Assistance will also be sought from the Metropolitan Council in the form of resources and technical assistance. A number of strategies have already begun to be initiated while others will be further refined and implemented over time.

## REGIONAL HOUSING PLAN

### INTRODUCTION

In 1994 Northwest Hennepin Human Services Council (NWHHSC) and the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale received a \$50,000 grant from the Minnesota Board of Innovation and Cooperation to develop the CO-OP Northwest Sub-Regional Housing Plan for the five city area. The Plan, which has resulted from over a year and a half of research and planning, includes coordinated strategies and programs to address housing issues in the first ring suburbs of Northwest Hennepin County. The plan focuses on housing from a regional rather than local perspective, and includes joint policies related to single-family and multi-family housing and projects to support the housing needs of residents. Northwest Hennepin County is an excellent location to undertake a regional planning effort because of the history of cooperation and collaboration which already exists through the efforts of Northwest Hennepin Human Services Council, local governments and other organizations in the area.

The five cities are part of Communities Organizing Opportunities for People (CO-OP) Northwest a multi-jurisdictional collaborative, administered by Northwest Hennepin Human Services Council<sup>1</sup>, designed to address shared housing, human service and employment and training issues in Northwest Hennepin County. CO-OP Northwest was created in 1991 to address issues on a regional level, designing goals and strategies for the benefit of the entire area. Other CO-OP Northwest partners include school districts (Anoka-Hennepin, Osseo Robbinsdale, and Brooklyn Center); Hennepin County; the Metropolitan Council; North Hennepin Community College; Hennepin Technical College; Intermediate District 287; and various social service and other non-profit agencies.

The cities of Brooklyn Center, Brooklyn Park, Crystal New Hope and Robbinsdale are all inner ring suburbs that are beginning to experience many issues similar to the core cities in both housing and demographics. The housing stock is generally more affordable than housing in other parts of the Metropolitan area, maintenance of aging owner-occupied and rental housing has become a challenge in many of the communities, and there is a need for increased stability in rental housing communities. Demographic issues include an increase in population groups which have traditionally faced barriers to acquiring affordable housing (single parent families and the elderly), decreasing real incomes, and increasing social service needs.

Each of the cities have limited resources to put towards meeting the growing number of housing related needs. Through CO-OP Northwest, NWHHSC and the cities have joined forces, pooled resources and are working together to do something about these common issues. The Sub-Regional Housing Plan is one example of this coordinated effort.

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<sup>1</sup>Northwest Hennepin Human Services Council was created in 1972 to serve the human services planning, research and coordination needs for the fifteen member cities in Northwest Hennepin County and is a joint powers agency of the member cities.

## PURPOSE OF THE PLAN

The purpose of the plan is to develop strategies and systems to implement cooperative housing programs and policies among the five jurisdictions and to focus on housing issues from a regional rather than strictly local perspective. The plan will include the following items:

- \* Documentation of the present level of housing activities in each of the five cities and the current connections between them;
- \* Joint projects to support first-time homebuyers;
- \* Documentation of current rental policies within the five member cities and develop consistent standard rental policies;
- \* Joint projects to support the housing needs of community residents, such as seminars on renters' rights and responsibilities, or remodeling fairs;
- \* Joint projects to support transitional housing needs; and,
- \* A strategy to acquire funds to support a joint program that will rehabilitate homes and provide home improvement loans and grants to residents of the five member cities, and to support joint ventures related to housing.

## REGIONAL BLUEPRINT/Metropolitan Livable Communities Law

One major goal of the CO-OP Northwest Sub-Regional Housing Plan is to further the concept of regional planning being fostered by the Metropolitan Council through its *Regional Blueprint*. The *Blueprint* outlines a plan of action to sustain and improve the liveability of the Metropolitan Region for current and future citizens. Components of the *Regional Blueprint* which are also incorporated in the Sub-Regional Housing Plan include: Increasing confidence in neighborhoods; preserving the existing affordable housing stock; protecting communities; expanding housing opportunities in the region; "cluster" planning; and, setting priorities for regional investments. Specific strategies and goals in the Sub-Regional Housing Plan have been developed in recognition of the regional planning efforts of the Metropolitan Council.

The CO-OP Northwest Sub-Regional Housing Plan and the *Blueprint* work hand-in-hand to provide an effective regional approach to planning and implementing strategies to strengthen communities throughout the Metropolitan area. Implementation of the Sub-Regional Housing Plan will be greatly enhanced by support and assistance provided by the Metropolitan Council.

The cities will be using the CO-OP Northwest Sub-Regional Housing Plan to develop coordinated goals and strategies to take part in the Livable Communities Program as a cluster group. The Livable Communities Act established by the State Legislature in 1995 and administered by the Metropolitan Council calls for municipalities or clusters of municipalities in the Metropolitan area to establish goals with regard to housing density, affordability, preservation of affordable housing and other parameters. Several funds were also established to assist in the achievement of those goals. Priorities established through the Sub-Regional Housing Plan are consistent with the principles that cities are recommended to adopt as part of the Livable Communities Act.

## BACKGROUND RESEARCH

Work on developing the CO-OP Northwest Sub-Regional Housing Plan included meetings held by NWHHSC and the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale to identify the parameters of the plan and the specific issues to be addressed. Research was conducted throughout 1994 and 1995 including data analysis, surveys, focus groups, and interviews with city and County housing staff to gather background information about housing issues in the area. Specific research and other work completed to date include the following:

- \* Development of the **Regional Housing Report** to examine housing conditions in the CO-OP Northwest area<sup>2</sup> (see map on the following page) including the condition, age and affordability of the existing housing stock as well as the demographics of the five cities. The Report also analyzes the present level of housing activity related to single family and multi-family housing policies and programs in each of the five cities. That information was used to assess the ability of the region to meet current and future housing needs.
- \* Development of the **Multi-Family Housing Survey**, conducted to examine rental housing policies in the five cities and determine the impact those policies have on strengthening or weakening apartment communities and the broader community. The survey, which was distributed to apartment managers, includes 55 questions about a variety of topics including multi-family housing demographics, apartment policies, resident services, resident screening, maintenance and security issues, and profitability.
- \* Formation of a **Community Housing Development Organization (CHDO)**, to address affordable housing issues.<sup>3</sup> Activities of the CHDO have been supported by Northwest Hennepin Human Services Council and the five cities.
- \* A study of **transitional housing needs and resources** in the CO-OP Northwest area has been completed.
- \* Identification of possible **revenue sources** for use on a regional level to rehabilitate homes, provide home improvement loans and grants to residents of the five cities, and support joint ventures related to housing.
- \* **Residents of the Northwest Hennepin County area** also played a large role in the development of the Sub-Regional Housing Plan. Taking part in focus groups to discuss housing issues and responding to surveys regarding housing and related issues. Input from members of the community was invaluable to the development to the plan.

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<sup>2</sup>The CO-OP Northwest area is defined by the municipal jurisdictions of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. In other studies and reports the CO-OP Northwest area has been defined as the area encompassed by school districts 281, 286, 279 and the portion of School District 11 in Hennepin County.

<sup>3</sup>The CHDO, called the CO-OP Northwest Community Revitalization Corporation, has a mission of providing quality, affordable housing for low and moderate income households in the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. The Corporation's Board consists of one-third low or moderate income members of the community, one-third representatives of each of the five cities, and one-third representatives of the private sector.

## **LAYOUT OF THE CO-OP NORTHWEST SUB-REGIONAL HOUSING PLAN**

The CO-OP Northwest Sub-Regional Housing Plan provides a comprehensive demographic and housing profile of the CO-OP Northwest area. The profile also includes information on housing policies and programs in the five cities. The profile provides background information to support the activities laid out in the plan.

The Sub-Regional Housing Plan establishes housing goals for the CO-OP Northwest area which will guide the activities contained in the plan. Priorities have been identified through which the goals are achieved and from which strategies are developed that include specific cooperative programs, activities and mechanisms for implementation.

While the Sub-Regional Housing Plan takes an all encompassing approach to addressing housing issues, several of the strategies and policies for achieving identified goals will be implemented under the auspices of the CO-OP Northwest Community Revitalization Corporation, a non-profit, 501(c)(3) Community Housing Development Organization (CHDO) serving the cities addressed by the Sub-Regional Housing Plan. The Corporation was created as part of the Cooperative Planning Project to serve the affordable housing needs of low and moderate income residents in Northwest Hennepin County. NWHHSC and the five cities have worked very closely with the CO-OP Northwest Community Revitalization Corporation to ensure that the Sub-Regional Housing Plan is developed and implemented in a complementary manner.

Many of the strategies laid out in the Sub-Regional Housing Plan are already being implemented by the cities and NWHHSC through municipal housing programs and CO-OP Northwest initiatives. Those programs and initiatives will be specifically referenced with the strategies to which they relate.



**CO-OP Northwest Area**

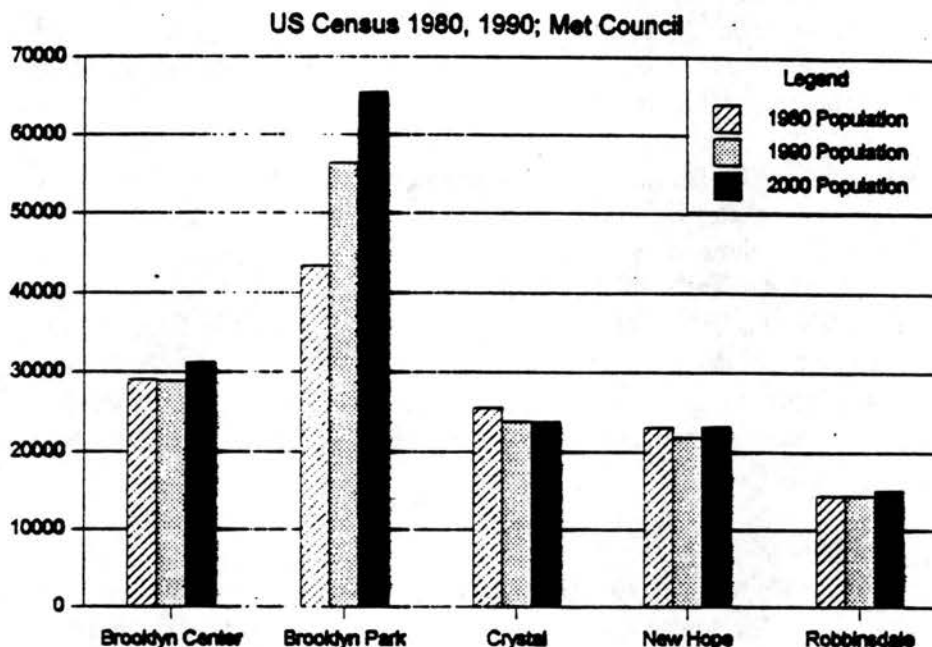
## PROFILE OF THE STUDY AREA

### Demographic Trends

#### Population

In 1993, the estimated population of the CO-OP Northwest area was 146,633.<sup>4</sup> This figure represents a 10% increase since 1980, a rate slightly lower than the population increase in Hennepin County over the same period (11.7%).<sup>5</sup> Population increases were not experienced equally by all five cities. In fact Brooklyn Center, Crystal, and New Hope have seen population decreases over the last decade; and the population of Robbinsdale has remained unchanged. All four of these cities are considered to be fully developed. Brooklyn Park, a developing city, was the only CO-OP Northwest city to experience an increase in population. The Metropolitan Council projects the CO-OP Northwest population will increase by another 10,000 people by the year 2000.<sup>6</sup>

### Population Change



#### Households and Families

In 1993, there were an estimated 56,222 households in the CO-OP Northwest area.<sup>7</sup> The number of households increased between 1980 and 1993 by 14.6%. The U.S. Bureau of the Census

<sup>4</sup>Metropolitan Council 1993 Population Estimates

<sup>5</sup>United States Census Bureau: 1980, Metropolitan Council 1993 Population Estimates

<sup>6</sup>Metropolitan Council 2000 Population Estimates

<sup>7</sup>Metropolitan Council 1993 Population Estimates

defines a household as any group of persons living within the same housing unit.<sup>8</sup> The Census Bureau then categorizes households into family and non-family types. A family is described as a household of two or more persons who are related by marriage, blood, or adoption. The number of family households in the five city area increased over the past decade by 7.3%, while the number of non-family households increased by 24.7%.<sup>9</sup> Consequently, non-family households have become a larger fraction of household compositions in the past ten years.

In 1993, the median household size in the five cities was approximately 2.59 people.<sup>10</sup> The size of households has not changed very much over the past decade, and is expected to remain stable through 2000. For comparison, the average household size in Hennepin County is 2.40 persons, and in the Metro area it is 2.55 persons.<sup>11</sup>

### Household Income

In 1989, the median annual household income in the five city area was \$37,125.<sup>12</sup> This represents a decline of 2.6% since 1979 (in constant 1989 dollars); the greatest income decreases occurred in Brooklyn Center (-10.2%) and Crystal (-11.8%).<sup>13</sup> The 1989 median household income in Northwest Hennepin County was \$42,720.<sup>14</sup> In 1989, 6.3% of the residents of the five cities had incomes below the Federally established poverty, which represents a 42.5% increase in the poverty rate since 1979.<sup>15</sup> The poverty rate of the CO-OP Northwest area is lower than the Metro (8%), and national poverty rates (13%).<sup>16</sup>

Eligibility for various housing assistance programs is determined by income status. The income levels are categorized as: very-low income, low income, and moderate income. A very-low income household is defined as having an income of no greater than 30% of the area median income (\$15,300 for a family of four in the CO-OP Northwest area).<sup>17</sup> Low income is defined as an income equal to 31-50% of the area's median income (\$25,500 for a family of four in the CO-OP Northwest area).<sup>18</sup> Moderate income is equal to 51-80% of the area's median income (\$39,900 for a family of four in the CO-OP Northwest area).<sup>19</sup> In the five city area, 78% of households with incomes below \$10,000 were spending over 35% of their household income on gross housing costs in 1990.<sup>20</sup>

### Barriers to Quality Housing

The Metropolitan Council identified several barriers which hinder attainment of quality housing. These include: low level education, racial discrimination, single parent household, inadequate income, age, physical disabilities, lack of private transportation, unemployability due to

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<sup>8</sup>United States Department of the Census: 1990  
<sup>9</sup>United States Census Bureau: 1980 and 1990  
<sup>10</sup>Metropolitan Council 1993 Population Estimates  
<sup>11</sup>Metropolitan Council 1993 Population Estimates  
<sup>12</sup>United States Census Bureau: 1990  
<sup>13</sup>United States Census Bureau: 1980 and 1990  
<sup>14</sup>Northwest Hennepin Human Services Council  
<sup>15</sup>United States Census Bureau: 1990  
<sup>16</sup>Metropolitan Council *The Twin Cities Metro Area in Perspective*  
<sup>17</sup>United States Department of Housing and Urban Development  
<sup>18</sup>United States Department of Housing and Urban Development  
<sup>19</sup>United States Department of Housing and Urban Development  
<sup>20</sup>United States Census Bureau: 1990



**BARRIERS TO SELF-SUFFICIENCY AND QUALITY HOUSING**  
(Numbers and Percentages)

BARRIERS	CO-OP Northwest		Brooklyn Center		Brooklyn Park		Crystal		New Hope		Robbinsdale	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Didn't graduate high school (25+)	11,699	12.5%	3,103	16.2%	3,091	9.3%	2,152	13.2%	1,741	11.9%	1,612	15.6%
Racial "minority"	10,736	7.4%	2,746	9.5%	5,392	9.4%	1,117	4.7%	934	4.3%	547	3.8%
Single-parent household	5,062	12.9%	1,189	14.1%	2,163	14.6%	617	9.2%	746	13.2%	387	9.9%
No-vehicle household	4,123	7.8%	986	11.3%	1,080	5.3%	382	4.1%	894	10.3%	781	13.0%
Disabled, prevented from working (16+)	7,092	4.9%	1,547	5.4%	2,278	4.0%	1,238	5.2%	1,038	4.7%	991	6.9%
Not English proficient (5+)	4,483	3.3%	1,420	5.3%	1,422	2.8%	1,045	4.7%	1,302	6.4%	714	5.4%

Source: U.S. Census Bureau, 1990, barriers defined by the Metropolitan Council

disability, and improficiency in the English language.<sup>21</sup> These barriers affect approximately 20% to 35% of the CO-OP Northwest population.<sup>22</sup>

#### Senior Population Needs

Although persons over age 65 comprise only 10% of the five city population (14,638); there are higher concentrations of seniors in certain areas.<sup>23</sup> For example, in 1990, twenty percent of Robbinsdale's population was 65 years or older while only 3.3% of Brooklyn Park's population was over age 65.<sup>24</sup> Based on current population trends, by the year 2000, there will be approximately 12,000 more persons over the age of 65 in the CO-OP Northwest area.<sup>25</sup> With the aging of the Baby-Boomers, elderly persons will continue to become a larger and larger proportion of the five city population.

Many seniors live alone. In 1990, the median household size for senior households was 1.55 persons.<sup>26</sup> Most seniors would like to remain in their own home (age in place). In 1990, two-thirds of all seniors in the five city area owned their residence.<sup>27</sup> If they are unable to remain in the homes they own, seniors will need housing affordable on a fixed income which provides some type of assisted living services. There are currently 2,398 senior-only rental housing units in the CO-OP Northwest area.<sup>28</sup> Census data shows in 1990, 5.8% of seniors in the CO-OP Northwest area lived below the poverty line.<sup>29</sup>

<sup>21</sup>Metropolitan Council Housing Policy for the 1990s

<sup>22</sup>Northwest Hennepin Human Services Council

<sup>23</sup>United States Census Bureau: 1990

<sup>24</sup>United States Census Bureau: 1990

<sup>25</sup>United States Census Bureau: 1990

<sup>26</sup>United States Census Bureau: 1990

<sup>27</sup>Hennepin County Housing Characteristics

<sup>28</sup>Senior Housing Inc., Minnesota Senior Federation

<sup>29</sup>Northwest Hennepin Human Services Council

### Single Parent Population Needs

There are 5,062 single parent families in the CO-OP Northwest area, representing 12.9% of all family households.<sup>30</sup> The number of female headed households with children under 18 years of age living below the poverty line increased 82% between 1980 and 1990.<sup>31</sup> In the five city area, there are 1,655 female headed households with children in poverty; 39% of all female headed households with children under age 18.<sup>32</sup> Single parent families need affordable housing close to day care providers, schools, play spaces, and employment.

### Racial Minorities

In 1990, there were 11,450 people of color residing in the CO-OP Northwest area (8% of total population).<sup>33</sup> Racial minority is classified as African American, Native American/Eskimo, or Asian/Pacific Islander.<sup>34</sup> The poverty rate is greater for minorities than the poverty rate of Caucasians. In the five cities, 28% of people with incomes below the poverty line are minorities.<sup>35</sup> The highest percentage of poverty stricken people are African American (40.5%); while the percentage of Caucasians in poverty is only 5%.<sup>36</sup> As well, minorities are less likely to be home owners. A Humphrey Institute study found mortgage discrimination still occurs in the Twin Cities even after controlling for bad credit and other relevant factors. A non-white applicant in the Twin Cities is 70% more likely to be denied a home mortgage than a similarly qualified Caucasian applicant.<sup>37</sup> In 1990, 69.8% of Caucasian households in the CO-OP Northwest area were owners, while only 22.9% of African American households in the CO-OP Northwest area were owners.<sup>38</sup>

### Housing Stock

#### Housing Units and Tenure

Between 1980 and 1990, the number of housing units in the five city area increased by 16.1%, to 57,469 units.<sup>39</sup> The majority of the housing stock (70%) in the five city area is owner-occupied.<sup>40</sup> There are concentrated areas in Brooklyn Park, Crystal and New Hope where rental housing makes up 60-80% of the total housing stock.<sup>41</sup> These areas are generally located along Highway 169, Interstate 94, and Highway 81.<sup>42</sup> Areas undisturbed by main thoroughfares have low percentages of renter-occupied housing (0-10%).<sup>43</sup> Between 1980 and 1990, there was a greater increase in the number of single family housing units (20.5%) than multi-family units (7.1%).<sup>44</sup> Over the same period, there was a 16.9% increase in owner-occupied housing units while renter-occupied housing units increased by 10.1%.<sup>45</sup> These numbers indicate an increase in the number of renter-occupied single family housing units.

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<sup>30</sup>United States Census Bureau: 1990

<sup>31</sup>Northwest Hennepin Human Services Council

<sup>32</sup>Northwest Hennepin Human Services Council

<sup>33</sup>United States Census Bureau: 1990

<sup>34</sup>United States Census Bureau

<sup>35</sup>Northwest Hennepin Human Services Council

<sup>36</sup>Northwest Hennepin Human Services Council

<sup>37</sup>University of Minnesota Hubert H. Humphrey Institute, *Disparities in Mortgage Lending in the Upper Midwest, 1993.*

<sup>38</sup>Hennepin County Housing Characteristics

<sup>39</sup>United States Census Bureau: 1980 and 1990

<sup>40</sup>United States Census Bureau: 1990

<sup>41</sup>United States Census Bureau: 1990

<sup>42</sup>United States Census Bureau: 1990

<sup>43</sup>United States Census Bureau: 1990

<sup>44</sup>United States Census Bureau: 1980 and 1990

<sup>45</sup>United States Census Bureau: 1980 and 1990

CO-OP NORTHWEST HOUSING UNITS BY TYPE, BY MUNICIPALITY 1980 AND 1990									
Municipality	1980 Housing Units			1990 Housing Units			Percent Change, 1980-1990		
	Housing Units	Single HU's	Multi HU's	Housing Units	Single HU's	Multi HU's	Housing Units	Single HU's	Multi HU's
Brooklyn Center	10,978	7,745	3,233	11,713	8,307	3,406	6.7%	7.3%	5.4%
Brooklyn Park	15,803	9,245	6,558	21,265	14,812	6,453	34.6%	60.2%	-1.6%
Crystal	9,093	7,211	1,882	9,541	7,421	2,120	4.9%	2.9%	12.6%
New Hope	7,837	4,678	3,159	8,795	4,856	3,939	12.2%	3.8%	24.7%
Robbinsdale	5,798	4,385	1,413	6,155	4,680	1,475	6.2%	6.7%	4.4%
Total	49,509	33,264	16,245	57,469	40,076	17,393	16.1%	20.9%	7.1%

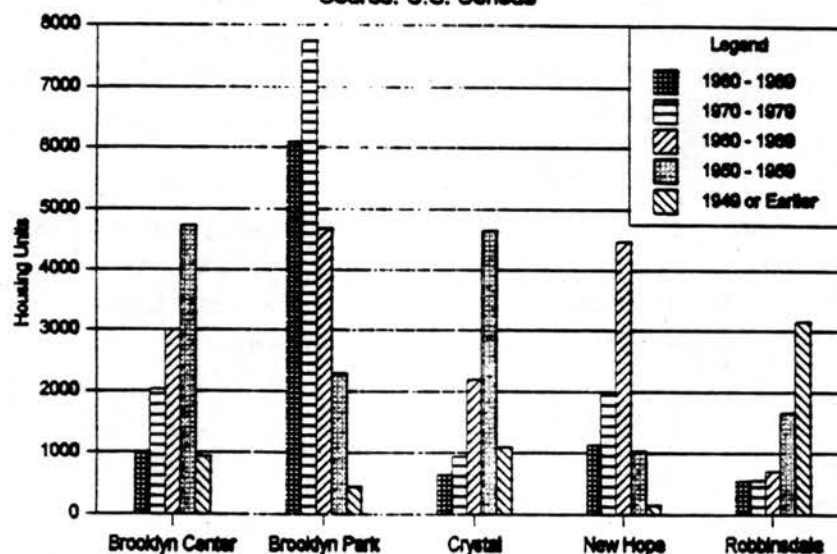
Source: Hennepin County Housing Characteristics

### Age of Housing

One important issue facing the five cities is the need for continuous maintenance and increasing repairs as the housing stock ages. Within the five cities, the age of the housing stock is diverse. The majority of housing units were built between 1950-1969. The newest housing can be found in the northern sections of Brooklyn Park, the majority of which were constructed between 1970 and 1989. The oldest housing is found primarily in Robbinsdale, where the median year of construction is 1953.<sup>46</sup> This pattern essentially follows suburban growth with the oldest housing located closest to the central city of

## AGE OF HOUSING STOCK

Source: U.S. Census



<sup>46</sup>1990 Census

Minneapolis. The cities of Brooklyn Center, Crystal, New Hope, and Robbinsdale are considered fully-developed. The available land for new residential construction is limited to in-fill sites,

### Substandard Housing Units

There are a number of substandard housing units in the five cities. City staff report an estimated 65 vacant lots, 1,900 housing units in need of rehabilitation, and another 245 homes that need to be acquired and demolished. The majority of deferred rehabilitation loans, which are used to upgrade substandard housing, have been appropriated to older areas of the cities. City staff indicated that substandard housing in the five cities is generally 30 to 40 years old and diverse in type (single family, duplex, multi-family, etc.); however, the amount of rehabilitation a home needs depends on the level of maintenance and regular upgrading the unit has received. Also, homes built in the late 1970s have needed more repair than usual for housing their age, many containing materials very costly to remove or renovate. City staff have indicated a conservative cost estimate to rehabilitate a house is \$15,000 to \$17,000 per unit, although usually higher. Until recently, loans to upgrade substandard housing through the Deferred Loan Program were limited to \$10,000, which means many homes have not been rehabilitated to the extent needed. Based on a cost of \$15,000 per unit, the cost of rehabilitating every home in the five cities currently in need of repair is \$28,500,000. However, each year 25 additional homes will need rehabilitation in the five city area.

### Housing Unit Size

Since the 1950's, the amount of space and the number of rooms in single family homes have steadily increased. In 1994, the single family housing trend, for the Twin Cities, is a 3 bedroom, 2+ bath, and an attached 2 car garage. In the five cities, the average number of bedrooms in an owner-occupied housing unit is 3.0, with an average of 1.7 bedrooms in renter-occupied units.<sup>47</sup> There are very few larger rental units in the five city area. A survey of multi-family housing managers conducted as part of the Cooperative Planning project found that only five percent of the apartment units represented in the survey had 3 or more bedrooms.<sup>48</sup> In 1990 there were 711 renter households with five or more persons living in the unit (4% of renter households).<sup>49</sup>

### Crowding

The Department of Housing and Urban Development has defined a health and safety standard for the maximum number of people living in the same housing unit. This crowding index is set at one person per habitable room (excludes kitchens, bathrooms, utility rooms, and closets). In 1990, 22.4% of the households in the CO-OP Northwest area were living in crowded conditions.<sup>50</sup>

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<sup>47</sup>United States Census Bureau: 1990

<sup>48</sup>Northwest Hennepin Human Services Council, Multi-Family Housing Survey, September, 1994.

<sup>49</sup>United States Census Bureau: 1990

<sup>50</sup>United States Census Bureau: 1990

mostly in owner-occupied housing units.<sup>51</sup> More extreme cases of crowding (greater than 1.5 persons per room) were more prevalent in multi-family housing; however, it only affected 0.6% of households in the five cities.<sup>52</sup>

### Median Home Value

In 1990, the median home value in the CO-OP Northwest area was \$83,300, while the median home value for the overall metro area was \$89,211.<sup>53</sup> The median home value in the CO-OP Northwest area increased by 30% between 1980 and 1990, which failed to keep pace with the 38% increase for the overall metro area.<sup>54</sup>

CO-OP NORTHWEST OWNER-OCCUPIED HOUSING UNITS AND ESTIMATED MEDIAN VALUE, BY MUNICIPALITY, 1980 AND 1990					
Municipality	1980 Housing Units		1990 Housing Units		Percent Median Value Change, 1980-1990
	Total Units	Est. Median Value	Total Units	Est. Median Value	
Brooklyn Center	6,906	\$59,200	7,444	\$78,700	32.9%
Brooklyn Park	8,178	\$64,900	12,769	\$88,100	31.7%
Crystal	6,533	\$65,600	6,833	\$77,300	17.8%
New Hope	4,263	\$70,000	4,391	\$92,700	32.4%
Robbinsdale	3,931	\$56,500	4,087	\$76,500	35.4%
CO-OP Northwest area	29,811	\$63,903	35,524	\$83,287	30.3%

Source: Hennepin County Housing Characteristics

### Monthly Housing Costs

Monthly housing costs for homeowners with a mortgage in the five cities increased by 29.2% between 1980 and 1990 in constant 1990 dollars, due to increasingly higher interest rates and higher new home prices.<sup>55</sup> Non-mortgage housing costs decreased (by 12.3% in constant 1990 dollars).<sup>56</sup> This decrease could be interpreted to indicate a few things: 1) property tax, insurance, utilities, and heating fuel prices have decreased over the past decade, 2) households are becoming more energy efficient, or 3) property values are declining. The median rent in the CO-OP Northwest area increased by 13.6% between 1980 and 1990 in constant dollars. Increasing monthly housing costs for most households between 1980 and 1990, combined with decreasing incomes over the same period (a 2.6% decline in constant dollars between 1979 and 1989) meant that, on average, people were steadily paying more and more of their income on housing.<sup>57</sup>

<sup>51</sup>United States Census Bureau: 1990

<sup>52</sup>United States Census Bureau: 1990

<sup>53</sup>Hennepin County Housing Characteristics

<sup>54</sup> Hennepin County Housing Characteristics and the Metropolitan Council.

<sup>55</sup>Hennepin County Housing Characteristics

<sup>56</sup>Hennepin County Housing Characteristics

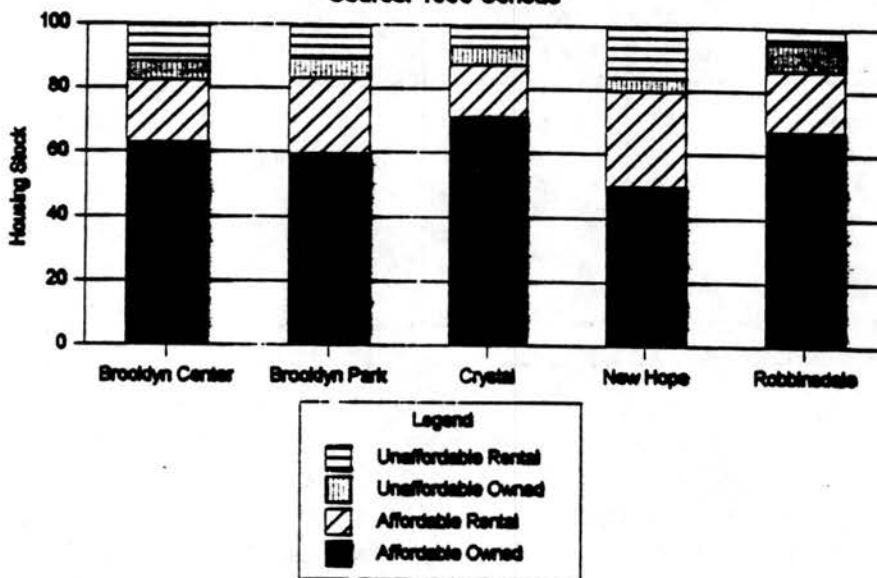
<sup>57</sup>United States Census Bureau: 1980 and 1990

### Affordability

The Department of Housing and Urban Development defines housing as "affordable" when a household spends less than 30% of its income on housing costs which include mortgage payments or rent, utilities, heating fuel, insurance, and property taxes. Census data reveals a significant difference between the affordability of renter-occupied and owner-occupied housing. Only 8.7% of home owners spend more than 35% of their income on monthly housing costs while 31.8% of renters spend in excess of 35% of this income on monthly housing costs.<sup>58</sup> One reason for this difference is that potential homeowners may be more closely scrutinized than renters to ensure that housing is affordable. In addition, low income households are more likely to rent and more likely to spend more than 35% of their income on rent.

## HOUSING AFFORDABILITY

Source: 1990 Census



Rental housing is relatively less expensive in the five cities than in other parts of the Metro area. Average rent for a one-bedroom apartment in the five cities is \$437 per month in 1993 which was 9% lower than the average rent for a one-bedroom unit in the Metro area. Average rent for a two-bedroom apartment in the 5 cities in was \$542 which was 11% less than the Metro wide average for a two-bedroom unit.<sup>59</sup>

In order for the median monthly rent in the five city area (\$498) to be considered affordable a household must earn \$21,216 annually, or \$10.20 per hour.<sup>60</sup> However, 16% of the households in the CO-OP Northwest area earn less than this amount.<sup>61</sup> The average owner-occupied monthly housing costs are \$771 (with a mortgage)<sup>62</sup>, which requires an annual income of \$30,840 (\$14.80 per hour) in order for the

<sup>58</sup>United States Census Bureau: 1990

<sup>59</sup>Apartment Search/Apartment Profiles, Metro Municipality Update Report, 1983, 1990-1993, Maxfield Research Group, Inc.

<sup>60</sup>Northwest Hennepin Human Services Council

<sup>61</sup>United States Census Bureau: 1990

<sup>62</sup>Hennepin County Housing Characteristics

housing to be considered affordable.<sup>63</sup> Approximately 38% of the households in the CO-OP Northwest area have incomes below that level. The average CO-OP Northwest home owner spends between 20-25% of their income on monthly housing costs.<sup>64</sup>

### Subsidized Housing

There are 1,083 rental housing units serving as project-based subsidized housing and 1,250 renter households subsidized through HUD programs.<sup>65</sup> These programs assist very-low-, low-, and moderate-income households. The majority of programs reduce the cost burden of housing down to 30% of a household's income. However, there is still a large number of households paying over 30% of their income on housing and in need of rental subsidies. In August 1994, there were 244 eligible households from the CO-OP Northwest area on the Metropolitan Housing and Redevelopment Authority's Section 8 waiting list and approximately 1,500 eligible households on waiting lists for subsidized apartments in the five city area.<sup>66</sup> The Metropolitan Council estimates that the current waiting list for the Section 8 Program is 2-3 years. The CO-OP Northwest area has 5% of the suburban Metro area's 19,312 Section 8 project-based assisted units but has 8% of the suburban Metro area population.<sup>67</sup>

### Vacancy Rates

One indicator of the supply and demand for housing is vacancy rates. According to the University of Minnesota Housing Department, a healthy range for vacancy rates is between 4 and 6%, which indicates that there is enough choice for renters and buyers as well as enough volume for property owners to profit.<sup>68</sup> A vacancy rate of 0-4% indicates supply and demand are equivalent, and more probable demand is greater than supply. A vacancy rate higher than 6% would indicate the supply is greater than the demand for the housing.

In 1990, the median vacancy rate for multi-family housing across the five cities was 7.9%.<sup>69</sup> There were several pockets in the five city area, with large concentrations of multi-family units flanked by main thoroughfares, where vacancies reach 10%.<sup>70</sup> Vacancy rates vary quite a bit among the five cities. In 1993 vacancy rates for rental housing were at 15.4% in Brooklyn Park and as low as 1.3% in New Hope. Vacancy rates for also varied for different sized apartments. In 1993 Brooklyn Park had the highest vacancy rate for one bedroom apartments at 15.6% while in New Hope vacancy rates for one-bedroom apartments was only 0.5%. Yet New Hope had the highest vacancy rate for three-bedroom apartments at 4.8%. Crystal had the highest vacancy rate for 2-bedroom apartments at 7.0%.<sup>71</sup>

Higher vacancy rates were found to be correlated with the number of units in a structure. Duplexes, triplexes, and townhouses have lower vacancy rates than structures with five or more attached units.<sup>72</sup> This may be tied to the preference to live in less concentrated housing. Another explanation is households which are traditionally renters (18 to 30 year olds) currently make up a smaller percentage of the

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<sup>63</sup>Northwest Hennepin Human Services Council

<sup>64</sup>Hennepin County Housing Characteristics

<sup>65</sup>Metropolitan Council Directory of Subsidized Housing, Metropolitan Housing and Redevelopment Authority

<sup>66</sup>Metropolitan Housing and Redevelopment Authority, Northwest Hennepin Human Services Council

<sup>67</sup>Metropolitan Council

<sup>68</sup>Department of Housing, University of Minnesota

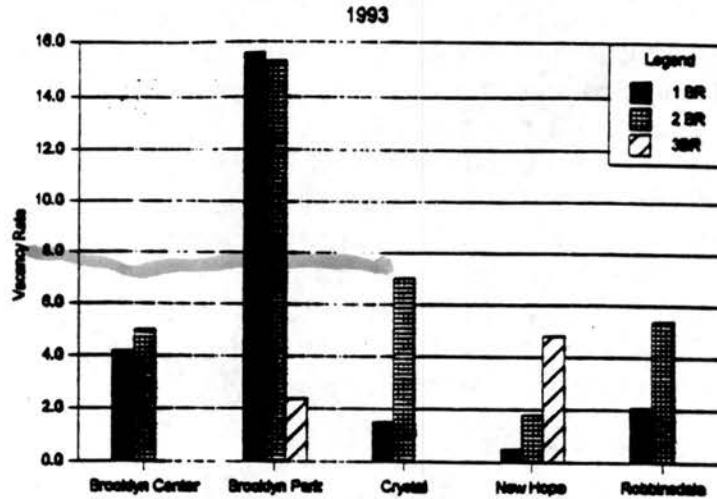
<sup>69</sup>United States Census Bureau: 1990

<sup>70</sup>United States Census Bureau: 1990

<sup>71</sup>Apartment Search/Apartment Profiles, Metro Municipality; Update Report, 1991-1993; Maxfield Research Group, Inc.

<sup>72</sup>United States Census Bureau: 1990

## Rental Vacancy Rates



population. According to a recent study by the Joint Center for Housing Studies at Harvard, home ownership rates for most age groups are increasing and will increase through the remainder of the century.<sup>73</sup>

### Disparities in Housing

A recent study by the North Metro Mayors Association and data from the Metropolitan Council and the Census Bureau indicate that the five CO-OP Northwest cities and the rest of the north metro suburbs have a greater than proportionate share of lower-cost and lower-valued housing<sup>74</sup>. The cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale have 6.4% of the Twin Cities Metro area owner-occupied housing stock, yet they have 18.1% of the region's housing stock which is affordable to households at or below 80% of median income.

HOUSING UNITS AND VACANCY RATES BY NUMBER OF UNITS IN THE STRUCTURE, BY MUNICIPALITY, 1990											Total, Tabled Units	Total Vacancy Rate
Municipality	1 Detached	Vacancy Rate	1 Attached	Vacancy Rate	2 Attached	Vacancy Rate	3-4 Attached	Vacancy Rate	5+ Attached	Vacancy Rate		
Brooklyn Center	7,305	0.8%	1,002	5.9%	65	0.0%	207	7.2%	3,073	11.5%	11,652	4.2%
Brooklyn Park	11,612	1.2%	3,200	7.1%	202	0.0%	204	0.0%	5,974	8.5%	21,192	4.1%
Crystal	7,246	0.7%	175	9.7%	110	10.0%	150	0.0%	1,845	10.4%	9,526	2.8%
New Hope	4,551	0.5%	305	2.0%	44	0.0%	137	23.4%	3,715	6.1%	8,752	3.3%
Robbinsdale	4,330	0.9%	350	0.0%	214	2.3%	35	0.0%	1,161	8.9%	6,090	2.4%
CO-OP Northwest	35,044	0.9%	5,032	6.1%	635	2.5%	733	6.4%	15,768	8.8%	57,212	3.6%

Source: Hennepin County Housing Characteristics

<sup>73</sup>The State of the Nation's Housing, 1994.

<sup>74</sup>North Metro Mayors Association. A Portrait of the North Metro Area: Housing, Population, Income, Employment, Tax Base and Schools. April 1994.



## CO-OP NORTHWEST SUB-REGIONAL HOUSING POLICY PLAN

The CO-OP Northwest Sub-Regional Housing Plan, developed through CO-OP Northwest reflects the collaborative approach to planning and programming undertaken by the five cities and Northwest Hennepin Human Services Council to address shared housing issues. This cooperative program of action represents a significant movement away from the traditional local focus on housing planning. The planning process undertaken has been consistent with the method for building stronger communities outlined in the Metropolitan Council's *Regional Blueprint*. The Sub-Regional Housing Plan supports other CO-OP Northwest initiatives to address human service and employment and training issues in Northwest Hennepin County.

The Regional Housing Policy Plan that follows is offered as a response to the regional housing issues identified through the research and analysis stages of the Cooperative Planning Project. The intent of the Policy Plan is to outline a coordinated program of action to meeting housing related needs in Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. In this regard demographic, economic and social changes in the five cities have been considered as well as the affordability and physical condition of the housing stock. Research has also addressed housing policies and programs in each of the five cities. Linkages with other regional planning initiatives are considered including the Metropolitan Council's *Regional Blueprint*. Proceeding logically, general goals, policies and strategies are developed. These elements together outline a plan of action to sustain and improve housing conditions on a regional level and form a basis upon which plans, programs and actions can be taken in a coordinated manner.

To ensure proper understanding of the Policy Plan, the terms utilized are defined as follows:

- Goals:        ~~The generalized end product and purpose to be achieved.~~
- Policies:      Guiding principles for helping to make present and future decisions consistent with goals.
- Strategies:    Definite courses of action, guided by policies, which lead toward goal achievement.

**GOAL 1:        STRENGTHEN THE HOUSING STOCK TO SUPPORT AND ENHANCE  
THE LIVABILITY AND CHARACTER OF INDIVIDUAL  
NEIGHBORHOODS.**

*Policy #1:      Coordinate redevelopment efforts to address the supply and demand for housing on a regional level.*

Strategy #1:    Conduct and maintain an annual inventory of the age, size, condition, and affordability of the housing stock and demographics

in the CO-OP Northwest area and use that information to guide coordinated redevelopment efforts.

**Strategy #2:** Work with and support the CO-OP Northwest Community Revitalization Corporation (CHDO) as it rehabilitates housing to meet affordable housing needs. Continue to provide development assistance, city funding, research and technical assistance, grant writing expertise and professional support to the CHDO.

**Strategy #3:** Examine housing programs to support the upgrading and maintenance of the rental housing stock being administered by individual cities including, among others, the New Hope Multi-Family Housing Financial Assistance Program, a pilot project in the City of Robbinsdale involving a public-private partnership. Explore the appropriateness and feasibility of expanding those programs into all or part of the CO-OP Northwest area.

**Policy #2:** *Promote rehabilitation and, where necessary, demolition and new construction of aging residential buildings to preserve neighborhoods.*

**Strategy #1:** Maintain and expand housing rehab and acquisition programs already administered by the cities including the Scattered Sight Acquisition Program, Blighted Property Acquisition Grant, and the Community Rehabilitation Program. Explore options for increasing funding for those programs on a regional level.

**Strategy #2:** Identify a regional plan for acquiring and administering a pool of funds to preserve existing housing in the region. Establish eligibility criteria for housing to be rehabbed through this program. Explore potential funding options including the Liveable Communities Act administered through the Metropolitan Council.

**Strategy #3:** Encourage increased maintenance and rehabilitation and, where necessary, demolition and new construction of multi-family housing to stabilize those communities. Examine public-private partnerships and acquisition and rehab programs provided through the MHFA for possible use in the CO-OP Northwest area. Develop a directory listing potential funding sources for multi-family housing maintenance.

**Policy #3:** *Promote increased maintenance and upkeep of the existing housing stock in order to ensure increased residential housing values.*

- Strategy #1: Sponsor annual Remodeling Fairs to encourage homeowners in the five-city region to upgrade and maintain their homes.
- Strategy #2: Establish a systematic approach to identify housing properties in the five cities which may require increased maintenance. Set up a system of helping property owners obtain technical assistance, information about financial resources and other information with regard to undertaking necessary maintenance and repairs.
- Strategy #3: Work with local lenders to establish Community Reinvestment Act Programs to make housing maintenance and rehabilitation affordable to homeowners. Work with local lenders to establish criteria for participation in such a program.
- Strategy #4: Increase awareness of programs which make housing maintenance more affordable such as the "This Old House Program" which provides a property tax break for owners of certain types of housing, the MHFA Great Minnesota Fix-up Fund, the MHFA Accessibility Loan Program and the Hennepin County Housing Rehab CDBG Program. Work with the CHDO to develop and/or distribute a directory that identifies housing rehabilitation programs and funding sources.

*Policy #4 Enact and enforce consistent housing codes and policies in order to protect the health and safety of residents, to ensure the ongoing stability of residential neighborhoods, and to respect the natural environment of communities.*

- Strategy #1: Support current efforts by Minnesota Association of Housing Code Officials (MAHCO) to establish uniform statewide housing maintenance codes and work for the establishment of codes which are consistent with the policies set forth in the Sub-Regional Housing Plan.
- Strategy #2: Enact policies on a regional level that encourage development of affordable and special needs housing to be coordinated with existing transportation routes and Metropolitan Council transportation planning efforts.
- Strategy #3: Support current efforts to establish uniform rental housing screening procedures throughout the State.

Strategy #4: Create a task force of developers and local officials to determine the impact of zoning and other land use regulations on redevelopment and new development efforts. The task force would make recommendations or develop a model process to improve local redevelopment procedures and practices.

**GOAL 2: PROVIDE A MIXTURE OF SAFE, HEALTHY HOUSING TYPES TO MEET THE NEEDS OF PEOPLE AT VARIOUS LIFE CYCLE STAGES AND INCOME LEVELS.**

*Policy #1: Provide additional assistance for homeownership opportunities while upgrading existing sub-standard housing.*

Strategy #1: Review and undertake programs providing funds to both purchase and rehab housing. Examine the possibilities of working with the 203(k) Program, possibly through the CHDO, and assess the HOME Advantage Program offered by First Bank System currently being pilot tested in Crystal.

Strategy #2: Examine housing programs being administered by individual cities to upgrade the housing stock and create larger single family homes; e.g. lot conversion programs and the Crystal Housing Replacement Program which involves the establishment of tax increment districts to recoup the costs of redevelopment. Explore the appropriateness of working to expand or replicate those programs. (Note: Expansion of the Crystal Housing Replacement Program would require legislative action.)

Strategy #3: Expand the amount of below market interest mortgage funds for first-time homebuyers already available through the MHFA Minnesota Cities Participation Plan, by working with the CHDO to access MHFA Community Activity set-Aside Program mortgage revenue bond funds, and through utilization of CDBG funds.

Strategy #4: Reduce entrance costs to homebuyers through working with lenders to develop efficient private sector Community Reinvestment Act Programs. Access a pool of funds available through the Federal Home Loan Bank of Des Moines and other organizations for down payment as well as other forms of assistance available for projects involving rehabilitation of substandard housing.

*Policy #2: Direct current housing programs with an eye towards meeting the needs of future populations.*

- Strategy #1: Use available data on housing inventory, affordability and resident demographics to monitor progress in meeting the housing needs of current and future populations to maintain current levels of affordability on a regional level.
- Strategy #2: Consider the housing needs of future populations when planning for the development of new housing.
- Strategy #3: Utilize various housing programs on a regional basis that meet the needs of future populations: the Section 202 Program that provides financial assistance to increase the supply of affordable rental housing for the elderly; Section 236 which provides financial assistance to support the development of rental housing affordable to low and moderate income households; and housing revenue bonds for multi-family acquisition and rehab.

*Policy #3: Reduce barriers to quality housing for certain population groups.*

- Strategy #1: Meet affordable housing needs on a regional level using a scattered site development strategy to avoid high concentrations of low income housing.
- Strategy #2: Disperse any multi-family and rental housing development throughout the CO-OP Northwest area to provide a mixture of housing types and styles to meet the needs of people at various life cycle stages while maintaining manageable density levels.
- Strategy #3: Increase efforts to work with non-profit groups developing affordable housing such as Habitat for Humanity and encourage the replication of similar community-based initiatives such as the Plymouth Housing Alliance/Interfaith Outreach & Community Partners Collaborative Effort.
- Strategy #4: Use the study of transitional housing needs and resources existing in the CO-OP Northwest area, developed for the Sub-Regional Housing Plan, to facilitate replication of transitional housing services that support and encourage self-sufficiency in the CO-OP Northwest area working largely through CO-OP Northwest, the CHDO, and similar initiatives.

*Policy #4: Plan and implement housing programs and policies while taking into consideration transportation, employment, education and service needs of residents.*

- Strategy #1: Locate a mixture of housing types near natural amenities and recreation areas wherever possible to make these facilities accessible to diverse populations.
- Strategy #2: Accessibility to employment and other services such as public transportation to employment, child care, emergency services should be included in plans for developing new affordable housing. A cluster planning approach would be taken to address this need in recognition that the employment market goes beyond municipal boundaries.
- Strategy #3: Support and foster CO-OP Northwest efforts to locate services in apartment communities and encourage resident involvement in the selection of services.

**GOAL 3: ACTIVELY PROMOTE A VARIETY OF EFFORTS TO HELP FOSTER STRONGER NEIGHBORHOODS AND COMMUNITIES.**

*Policy #1: Restore trust among partners involved in the housing market.*

- Strategy #1: Plan and host Rights and Responsibilities Workshops for Renters and Landlords to provide both groups with information about their resources and obligations in the community.
- Strategy #2: Foster stronger positive relations among apartment residents, landlords and the police to reduce crime and increase the sense of safety and security among community members. Build upon current successes through the property manager coalitions.
- Strategy #3: Initiate a dialogue among those involved in the rental housing market including apartment owners/managers, tenants, cities, Legal Aid and CASH/HOME Line to find some common ground upon which to create a supportive atmosphere regarding rental housing issues.

*Policy #2: Provide incentives for residents to stay in older areas.*

- Strategy #1: Support local neighborhood-strengthening activities such as Crime Watch in all residential areas, block parties and other programs which enlist local residents and volunteers in promoting neighborhood vitality and interaction.

Strategy #2: Actively foster and participate in discussions with neighborhood residents, school officials and city staff about issues affecting confidence in neighborhoods including quality of education, neighborhood crime, neighborhood amenities etc.

Strategy #3: Identify resources to support current residents in their desire to reinvest money into their properties for upgrading and maintenance.

*Policy #3: Reduce foreclosures and the abandonment of residential properties and provide for the development of vacant properties.*

Strategy #1: Support and promote Homebuyer Training and Foreclosure Prevention programs administered by Community Action for Suburban Hennepin/HOME Line and the Urban Hennepin County CDBG Program.

Strategy #2: Support the use of underwriting guidelines and homeownership programs that are structured to ensure the long term affordability of housing sold and rented to low- and moderate-income households.

Strategy #3: Identify low- and moderate-income homeowners paying greater than 50% of their income toward housing costs. Provide stabilization of income for those residents by referring them to necessary support services.

Strategy #4: Aggressively identify and market vacant residential infill lots.

Strategy #5: Initiate lobbying efforts to amend the current slum and blight classification to facilitate and expedite the redevelopment of abandoned and vacant residential properties.

*Policy #4: Actively encourage and foster local efforts to support residents' connections with others in their neighborhoods and communities to support community building and long-term stability among residential communities.*

Strategy #1: Actively support the increased levels of resident services and the establishment of resident associations in apartment communities by providing property managers and renters with information about successful models of resident associations and resident services. Provide technical assistance to assist in placement of those programs in apartment communities. Help to identify potential services which would be valuable to apartment residents.

- Strategy #2:** Enact zoning codes which require newly developed or redeveloped multi-family housing to include play areas for children when appropriate.
- Strategy #3:** Foster community building efforts in all residential neighborhoods through the establishment of community gardens, neighborhood cleanup days, neighborhood garage sales, block parties, etc.
- Strategy #4:** Identify programs that help rental property managers become a conduit for information that helps residents find services in the community including those that promote self-sufficiency (information about employment counseling, job training, job placement, child care, transportation).



**NEXT STEPS: *Implement a Flexible Multi-jurisdictional Effort Whereby the 5 Cities and NWHHSC and Other Government Entities Can Work Together to Resolve Housing Issues of Concern to the Region Working Through the Sub-Regional Housing Plan.***

Through the CO-OP Northwest Sub-Regional Housing Plan, the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale and NWHHSC will work together to undertake and encourage public and private housing redevelopment efforts which are mindful of their impact on the needs, market and resources of the larger CO-OP Northwest region. Policies developed through the Sub-Regional Housing Plan will serve as a guide for the creation of coordinated housing programs and other activities to support the CO-OP Northwest area as it confronts the challenges of an aging housing stock and changing demographics.

NWHHSC and the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale will carry out many of the strategies using CO-OP Northwest as the primary implementing instrument. Others will be implemented in partnership with other public, private and non-profit organizations. The CO-OP Northwest Community Revitalization Corporation will be an important entity for carrying out redevelopment for affordable housing. The Metropolitan Council will be relied upon for resources and technical assistance in the implementation phase of the Sub-Regional Housing Plan.

The entire region plays an important role in implementing the Sub-Regional Housing Plan. The public sector, private business and corporations, nonprofit agencies, other collaborative endeavors, associations, civic and community groups and neighborhood residents all must work as partners for the well-being of the region.

Some of the strategies are already being implemented and others will be carried out over the next year. Some however may take a number of years to accomplish, and may be reevaluated in the meantime. The Sub-Regional Housing Plan sets an ambitious agenda, but one that can be achieved through cooperation and a shared vision. The Sub-Regional Housing Plan provides a basis for establishing specific housing goals for the five-cities to take part in the Livable Communities Programs as a cluster group.

The Sub-Regional Housing Plan will serve as a model for other regions facing similar challenges of a multi-jurisdictional nature. The regional planning and implementation approach, initiated by CO-OP Northwest and outlined in the *Regional Blueprint*, to address shared housing and related issues in the Northwest Hennepin area can be adapted and replicated to meet similar needs in other areas.

The CO-OP Northwest Sub-Regional Housing Plan will be formally adopted by each of the cities through a formal resolution approved by each of the City Councils. The resolution will confirm the intention of the cities to work together to address regional housing issues in a coordinated fashion to create stronger communities for residents of Northwest Hennepin County.

## APPENDIX C

### HOUSING ACTIVITIES IN THE CO-OP NORTHWEST AREA

The core housing assistance programs administered through the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope, and Robbinsdale are very similar. Many of the programs are administered through a federal or county office and are available in most cities. The majority of programs are targeted towards upgrading existing housing and making it affordable for low-, and moderate- income households. Other programs are designed to create affordable housing for physically disabled persons and elderly persons. City staff have indicated overall the programs have been successful in each of the five cities, based on the number of households served.

The First-Time Home Buyers Program and the Section 8 Assistance Program have been in overwhelming demand. Based on the number of people applying or waiting for assistance, programs aimed at making housing affordable for low- and moderate-income renter households are needed in the CO-OP Northwest area. Direct housing assistance for renters is given to 2,333 households (15% of all renter households), through the Section 8, Section 202, and Section 236 programs.<sup>1</sup>

A number of programs focus on reducing the cost of home ownership and upgrading existing housing. The programs address a variety of home ownership issues from lot costs to maintenance costs. This broad scope is necessary to address all concerns of new and existing homeowners. Direct assistance for home owners is given to approximately 150 households per year (0.4% of all homeowners).<sup>2</sup> The goal of such programs is a higher quality housing stock, a larger number of home owners and more stabilized neighborhoods.

There are some differences among the housing programs of the five cities. They differ by the type of program, type of funding, and extent to which the program is implemented. A brief description of programs administered by the cities follows.

#### **Multi-Family Housing Programs:**

##### **Section 8 Low-Income Rental Assistance Program (Project-Based)**

This program assists low- and very low- income families in obtaining decent, safe, and sanitary housing through the placement of subsidies on designated rental units. For-profit and non-profit rental housing owners may apply for project sponsorship. Households with incomes not exceeding 50% of the median area income (based on household size) are eligible for assistance through this program. The household must pay the highest of either 30% of adjusted income, 10% of gross income, or the portion of welfare assistance designated to meet housing costs. The difference between the market value rent and the household's contribution is paid by HUD. This program is administered by the HUD. The five city area currently has 15 Section 8 apartment complexes; 4 in

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<sup>1</sup>Metropolitan Council, Metropolitan Housing and Redevelopment Authority

<sup>2</sup>Minnesota Housing Finance Agency, Metropolitan Council

Brooklyn Center, 3 in Brooklyn Park, 4 in New Hope, and 4 in Robbinsdale. The buildings have a total of 931 Section 8 project-based units, mainly 1 and 2 bedroom units.<sup>3</sup>

#### Section 8 Rental Voucher and Certificate Programs (Household-Based)

The household-based Section 8 rental voucher and certificate programs assist very low-income families in finding decent, safe and sanitary rental housing. The programs place a fixed subsidy on designated households who choose their own apartment. Households who do not exceed 50% of the median area income (based on household size), are eligible for assistance. The household must pay the higher of either 30% of adjusted income or 10% of gross income. The subsidy equals the difference between the market value rent and the household's designated proportion. A household may choose a rental unit which exceeds the fair market rate, established by HUD, through the voucher program but they must pay the additional rent. The Metropolitan Housing and Redevelopment Authority administers the Section 8 rental voucher and certificate program in the five city area. The Metro HRA program serves 1,250 households in the five cities.<sup>4</sup>

#### Section 202 Supportive Housing for the Elderly

The Section 202 program provides financial assistance to expand the supply of housing with supportive services for the elderly. Non-profit organizations and cooperatives can apply for assistance to finance the development of affordable senior rental housing. The financial assistance is interest free and does not have to be repaid so long as the housing remains available for very low-income elderly persons for at least 40 years. Project rental assistance covers the difference between the HUD-approved operating cost per unit and the amount the resident pays. Eligible households are those of very low-income with at least one person 62 years of age or older. There are currently 130 units at two sites in New Hope.<sup>5</sup>

#### Section 236 Interest Supplements on Rental Housing Mortgages

This program provides financial assistance to expand the supply of rental housing affordable to low and moderate income households. HUD subsidizes privately owned and financed housing projects by assisting the owner in insuring the rental housing mortgage and in providing additional financial assistance. In return for such assistance, owners are limited to profit a maximum rate of 6% of their invested equity. To be eligible for a Section 236 rental unit, a family's income must be no more than 135% of the income limit for low rent public housing in the area at the time of initial occupancy. The family must pay the rent charged or 25% of its adjusted monthly income, whichever is greater. This program is administered through the HUD field office in Minneapolis. Currently there are 122 one and two bedroom units within one building in Brooklyn Center.<sup>6</sup>

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<sup>3</sup>Metropolitan Council, Directory of Subsidized Housing

<sup>4</sup>Metropolitan Housing and Redevelopment Authority

<sup>5</sup>Metropolitan Council, Directory of Subsidized Housing

<sup>6</sup>Metropolitan Council, Directory of Subsidized Housing

### Multi-Family Housing Financial Assistance

This program provides financial assistance to rental housing owners for the purpose of maintaining and upgrading the rental housing stock. This program is administered by the City of New Hope. To be eligible for assistance, a person or agency must own a rental housing complex within the City of New Hope. Rental unit owners may make an application to the City for financial assistance. Assistance is then granted on a project by project basis. The program encourages non-profit and for-profit rental housing owners to rehabilitate and renovate aging multi-family housing. The program began in the fall of 1993 and recently closed on their first project: a \$200,000 loan was allocated to a 48 unit rental property.<sup>7</sup>

### Apartment Manager Associations

The housing inspection departments have initiated monthly meetings with apartment managers. The groups meet to discuss rental management issues of general concern and specific to the five city area, such as tenant screening, unlawful detainers, crime prevention, and marketing promotions. The meeting is attended by apartment managers or owners and representatives of the city's housing inspection department and police force. The cities of Crystal, New Hope, and Robbinsdale have formed a joint association. The cities of Brooklyn Center and Brooklyn Park each have separate associations.

### **Single Family Housing Programs:**

#### Scattered Site Acquisition Program

This program provides financial assistance to acquire and upgrade single family housing and provide ownership opportunities for local households. Single family homes on scattered sites are acquired by cities and renovated or repaired. The rehabilitated housing is then rented or sold. Some of the cities have income guidelines. Households which have incomes not exceeding 80% of the area median income are eligible for the program in those municipalities. In Brooklyn Center, the program allows households to save money during the rental period and potentially purchase the house. At the time the homes are sold, cities assist with a second mortgage write down, which is eventually forgiven if the families remain in the home for a certain number of years. In most cities, if the house is being replaced, the new house must be of equal or greater value. This program is funded through HUD by Community Development Block Grant (CDBG) funds. CDBG funds are distributed by Hennepin County and administered by five cities. The program currently helps approximately 10 to 15 households in the CO-OP Northwest area per year.<sup>8</sup>

#### Scattered Site Rehabilitation Deferred Loan Program

This program provides loans of up to \$15,000 to low and moderate income homeowners to bring the housing into compliance with city building codes and provide safe and decent housing. These loans are forgiven if the homeowner remains in the home for ten years. This program is administered through Hennepin County. The Minnesota Housing Finance Agency (MHFA) also provides deferred

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<sup>7</sup>City of New Hope, Minnesota

<sup>8</sup>Northwest Hennepin Human Services Council

payment loans which assist low-income homeowners with home improvement financing. The programs assist 25-40 households in the CO-OP Northwest area yearly.<sup>9</sup>

#### First-Time Home Buyers Single Family Home Program

The First-Time Home Buyers program assists municipalities in meeting local housing needs by providing funds for mortgage loans. Moderate income households can obtain a home mortgage with a fixed below-market interest rate (currently 7.3%) and a minimum down payment (0-5%). To be eligible for the program, a household must be a first time home buyer, have acceptable credit, and have an adjusted household income less than \$40,800. There are also limits on the cost and location of the housing which vary for each city. Brooklyn Center and Crystal limit the value of new construction to \$95,000 and require houses to be built on city designated lots, while the value of existing homes are limited to \$92,544 and city designated homes. In addition, the City of Crystal has \$200,000 available for rehabilitation costs to first time home buyers. The City of New Hope limits the value of new construction and existing homes to \$95,000 and must be built in a designated area. The City of Robbinsdale has the same housing cost limits but new construction is not site restricted. The City of Brooklyn Park does not allow new construction under this program and limits existing single family or duplexes to \$95,000. The Minnesota Housing Finance Agency program has been able to help approximately 118 CO-OP Northwest households become homeowners each year.<sup>10</sup>

#### Community Rehabilitation Program

This program provides financial assistance to cities for the purchase of blighted, vacant or abandoned properties for renovation. The rehabilitated homes are then sold to low and moderate income households. This program is funded through the Minnesota Housing Finance Agency. All cities within the CO-OP Northwest area have used the Community Rehabilitation program (formerly the blighted property acquisition grant) at various times to provide affordable housing to low income households. In the five city area, approximately 5 to 10 households per year are assisted through this program.<sup>11</sup>

#### Land Trust Grant Program

This Minnesota Housing Finance Agency program grants funds to cities to establish Public Land Trusts for the purpose of constructing new single family homes for low- and moderate-income households. The house is sold to the resident but the land remains a city asset. Since lot costs are high this enables a lower income household to purchase a better house without the land expense. While a number of cities have received grants through this program there have been some problems with implementation.

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<sup>9</sup>Minnesota Housing Finance Agency

<sup>10</sup>Northwest Hennepin Human Services Council

<sup>11</sup>Northwest Hennepin Human Services Council

### HOME Grant

The HOME program provides financial assistance for rental and home ownership projects for low and moderate income families. The intent of HOME is to expand the capacity of local governments and non-profits to provide decent and affordable housing. The HOME grant program is sponsored by HUD and administered through Hennepin County. Funds are accessible to the five cities and CO-OP Northwest Community Revitalization Corporation, a non-profit community housing development organization (CHDO). Currently, the funds are being used by the CHDO to provide second mortgages to make the housing affordable for low and moderate income households in the five cities.

### Habitat for Humanity

This program provides volunteer and material assistance to provide housing for low and moderate income households. Through the CO-OP Northwest Planners Group, the five cities have identified and/or donated sites or homes for the possible construction or rehabilitation of single family housing by Habitat for Humanity. Habitat for Humanity is a non-profit organization which uses volunteers to rehabilitate and construct new single family homes for low- and moderate- income households. To be eligible for this program households must earn less than 80% of the area median income and put in 350 hours of sweat equity. Habitat homes are sold to families at two-thirds of market value through a 0% interest mortgage. The program is administered through Habitat for Humanity. There has been one home in the CO-OP Northwest area constructed in 1993.

### Lot Conversion

This program provides an opportunity for lot enlargement and housing expansion. The program encourages adjoining two existing lots into one larger lot. The intent is to provide an avenue for upgrading existing homes. Many of the existing lots are fairly small, with a double-size lot a household is able to expand their home and yard without leaving the area. The program is administered through the City of Crystal. To be eligible for this program, the household must reside in Crystal.

### City & Private Partnerships

Partnerships between the city and private agencies are being established to improve the housing stock and promote neighborhood stabilization. The partnerships are being formed with various sectors of the community, encouraging private investment. The City of Crystal is attempting to coordinate with local lenders to provide financing to single family home owners for housing upgrades, additions, and rehabilitation endeavors. The City of Brooklyn Park formed a limited partnership with rental property owners to procure \$23 million in rental renovations. The City of New Hope joined forces with housing developers to construct barrier-free housing and senior housing rental units.

The housing activities sponsored by the cities have targeted problems of affordability for low and moderate income households and issues of stabilizing neighborhoods and maintaining existing housing stock. The cities have become engaged in a diverse set of activities to achieve this end. An important aspect to the single family housing programs is the scattering of assisted residences. Data shows when poverty begins to concentrate in an area, the poverty becomes more concentrated and the

problems worsen.<sup>12</sup> A scattered site approach has smaller effects on the surrounding neighborhoods, while benefitting the assisted households. Persons living in scattered site assisted housing are more likely to find a job, be paid more, and/or further their education than persons living in concentrated assisted housing sites.<sup>13</sup> The programs administered by the five cities are helping an increasing number of households. However, the number of households in the area eligible for such assistance has also increased over the last ten years.

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<sup>12</sup>The Citizens League, *The Case for a Regional Housing Policy in the Twin Cities Metropolitan Area*

<sup>13</sup>James Rosenbaum, Northwestern University Center for Urban Affairs and Policy Research, 1989.

## APPENDIX D

### HOUSING POLICIES IN THE CO-OP NORTHWEST AREA

In general, the goal of the housing policies in all five cities is to create a viable environment for all residents. According to municipal staff, the policies protect the rights of property owners and renters, protect the environment, encourage crime prevention and reduction, and maintain housing health and safety quality standards.

Housing policies guide housing activities and regulations. The housing policies of the five cities, taken from the comprehensive plans of the cities have common goals but varying strategies on how to achieve those goals. In all five cities' housing policies, there were three similar goals: 1) upgrade and maintain the housing stock, 2) maintain and strengthen the character of individual neighborhoods, and 3) provide housing affordable to low and moderate income households. Housing goals which were adopted by some but not all cities included: providing a variety of housing types and promoting rehabilitation and redevelopment endeavors; encouraging a creative approach to land use and residential development; and addressing nontraditional programs such as tenant services and management assistance.

The focus of the housing strategies is residential viability; however, the specific policies differed based on issues specific to each city. The City of Brooklyn Center's strategies place emphasis on community involvement, education and awareness. The strategies of Brooklyn Park focus on improving the city's image and encouraging innovative housing design. The policies of Crystal center on protecting and enhancing the natural environment through quality landscape design. The policies of New Hope stress the location and linkages of housing. The City of Robbinsdale's strategies advocate neighborhood preservation.

The housing policies are enforced through various regulations and codes. Changes in regulations and codes are communicated to the public through the local newspaper, city newsletter, public meetings, public access cable television stations, printed handouts, and contact through private organizations such as banks and realtors.

The housing codes are enforced through city building/housing inspectors, planning commissions, and police officers. City staff indicate their regulatory efforts seem to have a good impact on the housing stock. They create a safe and quality environment. They maintain or upgrade the property values of the city which in turn maintains the tax base for the city. A brief description of the codes follows.

#### Housing Maintenance Code

All five cities have housing maintenance codes to establish minimum standards and procedures for safe, sanitary, and adequate housing. The objectives of the housing maintenance codes are to: protect the residential character of a neighborhood; insure health and safety of residents through lighting, ventilation, cooling, heating, and maintenance standards; prevent overcrowding; and



preserve land and housing values. The overall goal of the maintenance codes is to regulate the quality of housing. The housing maintenance codes are enforced by city housing inspectors to eliminate violations and nuisance conditions.

#### Point of Sale Inspections

The cities of Crystal and New Hope conduct Point of Sale Inspections. At the time a residential property is sold, an inspection is done to make sure the housing unit complies with the city's housing maintenance code, which includes sections of the Federal Uniform Building Code. If the structure violates a building code, the violation must be corrected by the seller before the sale can take place.

#### Rental License Inspection

All cities have a multi-family rental housing licensing program. An inspection of the multi-family complex is done annually in order to regulate safety and health standards. The inspection must be passed for licensure. In Brooklyn Park and Brooklyn Center, individual rental units are licensed. This procedure allows action to be taken against an individual unit without effecting the entire building (see Conduct on Licensed Premise).

#### Conduct on Licensed Premise

Brooklyn Park and Brooklyn Center have a conduct on licensed premise ordinance. In order to create a safe environment for all residents, the landlord/owner is responsible for the action of all residents and guests. If an apartment unit receives three police calls within three months the landlord must evict the tenant and the city has the right to revoke the license on the unit if management does not follow through. Rental managers receive monthly police reports for their building. In the two years this ordinance has been in effect no license revocations have taken place.

#### Community Oriented Policing (COPs)

Brooklyn Park and Brooklyn Center have Community Oriented Policing programs. Brooklyn Park currently has four full-time staff in the COPs program. They patrol areas of high density multi-family housing on foot or bicycles. The staff is expected to increase to 6 or 7 full-time personnel within the year. Brooklyn Center has assigned police officers to each rental property. The police officers frequent the complex to which they are assigned. City staff reports that with higher visibility and familiarity, the police force has established a rapport with residents which has led to a decrease of crime in high density residential areas.

# **CITY OF NEW HOPE**



## **HOUSING PROJECTS AND PROGRAMS**

## NEW HOPE HOUSING PROJECTS AND PROGRAMS

1. CO-OP Northwest
2. CO-OP Northwest Community Revitalization Corporation

### PAST PROJECTS

3. 7109 62<sup>nd</sup> Avenue North - Rehabilitation
4. 7901/7909 51<sup>st</sup> Avenue North - New Construction - Handicapped Accessible Twin Home
5. 6073/6081 Louisiana Avenue North - New Construction - Handicapped Accessible Twin Home
6. 6067 West Broadway - Demolition/New Construction
7. New Hope Apartments - Multi-Family Rehabilitation
8. Renters' and Landlords' Forums

### CURRENT PROJECTS/PROGRAMS

9. 5212 Winnetka Avenue North - Single Family Extensive Rehabilitation (currently for sale)
10. 9116 31<sup>st</sup> Avenue North - Single Family Rehabilitation (currently under construction)
11. 5629 Wisconsin Avenue North - Single Family Acquisition/Demolition/New Construction
12. Sandpiper Cove Townhomes Housing Improvement Area
13. PPL/Bass Lake Road Redevelopment
14. 7621 62<sup>nd</sup> Avenue North - Acquisition of 4-Plex
15. 1998 Remodeling Fair
16. GMMHC Resource Center
17. Suburban Plan Book Project

## 1. **CO-OP NORTHWEST**

CO-OP Northwest is a collaborative effort involving cities, school districts, community groups and other organizations in the northwest Hennepin County suburbs. Begun in 1991, CO-OP Northwest now has more than 115 members, coordinated by Northwest Hennepin Human Services Council, dedicated to improving the image, opportunities and quality of living for residents of the area.

### **A Collaboration**

**CO-OP Northwest is supported by the following:**

- **The cities** of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale;
- **The school districts** of Anoka-Hennepin 11, Osseo 279, Robbinsdale 281; Brooklyn Center 286; Intermediate District 287-Hennepin Technical College and North Hennepin Community College;
- **Government** units, including Hennepin County and the Metropolitan Council.

### **A Common Purpose**

**CO-OP Northwest focuses on:**

- Maintaining and improving commercial and residential property;
- Improving access to quality, affordable housing for all;
- Bringing support services into neighborhoods;
- Developing innovative approaches to improving the quality of life of people in the communities;
- Energizing and appreciating the unique qualities of all cultures in the northwest suburbs.

### **Achieving Success**

- ✓ **Obtaining grants to fund programs;**
- ✓ **Creating job training, housing, education and human service programs;**
- ✓ **Sharing ideas and resources.**

# CO-OP northwest

Communities Organizing Opportunities  
for People

## CO-OP NORTHWEST RESULTS

Communities Organizing Opportunities for People (CO-OP) Northwest is a holistic effort to address the housing, human service and jobs and training needs in the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. The effort, coordinated and administered by Northwest Hennepin Human Services Council, involves 125 participants and organizations. A number of unique projects have resulted from this collaborative effort to date.

**The Community Housing Development Organization (CHDO)** called the CO-OP Northwest Community Revitalization Corporation has been developed to provide affordable housing for low and moderate income residents of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. The CHDO has been awarded \$474,100 in HOME funds to rehab housing in the five cities and provide homeownership opportunities for low and moderate income residents, and rental housing for a low income special needs population. The CHDO has secured \$1 million in mortgage revenue bond funds through the MHFA Community Activity Set-Aside program which will be used to provide mortgages to first time homebuyers at an interest rate of 6.85%. CO-OP Northwest will also be using a \$50,000 cooperative planning grant from the State of Minnesota to **develop regional strategies and systems to implement cooperative housing programs** in northwest Hennepin.

**The Northwest Community Law Enforcement Project** has been provided with \$92,095 from Hennepin County to provide jobs and training to persons of color living in northwest Hennepin County so that project participants can become police officers in the northwest Hennepin County area. The funds are used to provide assistance, support services and wages to project participants working towards their goal of becoming police officers in northwest Hennepin County. CO-OP Northwest received \$200,000 from the 1995 Minnesota Legislature to continue and expand the project during Fiscal Years 1996 and 1997.

**The Human Services Enterprise Zone** is a pilot project with the mission of re-designing the human services delivery system in northwest Hennepin County. The project encourages providers to work together to streamline the system so that services are delivered more efficiently in a way that helps recipients overcome barriers to self-sufficiency. The project will increase the self-sufficiency of social service recipients in the CO-OP Northwest area so that they can support themselves with less help. The project is being funded through a \$50,000 grant from MHFA.

**Northwest Community Job Bank Project** is an initiative to establish employment and training services at community-based sites, including emergency service agencies, community centers, apartment communities and mobile home parks to provide unemployed and underemployed residents with access to employment and work readiness services. HIRED was selected to operate the job banks. Paid and volunteer staff at the sites will receive training so that they can integrate employment and work readiness and services with the other services they provide. The program is funded through a \$100,000 grant from the McKnight Foundation.

**Cultural Diversity** has been addressed through the development of a program to increase understanding of diversity in the community and enhance awareness of ways to be inclusive through policies, training and community projects in each of the five cities. The project is funded through a \$16,000 grant from the Minneapolis Foundation. CO-OP Northwest members have been meeting to develop a strategy for community responses to acts of racism in a quick and unified manner. Workshops have been held on issues of diversity and to learn how to lead group discussions on the issue of racism.

**An Enhanced Housing Initiative** pilot project has been undertaken to create a more supportive community for apartment residents through the formation of a residents' association and increase access to social services. The Enhanced Housing Initiative will be studied and replicated in apartment communities in the CO-OP Northwest cities. That project is funded through a three-year \$53,200 grant from the McKnight Foundation. In addition a **needs assessment** was performed of lower income apartment residents living near the Community Resource Center. The needs assessment will be used to determine resident concerns, find-out what services residents value and evaluate the services provided.

For more information call Northwest Hennepin Human Services Council at 493-2802.



Coordinated by NORTHWEST HENNEPIN HUMAN SERVICES COUNCIL

7601 Kentucky Avenue North, Brooklyn Park, MN 55428 (612) 493-2802 Voice/TDD Fax (612) 493-2713

CO-OP Northwest is a collaboration that offers equal opportunities for all people in the northwest Hennepin suburbs.

# CO-OP *northwest*

Communities Organizing Opportunities  
for People

## CO-OP Northwest Organizational Chart

CO-OP Northwest holistically addresses quality of life issues for residents of the northwest Hennepin County area by working to improve housing, human services and job and training issues.

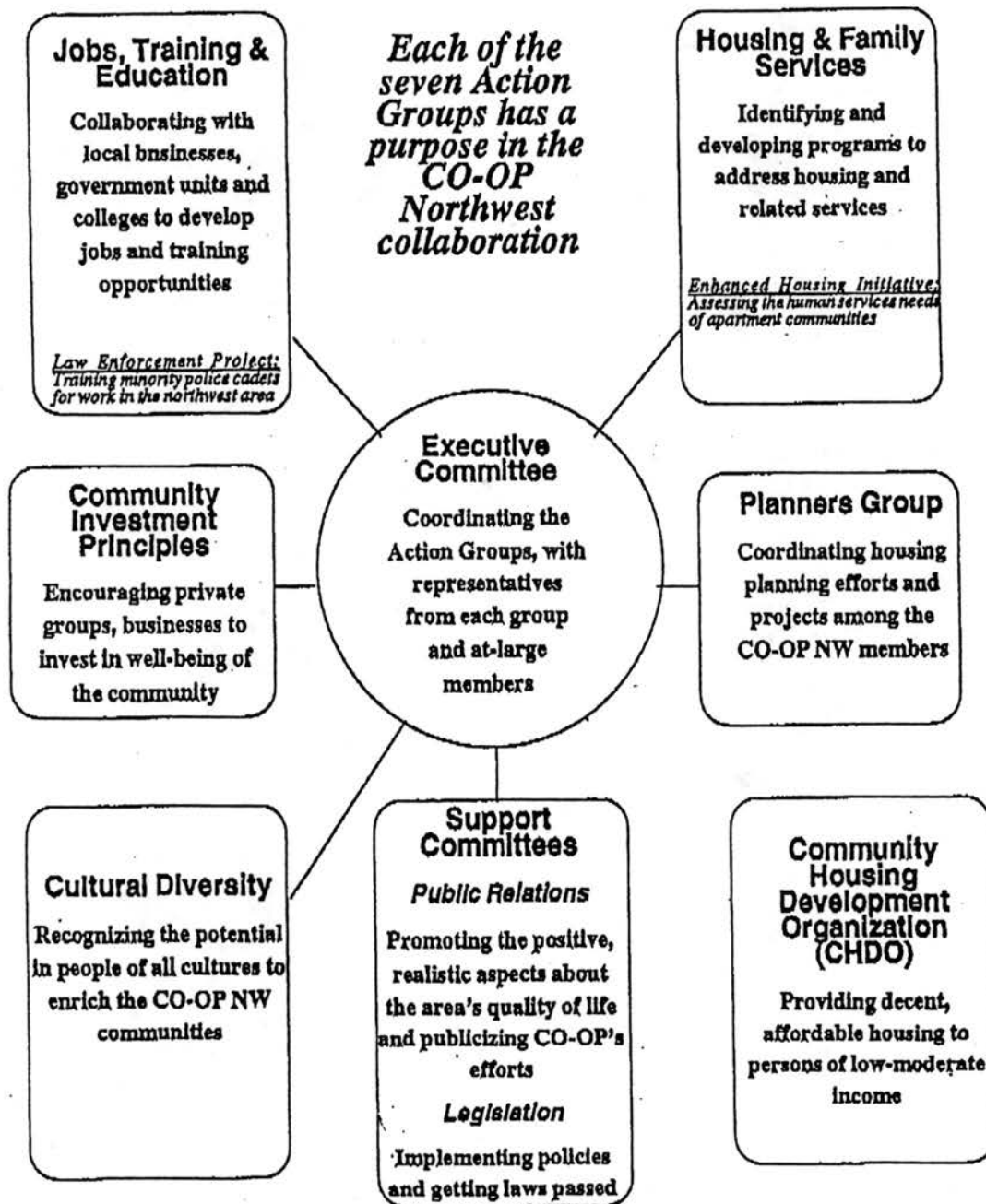


Chart courtesy of the City of Brooklyn Park August 1993



Coordinated by NORTHWEST HENNEPIN HUMAN SERVICES COUNCIL

7601 Kentucky Avenue North, Brooklyn Park, MN 55428 (612) 493-2802 Voice/TDD Fax (612) 493-2713

CO-OP Northwest is a collaboration that offers equal opportunities for all people in the northwest Hennepin suburbs.

2. **CO-OP NORTHWEST COMMUNITY REVITALIZATION CORPORATION**

The CO-OP Northwest Community Revitalization Corporation was formed in 1993 when the New Hope Community Revitalization Corporation amended its bylaws and articles of incorporation to expand the organization to serve the cities of Brooklyn Center, Brooklyn Park, Crystal and Robbinsdale. The Corporation is a non-profit 501(c)(3) Community Housing Development Organization (CHDO) designed to serve affordable housing needs. The CHDO is supported by the five cities which provide project development and implementation oversight. Northwest Hennepin Human Services Council provides professional support, grant writing, and administrative oversight. Project for Pride in Living is also contracted with to provide development consultation to the CHDO.

Current projects involve acquiring properties, rehabbing existing housing for performing new construction, and reselling the property to households with annual incomes of no more than 80% of the area median income. The housing is made affordable to eligible households through the provision of a second mortgage and below market rate first mortgages which both reduce the monthly mortgage payments by the purchaser.

Financing to support the efforts of the Corporation has come from \$274,100 in federal HOME funds which are used to provide second mortgages and \$1 million in MHFA Community Activity Set-Aside (CASA) mortgage revenue bond funds which have been designated for use by the Corporation to provide first mortgages. The fixed interest rate on the CASA mortgages is 6.5%. Matching funds are provided by the five cities. The CHDO also secured \$110,000 in 1995 HOME funds which will support continued homeownership efforts in 1996. Another \$90,000 allocation of 1995 HOME funds will support a special needs rental housing project in partnership with the City of New Hope.

Completed projects in which the CHDO has been involved include:

- ▶ Sale of a rehabbed three-bedroom home in Robbinsdale;
- ▶ Construction and sale of a handicap accessible home in New Hope, and
- ▶ Sale of a newly constructed four-bedroom home in Robbinsdale.

City staff have taken the lead in completing many of the housing projects. There are several housing projects currently underway. Additional projects have been proposed for 1996. Projects completed, currently underway, and proposed for the future will support homeownership opportunities for approximately 20 low and moderate income households. Homebuyers are required to take part in homebuyer training programs.

The 15-member CO-OP Northwest Community Revitalization Corporation Board includes one-third low and moderate income residents, one-third private sector representatives, and one-third of the members are selected by each of the five cities.

CO-OP Northwest Community Revitalization Corporation is a truly innovative collaboration which has been successful in creating affordable housing opportunities for low and moderate income families and in stabilizing neighborhoods in the Northwest Hennepin suburbs.

3. **7109 62ND AVENUE NORTH - REHABILITATION**

7109 62nd Avenue North is a residential property purchased by the City of New Hope EDA from HUD in November 1993. The site has been vacant for over one year. The dimensions of the rectangular lot were 248' x 66' and contained 15,840 square feet. The lot faces north on 62nd Avenue North which is a minor arterial road running east/west. The site is zoned R-1 Single-Family Residential. The site is bordered on the north, across 62nd Avenue North (in Brooklyn Park) by R-1 properties, on the west by R-1 properties, on the south by an R-4 High-Density Residential District, and east, across Louisiana Avenue (in Crystal) by an R-1 District. The house is one story and was in fair condition with a poor floor plan. It was built around 1952, and has a total of 741 square feet. The main floor consists of a living room, kitchen, bathroom and two bedrooms. There is a 24' x 22' detached garage in fair condition. There is also a 12' x 12' cement patio slab off the back of the house. A gravel driveway is located off 62nd Avenue North and the lot had minimal landscaping. Due to the size and condition of the house, the City of New Hope determined that the structure must be renovated. Renovations included a new roof, windows, interior wall, ceiling, floor treatments, and improvements to the heating system. Upon completion of the renovation, the house was sold to a low/moderate income New Hope family.

The City received a \$60,000 grant from the MHFA for this project. Rehabilitation and landscaping of this property was completed in October 1994 (see attached rehab specifications). The City purchased the property for \$36,263 using MHFA grant funds. The total cost of rehabilitation was \$31,660 and was paid for through CDBG Scattered Site Housing Funds. In September 1994, the house was appraised at \$57,900 and a sales price was set at \$59,900. The difference between the sales price and the cost of purchasing and rehabilitating the home was paid for through MHFA grant funds. The house was put up for sale during October 1994, and there was an open house on October 30th for people interested in purchasing the home. Persons interested in purchasing the property were given an application form. After the City received completed application forms, a lottery was held on November 18th. The winner of the lottery was first-time homebuyer Daren Mattson, a long-time resident of New Hope. After winning the lottery, Mr. Mattson was referred to Marquette Bank New Hope to be approved for the loan. In November 1994, the EDA passed a resolution authorizing staff to publish a notice and conduct a public hearing on the sale. At the December 12, 1994 meeting, the EDA held a public hearing and passed a resolution authorizing the sale of the property. The closing was completed in January 1995. The proceeds from the sale of the home were used to fund other scattered site housing projects. Prior to the sale, the City split off the rear portion of the lot to combine with the City-owned property to the south to accommodate future construction.



63 RD AVENUE N

Attachment D

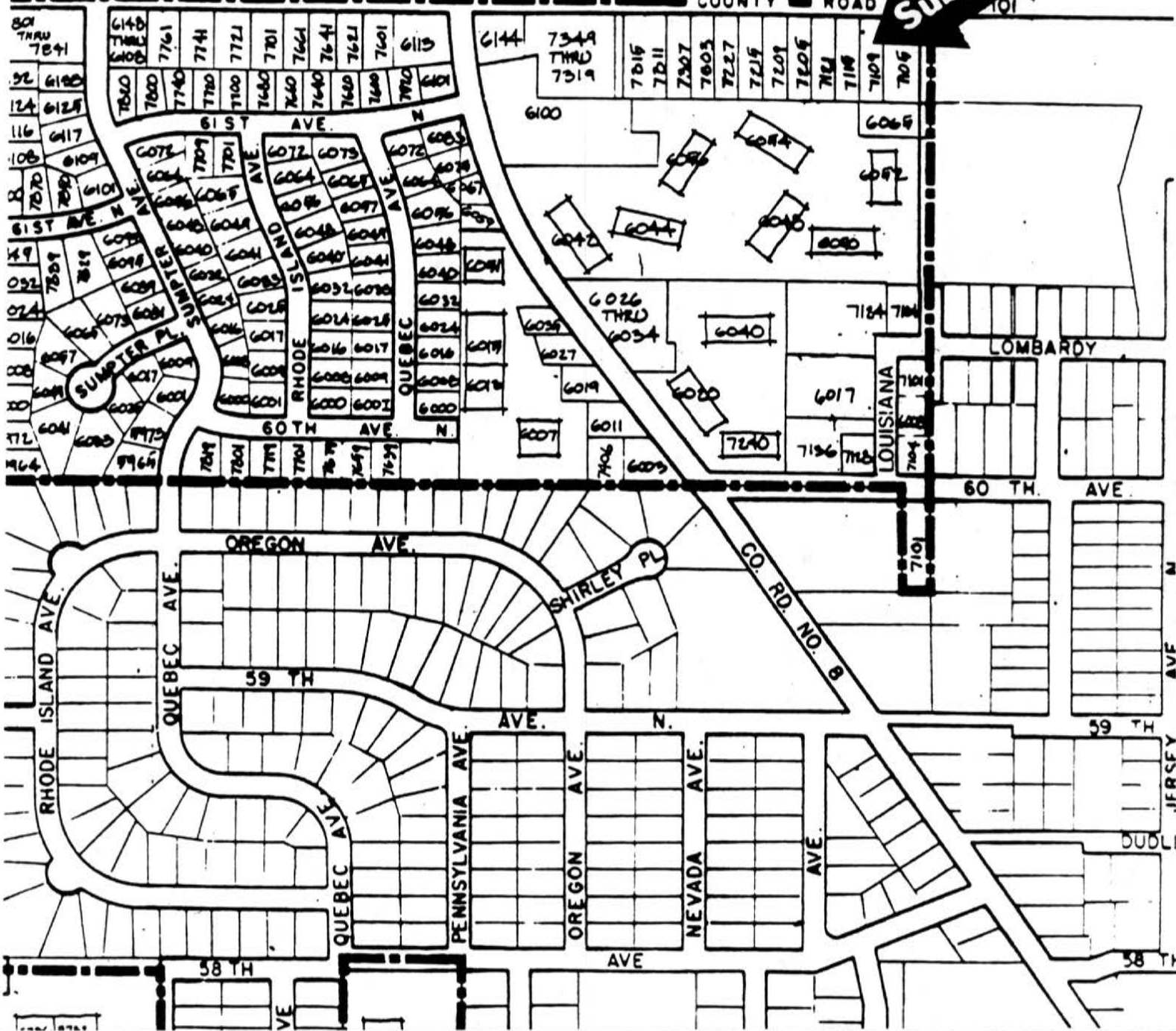
# BROOKLYN PARK

SUMPTER AVE

RHODE ISLAND AVE

WEST BROADWAY

COUNTY ROAD



CITY OF NEW HOPE

RESOLUTION NO. 92-24

RESOLUTION DESIGNATING  
62ND AVENUE NORTH/WEST BROADWAY NEIGHBORHOOD  
FOR MINNESOTA HOUSING FINANCE AGENCY BLIGHTED RESIDENTIAL  
PROPERTY ACQUISITION AND REHABILITATION PROGRAM  
GRANT APPLICATION

WHEREAS, the Minnesota Housing Finance Agency has announced the availability of \$1,750,000 in grants to cities for the improvement of blighted properties in neighborhoods designated by applying cities for neighborhood preservation; and

WHEREAS, funds will be awarded to cities in the form of a grant for designated neighborhoods and may be used to make loans or grants for financing the acquisition/demolition of blighted properties, to provide gap financing for rehabilitation of blighted properties, or to provide gap financing for construction of new housing on blighted properties; and

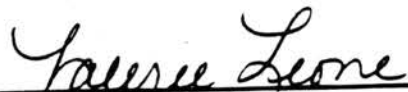
WHEREAS, only one application per neighborhood is permitted, no more than two neighborhoods per city will receive grants, and each neighborhood must be designated by City Council resolution for neighborhood preservation; and

WHEREAS, the City of New Hope desires to designate two neighborhoods for preservation; one of which is defined as the 62nd Avenue North/West Broadway Neighborhood #2, which includes all single family homes located on the south side of and fronting onto 62nd Avenue North between Louisiana Avenue North and West Broadway and on the west side of West Broadway from 62nd Avenue North to the City's boundary, and which includes the residences specifically identified by address on the Neighborhood #2 attachment.

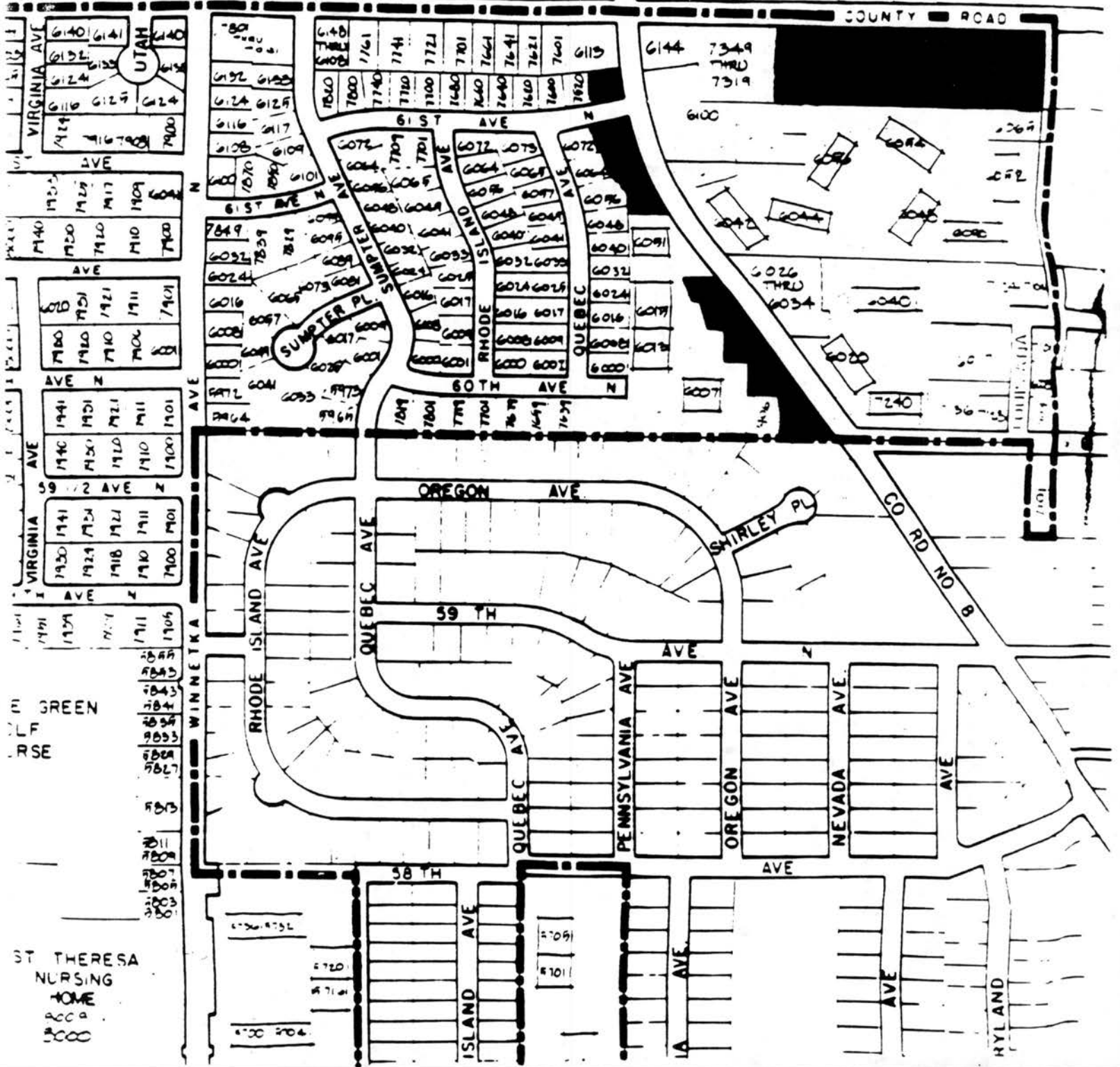
NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of New Hope, Minnesota, hereby designates the 62nd Avenue North/West Broadway neighborhood for the Minnesota Housing Finance Agency Blighted Residential Property Acquisition and Rehabilitation Program.

Adopted by the City Council of the City of New Hope, Hennepin County, Minnesota. this 27th day of January, 1992.

  
\_\_\_\_\_  
Mayor

Attest:   
\_\_\_\_\_  
City Clerk

# BROOKLYN PARK



ST THERESA  
NURSING  
HOME  
8000  
8000  
8000



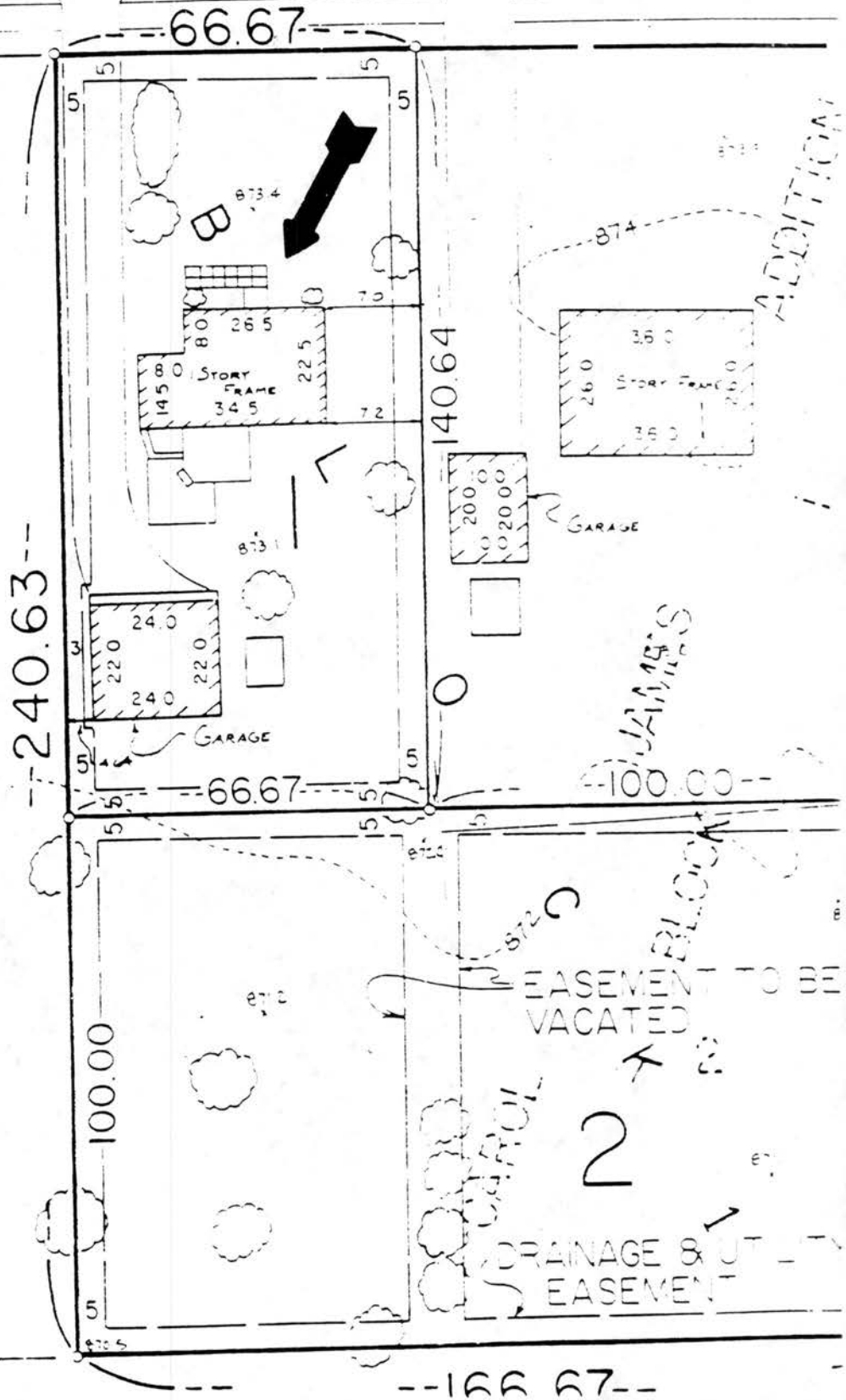
Front View



Side and Rear View

62 ND AVENUE NORTH

OSSEO ROAD  
AKA WEST BROADWAY



66.67

240.63

140.64

66.67

100.00

100.00

166.67

ADDITION

EASEMENT TO BE VACATED

2

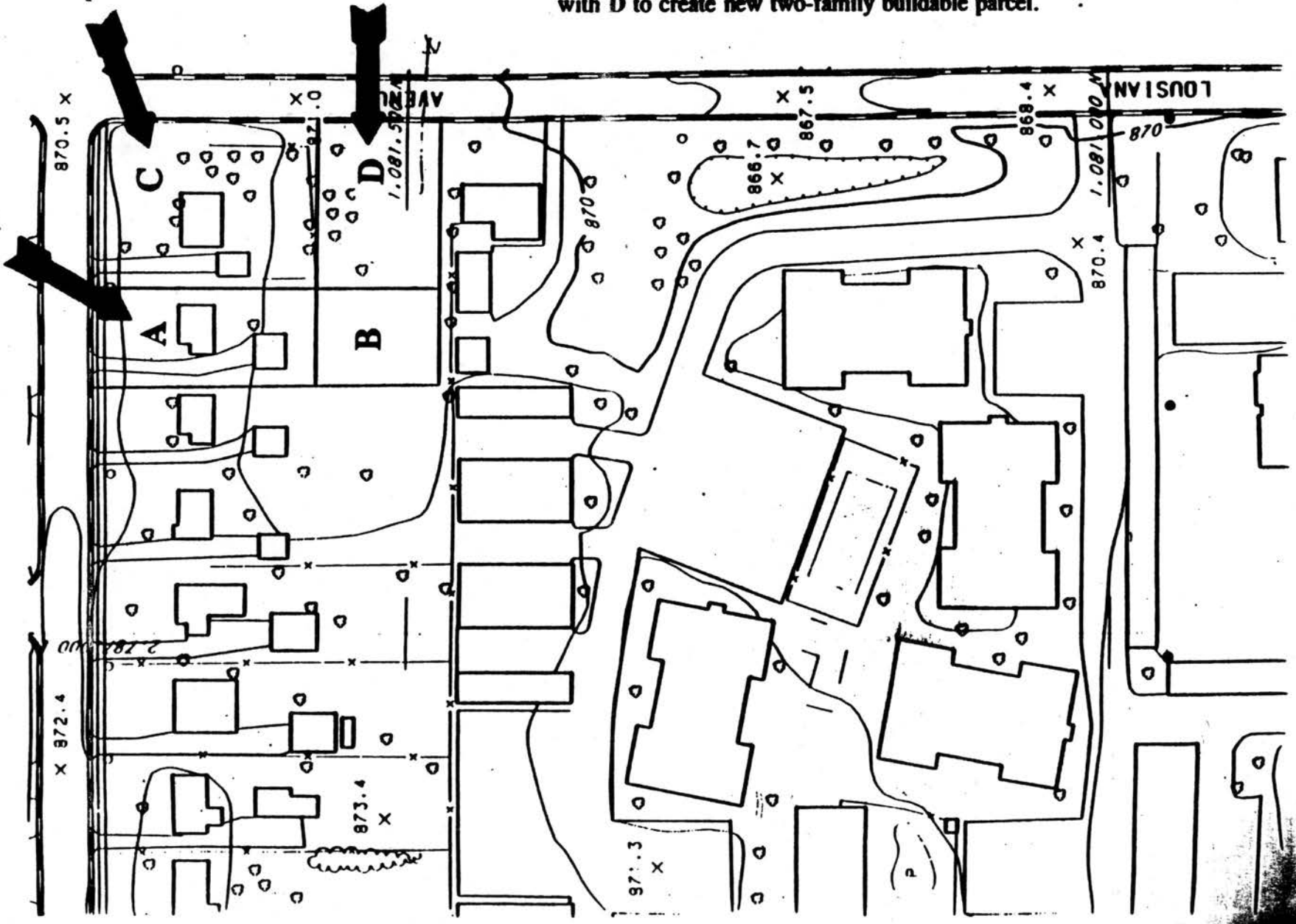
DRAINAGE & UTILITY EASEMENT

BLOOM

7109 62nd Avenue

7105 62nd Avenue

6073 Louisiana Avenue



A/B = 7109 62nd Avenue, City-owned site with house to be rehabilitated

C/D = 7105 62nd Avenue, Property owner desires to subdivide and split off southerly half of property.

B/D = B would be split off from existing City-owned property and combined with D to create new two-family buildable parcel.

4. **7901/7909 51ST AVENUE NORTH - NEW CONSTRUCTION COMPLETED - HANDICAPPED ACCESSIBLE TWIN HOME**

In February 1994, the City of New Hope purchased a dilapidated HUD property located at 51st and Winnetka Avenues. The house was purchased with the intent to demolish the structure and build a handicap accessible twin home on the site. The house was demolished by using it as a test burn site for the New Hope Fire Department. Demolition was completed and an accessible twin home design was approved in March and April 1995. Construction of the twin home began in May and was completed in September 1995.

The handicap accessible twin home was built to provide homeownership to low and moderate income persons or families with accessibility needs. The City marketed the property through local papers, newsletters, cable television, and publications and organizations that target the disabled population. Marketing began in early spring and the City had numerous requests about purchasing the twin home. Purchase agreements were signed during construction and both units were sold upon completion of the twin home.

The construction of the twin home was funded in part with Federal CDBG (Community Development Block Grant) and HOME funds, in conjunction with the 5-City CO-OP Northwest Community Revitalization Corporation. Other funding for the project included City of New Hope EDA funds and proceeds from the sale of the units.

Each unit sold for \$85,000 and included a \$70,000 first mortgage and a zero interest \$15,000 second mortgage. 6.85 percent first-time homebuyer interest rates were available to the purchasers, therefore their total mortgage payment (including principle, interest, taxes, and insurance) is \$580 per month.

Due to the interest and success of the twin home built at 51st and Winnetka Avenues, a similar twin home is being built on another City-owned property. This twin home will also provide homeownership opportunities for the disabled population.

**CITY OF NEW HOPE****PROJECT BULLETIN****HANDICAP ACCESSIBLE TWIN HOME TO BE BUILT AT  
7901/7909 51ST AVENUE NORTH****Overview**

As you were previously notified, the City of New Hope purchased the vacant single family HUD home located on the corner of Winnetka and 51st Avenue in February, 1994, as part of the City's Scattered Site Housing Rehabilitation Program. For several weeks last summer the house was used as a test-burn training site for the New Hope Fire Department. Upon completion of the training, the house was demolished and the site was cleared and made ready for development.

During the winter, the City worked with a designer/architect on a twin home design that would be fully accessible to people with disabilities. On April 10, 1995, the New Hope City Council awarded the construction project to Equal Access Homes.

The twin home will be accessed off of 51st Avenue, will be one story, and will blend in with the surrounding architecture (please see the attached site plan and elevation). One of the units is already sold and the other is being marketed for homeownership. The site will be landscaped once construction is complete.

**Sewer and Water**

One sewer and water service currently exists to the site. Because each unit will be owned individually, a second service must be installed from the street. On April 10, 1995, the New Hope City Council awarded G. L. Contracting the contract for sewer and water service installation. Installation will take place in conjunction with the construction of the twin home.

**Construction Schedule**

Construction of the twin home will be started immediately and will be completed in August.

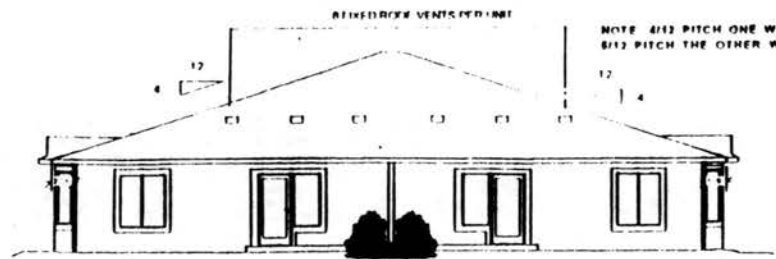
New Hope City Code states that construction can occur between 7:00 a.m. and 10:00 p.m., Monday through Friday, and 9:00 a.m. to 9:00 p.m. on weekends or holidays.

**Contact Persons**

If you have questions or concerns during construction, please call Sarah Belleful, Administrative Analyst, at 531-5137, or Kirk McDonald, Management Assistant/Community Development Coordinator, at 531-5119.

The City appreciates the cooperation of all businesses and residents in the area that may be impacted by the construction during this project. The completion of the project will result in an improved lot, an increased tax base and homeownership opportunities for the disabled. Thank you for your cooperation.

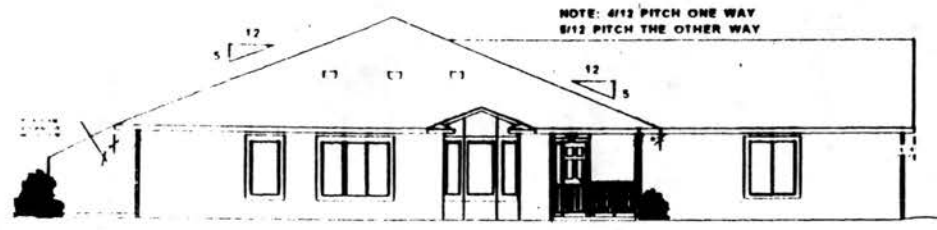




NOTE: 4/12 PITCH ONE WAY  
8/12 PITCH THE OTHER WAY

- \*ALUMINUM SIDING MATERIAL
- \*ALUMINUM SOFFIT FACIA MATERIAL
- \*2X6 TRIM AROUND ALL WINDOWS & DOORS
- \*8 FIXED ROOF VENTS PER UNIT

BACK  
1/8" = 1'-0"



NOTE: 4/12 PITCH ONE WAY  
8/12 PITCH THE OTHER WAY



NOTE: 4/12 PITCH ONE WAY  
8/12 PITCH THE OTHER WAY

LEFT  
1/8" = 1'-0"

RIGHT  
1/8" = 1'-0"



NOTE: 4/12 PITCH ONE WAY  
8/12 PITCH THE OTHER WAY

FRONT  
1/4" = 1'-0"

1/4" = 1'-0" SCALE  
DATE: 11/21/00  
DRAWN BY: J. G. SMITH  
CHECKED BY: J. G. SMITH  
PROJECT: 11/21/00  
SHEET NO. 1

# Open House

Presented by the City of New Hope

---

**Thursday, August 17**  
**1:30 pm to 5:00 pm**

---

*The City of New Hope has built an accessible twin home at 7901-7909 51st Avenue North. Each unit includes two bedrooms, one bathroom, a kitchen, dining room, living room, laundry room, and an oversized two-car garage. Both units have been sold.*



7901-7909 51st Avenue North, New Hope



Northeast view of the accessible twin home  
built at 51st and Winnetka Avenue North.



Southeast view of the twin home.

5. **6073/6081 LOUISIANA AVENUE NORTH - NEW CONSTRUCTION UNDERWAY - HANDICAPPED ACCESSIBLE TWIN HOME**

The site is a City-owned property that was developed through the purchase and replatting of surrounding properties. In 1993/1994, the City purchased, rehabilitated and sold the property at 7109 62nd Avenue North. As part of that project, the City split off the rear 100 feet of the property due to the depth of the lot. At the same time, the owners of the corner lot located at 7105 62nd Avenue North decided to subdivide their property and sold the rear 100 feet to the City. The City combined both properties to create a new parcel as part of the City's Scattered Site Housing Program. This new lot is roughly 16,600 square feet and faces east toward Crystal Lions Park.

During the second quarter of 1995, staff developed a budget for the construction of a three-bedroom handicap accessible twin home at 6073/6081 Louisiana Avenue. Funds to be used for the project include MHFA, CDBG and EDA funds and a Metropolitan Council Housing and Redevelopment Authority Housing Assistance Loan in the amount of \$125,000. The Housing Assistance Loan will be applied toward the construction of the twin home and will be paid back at the time of sale.

During the third quarter of 1995, staff worked with Charlie Braun, Equal Access Homes, on expanding the two-bedroom design at 7901/7909 51st Avenue into a three-bedroom twin home. The City Council approved plans and specifications and ordered an advertisement for bids on October 9, 1995. The three-bedroom design has similar accessibility features to those present in the two-bedroom unit and is slab on grade construction.

On November 13, 1995 the City Council awarded the construction contract to the low bidder, Michlitsch Builders for \$199,900. Construction of the twin home began immediately after the contract was awarded. Once the contract was awarded, staff began marketing the property for \$95,000 per unit. The City received several inquiries about the property and has one eligible buyer at this time. The City plans on signing a purchase agreement with that family in late January. The City will continue marketing the property and hopes to have both units sold before construction is completed.

The City Council also approved the preliminary plat of the property on November 13th. The final plat was approved on November 27th, and an ordinance rezoning the property from R-1 to R-2 was approved on December 11, 1995.



## CITY OF NEW HOPE

### PROJECT BULLETIN

#### **HANDICAP ACCESSIBLE TWIN HOME TO BE BUILT AT 6073-6081 LOUISIANA AVENUE NORTH**

##### **Overview**

As stated in the project bulletin sent to you on September 29th, the City of New Hope will be constructing a handicap accessible twin home on a City-owned property located at 6073-6081 Louisiana Avenue North. The twin home will be similar in design to the one the City constructed at 51st and Winnetka Avenue North. Each unit of the proposed twin home will include three bedrooms, two bathrooms, a dining room, living room, kitchen, utility room, oversized two-car garage, and will include numerous accessibility features. The units will be marketed as a home ownership opportunity for people with disabilities.

##### **Sewer and Water**

At the October 9th New Hope City Council meeting, the City Council awarded the contract to H & M Asphalt to extend sewer, water and storm sewer to the City-owned property at 6073-6081 Louisiana Avenue. Sewer, water and storm sewer installation is scheduled to begin on November 1st, weather permitting, and will take approximately one week to complete. Louisiana Avenue will be closed for approximately one day during the installation.

##### **Tree Removal**

In order to accommodate the construction of an accessible twin home at 6073-6081 Louisiana, the City will be removing some of the trees currently growing on the property. The trees will be removed during the next few weeks in preparation of construction of the twin home. The City will landscape the property next spring.

##### **Construction**

Building construction is scheduled to begin in the middle of November and will be completed next spring. New Hope City Code states that construction can occur on the site between 7:00 AM and 10:00 PM, Monday through Friday and 9:00 AM to 9:00 PM on weekends and holidays.

##### **Contact Persons**

If you have questions or concerns, please call Sarah Belleful, Administrative Analyst, at 531-5137, or Kirk McDonald, Management Assistant/Community Development Coordinator, at 531-5119.

The City appreciates the cooperation of all businesses and residents in the area that may be impacted by the construction during this project. The completion of the project will improve the site and create home ownership opportunities for the disabled. Thank you for your cooperation.



6. **6067 WEST BROADWAY - DEMOLITION/NEW CONSTRUCTION  
PLANNED FOR 1996**

6067 West Broadway is a residential property purchased by New Hope from HUD, due to a mortgage foreclosure, in October 1995, for \$41,400. There is a one-story, 576 square foot house with a basement currently located on the property. The main floor consists of a living room, dining room, kitchen, bathroom and one bedroom. The basement includes a laundry room and secondary room, which was used as a bedroom. An illegal breezeway has been built between the house and single-car garage. There is a gravel driveway off of West Broadway and landscaping is minimal. The house is located in a neighborhood that has previously been designated by the City Council as blighted. Most of the homes adjacent to this property are well kept and in good condition and this particular property is a detriment to the neighborhood.

The house has been evaluated by the City and Project for Pride in Living (PPL) staff and it has been determined that it is not worth rehabilitating due to its deteriorated condition and a number of building code violations. Therefore, City staff is recommending the house, breezeway, and single car garage be torn down and a two-story house with an attached two-car garage would be built on the site. The City is suggesting building a new home on the current foundation due to the size and configuration of the lot and the setback requirements. If the City removes the basement and rebuilds, variances will have to be approved by both the Planning Commission and City Council.

The total lot area is 8,913 square feet. The lot faces east on West Broadway and is zoned R-1. The site is bordered on the north and south by single family homes, on the east (across West Broadway) by Broadway Village Apartments, and on the west by the back yard of a single family home. Due to the size of the lot, the City has determined that the best use for the site is as a single-family home. The house to be built on the original foundation will have three bedrooms, 1½ bathrooms, a living room, kitchen, dining room, basement, and two-car garage. The building design will be similar to the surrounding architecture; either a cape cod or 1½ story walk-up. The home will be sold to a low/moderate income family.

The City of New Hope is responsible for marketing the home, finding a developer/builder, and overseeing construction. It is estimated that demolition of the house will occur in March and construction will begin in May. Marketing will begin before construction occurs. This will allow a qualified buyer the opportunity to choose the interior colors of the home.

The City of New Hope will work with Marquette Bank New Hope to handle financing for qualified buyers. Home Line has been hired through CHDO to facilitate the application process and determine which applicants qualify to purchase the property. The City will also work with CO-OP Northwest and PPL to determine an achievable sale price and market strategy. City staff will market the property through the City newsletter, local newspaper, and brochures to area realtors and service organizations.

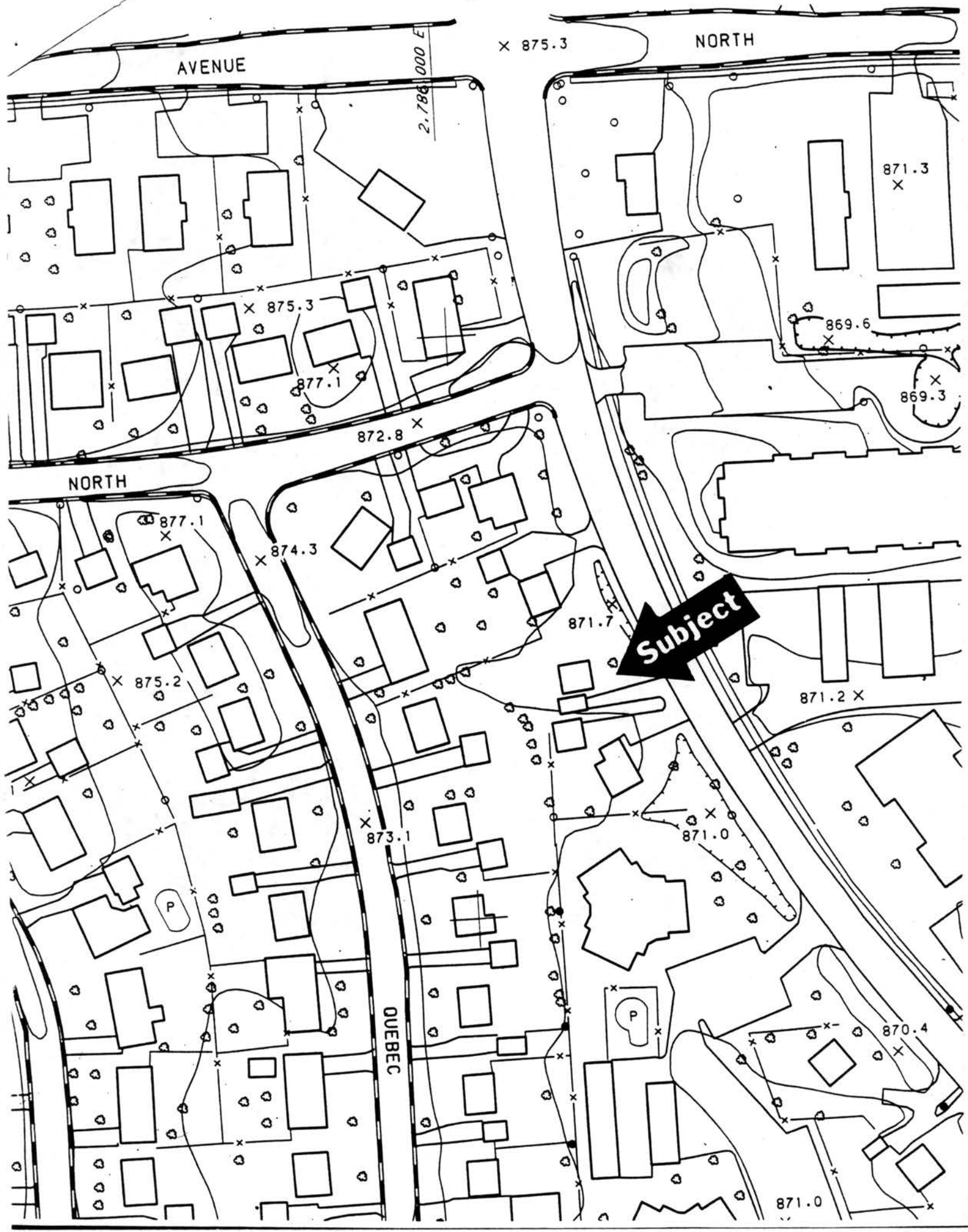
Qualifying homeowners must meet the income guidelines required for HOME-funded projects. City staff estimates that the asking price for the house will be \$80,000. The cost includes a \$75,000 first mortgage and a \$5,000 second mortgage. An income of \$26,000 - \$29,000 is sufficient to purchase the home if the interest rate is 6.85% or below.

# BROOKLYN PARK

**Subject**







AVENUE

X 875.3

NORTH

2,786 000 E

X 875.3

877.1 X

872.8 X

NORTH

877.1 X

X 874.3

871.7

**Subject**

X 875.2

871.2 X

X 873.1

X 871.0

QUEBEC

870.4 X

871.0 X

871.3 X

869.6 X

X 869.3





## REQUEST FOR ACTION

<b>Originating Department</b> City Manager  Sarah Belleful By: Community Development Specialist	<b>Approved for Agenda</b>  6-24-96  By: <i>[Signature]</i>	<b>Agenda Section</b> EDA  <b>Item No.</b> 5
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RESOLUTION APPROVING PLANS AND SPECIFICATIONS AND ORDERING ADVERTISEMENT FOR BIDS FOR CONSTRUCTION OF SINGLE FAMILY HOME AT 6067 WEST BROADWAY (IMPROVEMENT PROJECT NO. 545)

At the April 22, City Council meeting, the City Council directed staff to work with the firm Planning & Design, Inc., to develop plans for the proposed single family home to be located on the vacant City-owned property at 6067 West Broadway.

Plans and specifications have now been prepared and the enclosed resolution approves the plans and specifications and authorizes an advertisement for bids. Pending further input from staff or the EDA on design changes or changes to the specifications, it is anticipated that bids will be opened Thursday, July 18, and considered by the EDA on July 22, with construction to begin immediately.

The City of New Hope purchased the property at 6067 West Broadway from HUD, due to mortgage foreclosure, in October, 1995, for \$41,400. The site was originally inspected by Jean Coone, General Inspector, and the staff at Project for Pride in Living. They recommended that it should be demolished because of its deteriorated condition and numerous code violations. In response, the house was demolished on June 12 - 14, by R.P. Excavating.

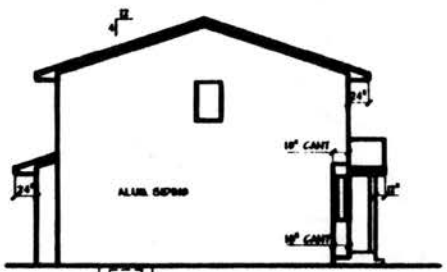
The project is being sponsored by the City in conjunction with the 5-City CO-OP Northwest Community Revitalization Corporation and the Metropolitan Council. It is being funded, in part, with Federal HOME program funds, and CDBG funds. CO-OP Northwest will provide a second mortgage so that the house will be affordable to a person/family with low/moderate income. The City will oversee the construction and upon completion the house will be sold to a qualified first-time home buyer.

MOTION BY *Eric* SECOND BY *Tracy*  
 TO: *Adopt EDA Res 96-13*

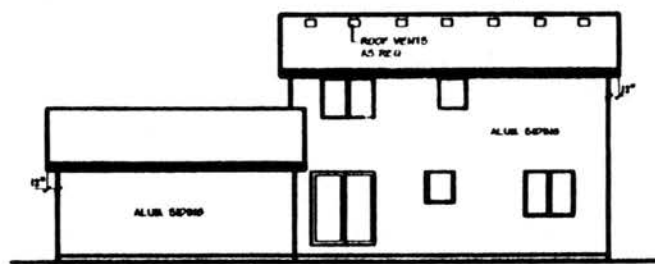
Review: \_\_\_\_\_ Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

A reduced set of plans and specs for the house is attached to this request. The finished house will have three bedrooms, 1½ bathrooms, a living room, dining room, kitchen, dinette, two car attached garage, and a basement. Construction costs to build the new home are estimated at \$90,000. Tom Schuster, the City Forester, will design a landscaping plan for the site which will be presented to the EDA at a later date. The site will be landscaped once construction is complete.

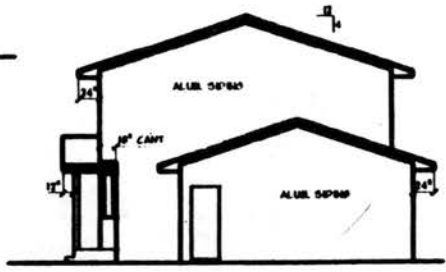
Staff recommends approval of the resolution approving the plans and specifications and authorizing an advertisement for bids for construction of a single family home at 6067 West Broadway.



**LEFT ELEVATION**  
 SCALE: 1/8"=1'-0"



**REAR ELEVATION**  
 SCALE: 1/8"=1'-0"



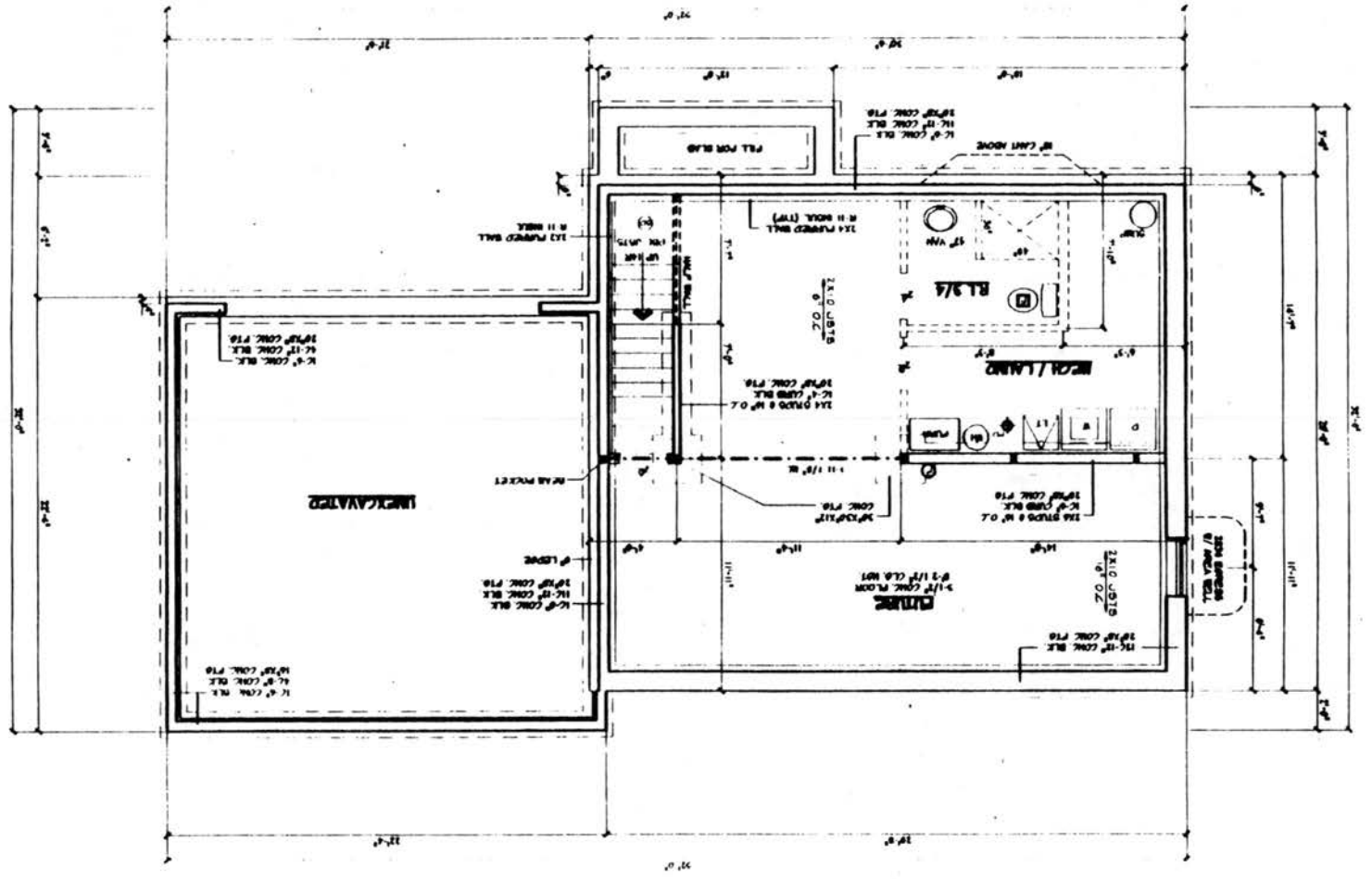
**RIGHT ELEVATION**  
 SCALE: 1/8"=1'-0"



**FRONT ELEVATION**  
 SCALE: 1/4"=1'-0"  
 P.P. 791 SQ. FT.  
 S.C. 832 SQ. FT.  
 101 1,626 SQ. FT.

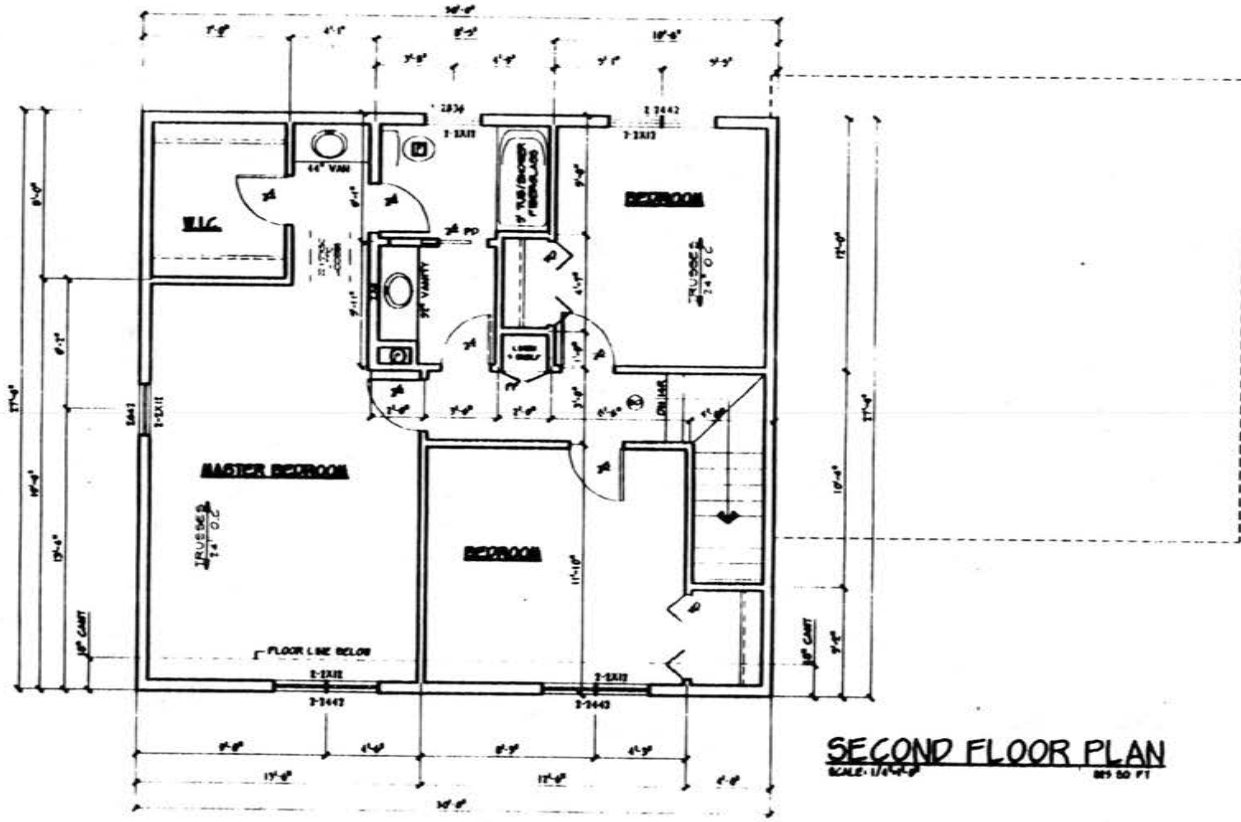
DATE: 02-14-88  
DRAWN BY: [illegible]  
CHECKED BY: [illegible]  
SCALE: 1/8" = 1'-0"

**BASEMENT PLAN**



DP  
PANK & PESA, N.C.  
ARCHITECTS  
101 W. 10TH ST.  
Raleigh, N.C. 27601  
Phone: 848-5368





**SECOND FLOOR PLAN**  
SCALE: 1/4" = 1'-0"

D.P.P.  
**PLANNING & DESIGN, INC.**  
 1077 HERRING RD. S.W.  
 ALBANY, GA 31707  
 PHONE: 404-534-6888



DATE: 02-24-00  
 DRAWN BY: [blank]  
 CHECK BY: [blank]  
 REVISION: [blank]



# House for Sale

New Single Family Home  
6067 West Broadway, New Hope  
Sale Price - \$95,000

Sponsored by:  
The City of New Hope  
& CO-OP Northwest Community Revitalization Corporation



6067 West Broadway, New Hope

- ◆ New construction
- ◆ 1,600 square feet finished
- ◆ Attached double car garage
- ◆ Three bedrooms
- ◆ 1 1/2 bathrooms
- ◆ Appliances included in purchase

**Financing:** 6.9% fixed rate financing is available to first time home buyers. A 30 year mortgage would require an estimated monthly payment of \$765.00 (includes property taxes and insurance). In addition, monthly payment assistance may be available to qualified buyers. Payments are based on a FHA loan of \$85,000 (includes MIP). The buyer is responsible for closing costs and prepaids and the seller is to pay two (2) discount points. The annual percentage rate is 7.5%.

A \$10,000 30-year deferred second mortgage is due on transfer. No interest and no payments. Annual percentage ratio of second mortgage is 0.00%. The second mortgage is not limited to first time home buyers.

If you would like more information, contact Sarah Belleful, City of New Hope, at 531-5137.

*See the back of this sheet for information about eligibility criteria.*

7. **NEW HOPE APARTMENTS - MULTI-FAMILY HOUSING REHABILITATION**

In September 1993, the EDA approved a Multi-Family Housing Financial Assistance Policy to address requests for funding assistance for building rehabilitation/renovation work from owners of multi-family dwellings in the City. In February 1994, a loan proposal was approved for New Hope Apartments (four 12-unit buildings) in rehab work. The closing on the loan was completed in June and the renovation work was started in July. A substantial amount of work was completed during the third and fourth quarters of 1994 and several payment requests were approved, subject to recommendations from the Inspections Department. At the November 14, 1994, EDA meeting, the EDA approved an additional \$20,000 loan to cover additional unanticipated expenses including a new fire alarm system. This project continued during 1995 and the project should be finalized in the spring of 1996. Staff has been pleased with the cooperation of the owners and the overall execution of the rehabilitation project. Staff is interested in undertaking a similar project at another multi-family housing complex in 1996.

EDA RESOLUTION NO. 93-13

RESOLUTION APPROVING MULTI-FAMILY  
HOUSING POLICIES  
(PROJECT #510)

- WHEREAS, the City of New Hope contains over 3,839 units of rental multiple unit housing; and
- WHEREAS, many of those units have been constructed during the period from 1960 to 1979; and
- WHEREAS, many of those units have begun to show signs of aging and obsolescence; and
- WHEREAS, many private owners are having difficulty obtaining private capital necessary to rehabilitate and properly maintain their units; and
- WHEREAS, many of these rental housing projects have been subjected to the real estate recession that has involved most of the United States as well as the metropolitan area; and
- WHEREAS, this housing stock, if maintained, can provide a decent, safe, and desirable source of affordable housing for the current and future residents of New Hope; and
- WHEREAS, the City of New Hope Economic Development Authority (EDA) has a desire to provide assistance where that assistance is clearly needed and warranted; and
- WHEREAS, the purpose of that assistance would be to: stem physical property deterioration, improve public safety, improve values, enhance neighborhood cohesiveness, and assist in the provision of modern rental amenities; and
- WHEREAS, the City of New Hope must target its limited resources, reflecting the reality that it can provide only limited funding, compared to the funding that might potentially be required to renovate a significant percentage of the 3,839 multi-family rental units in the City; and
- WHEREAS, the goal of the EDA's involvement would be to meet public policy needs in the housing and human services area, rather than to resolve project financial problems and issues that private owners and lenders may have, and
- WHEREAS, the EDA recognizes that financial assistance to real estate projects involve some risk.

NOW THEREFORE BE IT RESOLVED that the following policy shall be used by the EDA to evaluate potential future requests for assistance by rental unit owners:

1. The minimum amount of public funding required shall be provided in each case.
2. Funding priority will be given to basic needs (such as roof replacement, wiring, heating, etc.) as opposed to provision of amenities (such as washers and dryers in each unit, new office and lobby furniture, etc.)
3. No funding will be provided which, directly or indirectly, is used for fees by the owner or related parties (including construction management fees, developer fees, use of "contingency funds", fee sharing, etc.)
4. At least two bona fide bids, from non-related parties, will be required for each item that is a part of an overall program of rehabilitation funded partially or completely with City funds. Normally, "in house" contracting and/or related party contracting will be prohibited.
5. No funds will be provided to bring defaulted mortgages current.

6. No funds will be provided to bring taxes current.
7. Public funds will be used to leverage private funding wherever possible. Normally a 50/50 matching of funds for eligible activities would be required.
8. Wherever possible, loans shall be used as the preferred financing vehicle, rather than grants or equity investments.
9. In the case in which a project has substantial private financial stress, appropriate participation by the lender and the equity owner will be a requirement for City investment. The private investment may take the form of additional equity, debt forgiveness, interest rate reduction, loan term extension, payment deferrals, management fee reduction, reduced cash flow distribution, etc.

In no case will tax funds be used to solve financial problems that would otherwise be solved privately in the absence of public participation.

10. Public funds will only be provided in those instances in which the public funds are essential to the rehabilitation of the project. Public funds will not be provided when the primary result of that provision would be to merely raise the profitability of a building.
11. Public funds will not be substituted for private funds that could reasonably be raised in the private market. For example, if a private loan could be obtained, and/or if low income tax credits would be available, EDA funds will not be used to displace these other potential resources.
12. Each financial assistance agreement will contain an accelerated repayment provision in the event of property sale, or other significant changes in circumstances.
13. Funds will not be provided that will allow the owner to displace moderate income residents and attract higher income tenants. Nothing in this statement shall be construed to preclude the attraction of desirable tenants to a project, and the displacement of undesirable tenants.
14. Funds would not be provided for projects that would result in lower property tax payments, unless such projects meet other City objectives.
15. EDA Rehabilitation funds shall not be provided for use in such a way that Relocation statues and payments are triggered.
16. No funding will be considered for approval without a prior objective financial analysis of the project, and an independent recommendation as to the amount and type of proposed funding.

Adopted by the Economic Development Authority in and for the City of New Hope this 13th day of September, 1993.

  
Edward J. Erickson, President

Attest:

  
Daniel J. Donahue, Executive Director

8. **RENTERS' AND LANDLORDS' FORUMS**

City staff have been cooperating with neighboring cities to help educate both renters and landlords about their rights and responsibilities. This is especially important for New Hope, where 40% of the housing units are multi-family rental housing.

The cities of New Hope, Brooklyn Center, Brooklyn Park, Crystal, Robbinsdale and the Northwest Hennepin Human Services Council sponsored the 1995 CO-OP Northwest Renters Rights and Responsibilities Forum. The Forum was held on May 1 at the Crystal Community Center. Speakers included Legal Aid, the North Hennepin Mediation Project, city housing inspectors, and a representative of the Apartment Managers Coalition. Topics covered at the Forum included basic information on renting, information on legal rights and responsibilities of renters, discrimination issues, how to report maintenance concerns, and the qualities apartment managers look for when renting an apartment. The Forum was well attended. Other similar forums were conducted in 1996 and 1997.

**EVERYTHING YOU ALWAYS WANTED  
TO KNOW ABOUT RENTING....  
RENTERS' RIGHTS AND RESPONSIBILITIES**

Monday, May 1, 1995  
6:30 to 9:00 p.m.  
Crystal Community Center  
4800 Douglas Drive  
**Moderator: John March, CO-OP  
Northwest Community Revitalization  
Corporation Board Member**

**INTRODUCTION BY MODERATOR**

6:30 - 7:15 P.M.

**RENTING AN APARTMENT... "The Basics"**

**James A. Lee, Legal Aid**

- screening info*
- Application Fees
  - Tenant Reference Services
  - The Lease
  - Security Deposits
  - Questions and Answers

7:15 - 7:30 P.M.

- Qualities Management Looks for When Reviewing Applications to Rent an Apartment.

**Darren Jakel, Apartment  
Managers Coalition**

7:30 - 8:15 P.M.

**RIGHTS AND RESPONSIBILITIES**

**James A. Lee, Legal Aid**

- Evictions
- Certificate of Rent Paid
- Apartment Sharing
- Rent Withholding for Maintenance and Repairs
- Tenants
- Landlord
- Discrimination
- Questions and Answers

8:15 - 8:30 P.M.

**MAINTENANCE ISSUES**

- Rights regarding maintenance and repairs

**Jean Coone, City of New Hope  
Housing Inspector**

8:30 - 8:45 P.M.

**ALTERNATIVE DISPUTE RESOLUTIONS**

- Mediation Services

**Steve Brooten, North  
Hennepin Mediation Project**

8:45 - 9:00 P.M.

**QUESTIONS AND ANSWERS, EVALUATIONS, AND DOOR PRIZE DRAWINGS.**

Sponsored by through CO-OP Northwest by Northwest Hennepin Human Services Council, the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale.

Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE

Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE Landlord's Forum FREE

# EVERYTHING YOU NEED TO KNOW ABOUT OWNING RENTAL PROPERTY



*Monday, November 6, 1995  
7:00 - 9:00 p.m.  
Crystal Community Activity Center  
4800 Douglas Drive North  
Crystal MN*



## ◆ TENANT SCREENING/DISCRIMINATION LAWS

- Donna Hanbery, Attorney, will discuss proper tenant screening practices and truthful references -- what you can and can't say when giving a reference about a past resident

## ◆ LEASES

- Donna Hanbery, Attorney, will discuss oral and written leases and specific lease language that will help protect landlords

## ◆ UNLAWFUL DETAINERS

- Donna Hanbery, Attorney, will discuss everything you need to know about unlawful detainers

## ◆ HOW TO PREPARE FOR HOUSING COURT

- Linda Gallent, Hennepin County Housing Court Judge, will give landlords insightful information on preparing for Housing Court

*If you have any questions please contact  
Northwest Hennepin Human Services Council  
Dave Greeman - (612) 493-2802*



### REQUEST FOR ACTION

Originating Department City Manager  Stephanie Olson By: Community Development Specialist	Approved for Agenda  6-9-97  By:	Agenda Section Consent
		Item No. 6.14

**MOTION APPROVING PLANS AND SPECIFICATIONS FOR REHABILITATION OF THE PROPERTY AT 5212 WINNETKA AVENUE AND AUTHORIZATION TO SEEK BIDS (IMPROVEMENT PROJECT #573)**

Last fall, the City purchased the single family home at 5212 Winnetka Avenue North from HUD under the Direct and Private Sales program. The City acquired the property with CDBG Scattered Site Housing funds and will be using the 5-City CHDO HOME funds, along with CDBG, MHFA, TIF and/or EDA funds for rehabilitation of the project.

At the time of purchase, the home was in need of significant rehabilitation. Project for Pride and Living (PPL) was hired to assist staff with the plans and specifications for the project. PPL and staff have been working on the plans and specs, including options specified by the City, and they are now complete. A few minor changes may need to be made, and with the Council's approval, will be done by staff before bidding the project.

The attached plans include a basic rehabilitation (Option 1) and an alternate rehabilitation (Option 2) for 5212 Winnetka Avenue North. Specifications will be distributed on Monday, June 9, before the Council meeting. A summary for each rehabilitation is listed below:

**Basic Rehabilitation:**

The specifications for the basic rehabilitation work include roof replacement, siding repair/replacement, insulation, gutters, cement/block repair replacement, driveway repair to correct the drainage issue, deck repair, replacement of windows, remodel south bedrooms/family room area into a 3-season porch, gut basement interior, repair/replacement of interior surfaces and upgrades to plumbing, heating and electrical systems.

(cont'd.)

MOTION BY Cassen SECOND BY Olten  
 TO: approve

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

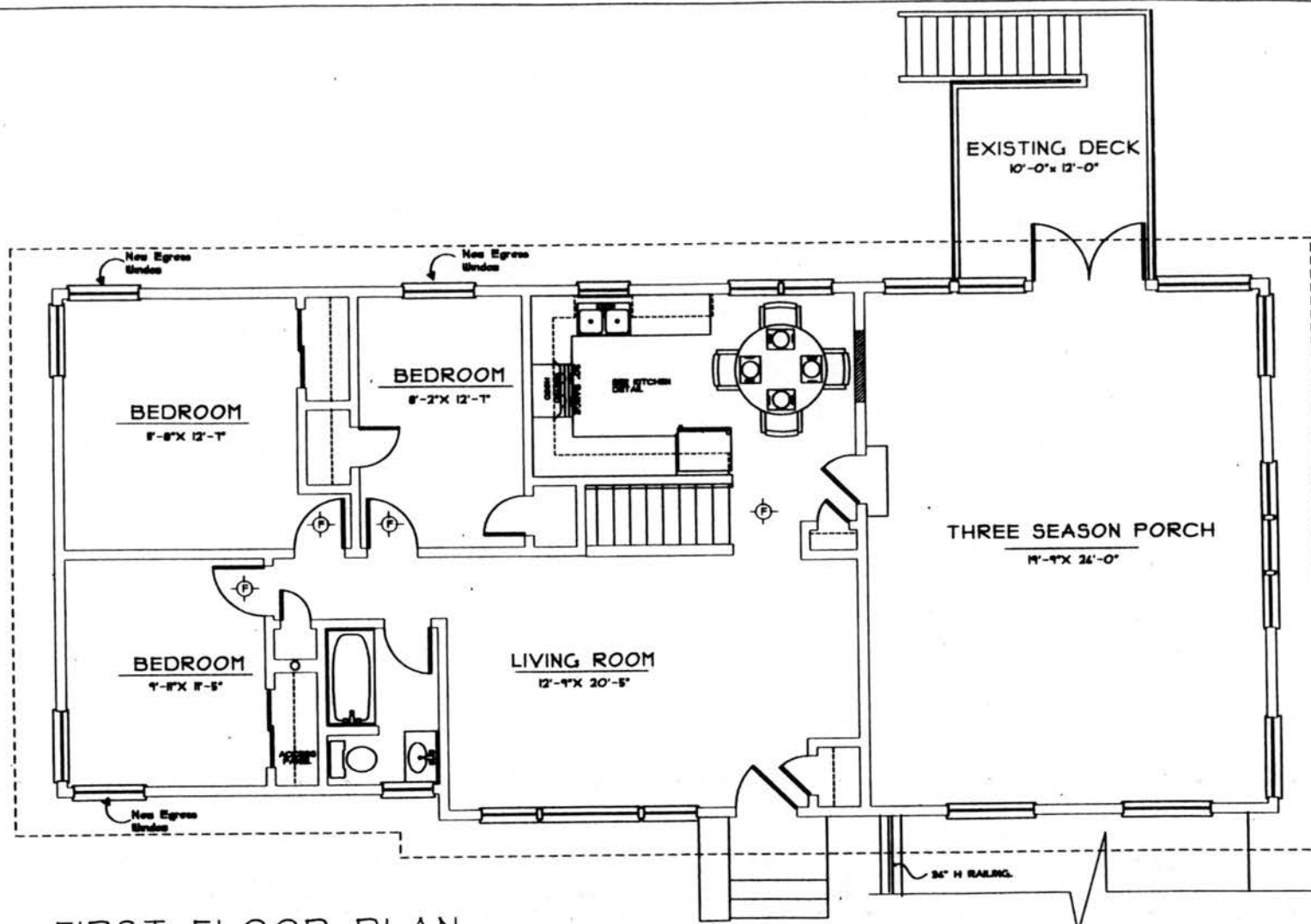


**Alternate Rehabilitation:**

The specifications for the alternate rehabilitation include several options that are different from the basic rehab. The first option is to demolish the south bedrooms/family room area and tuck under garage and rebuild a garage only at a higher elevation to eliminate poor garage construction and drainage issues. This would result in the construction of a new driveway. Other options include removal of existing siding and replacing it with vinyl siding, and removing the existing deck and rebuilding a new deck in a different location.

Bids would be presented to the Council at the July 28 Council meeting. Rehabilitation work will begin immediately after the contract is awarded. It is the staff's goal to have the rehabilitation work completed by this fall and sell the home to a New Hope family through the first time home buyers program.

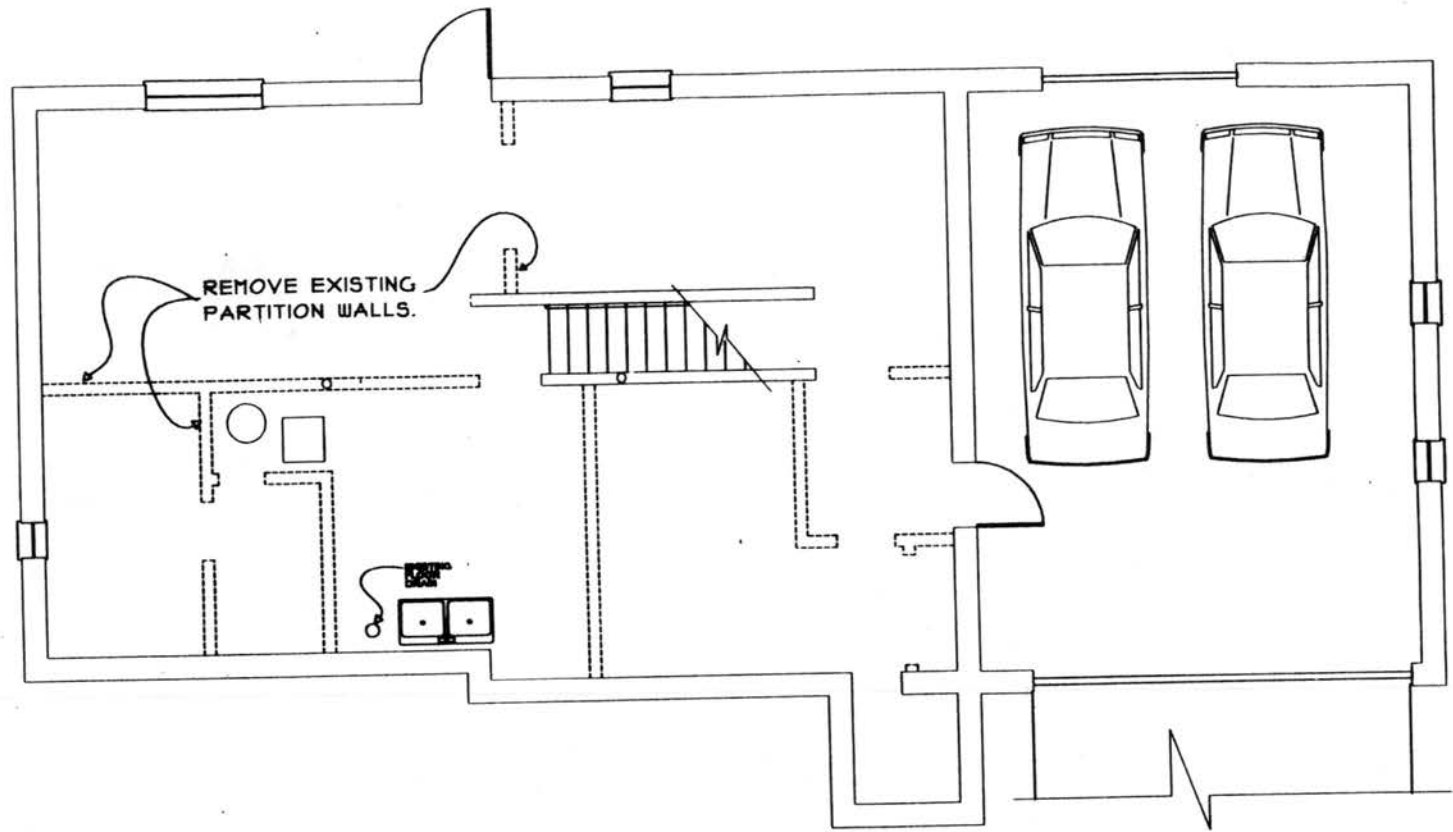
Staff recommends approval of a Motion Approving Plans and Specifications for Rehabilitation of the Property at 5212 Winnetka Avenue North and Authorization to Seek Bids (Improvement Project #573)



FIRST FLOOR PLAN

5212 WINNETKA AVE. N.  
 DRAWN BY: FAA AND DMS. 21 MAY. 97.  
 SCALE: 3/16" = 1'-0"

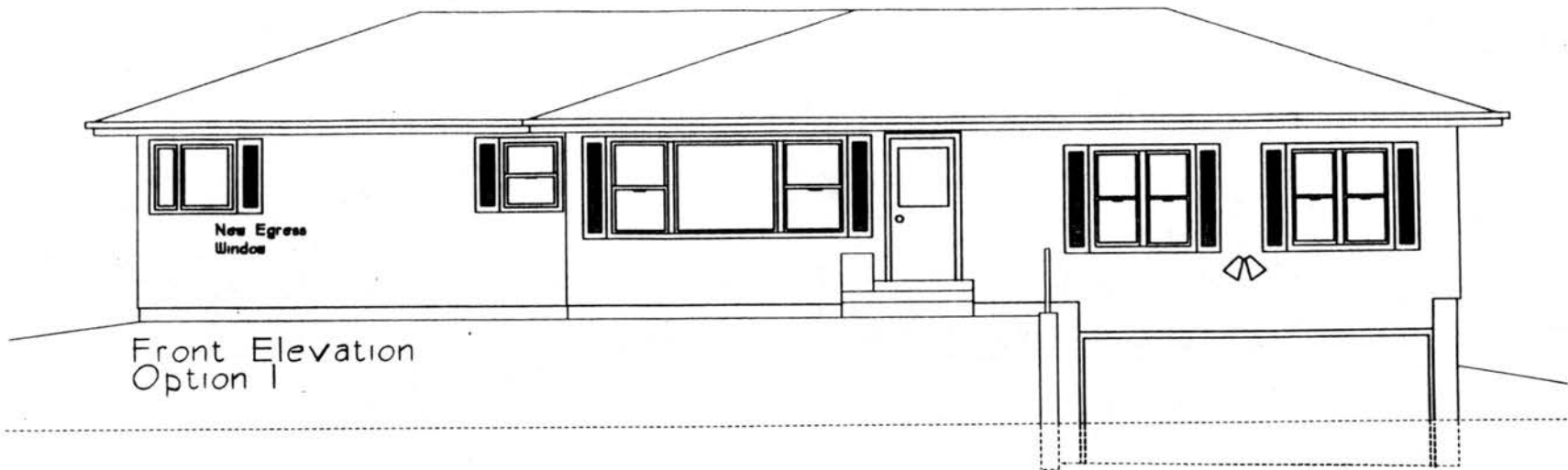
OPTION I.



OPTION I.

BASEMENT AND GARAGE PLAN

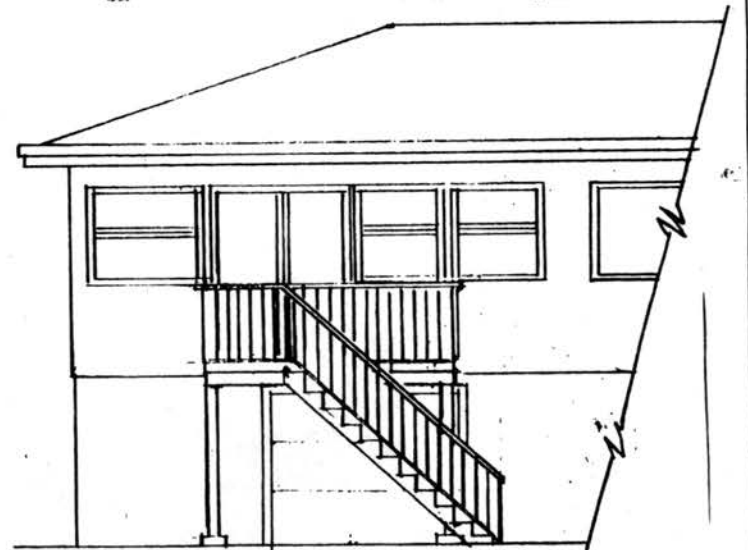
5212 WINNETKA AVE. N.  
DRAWN BY: FAA AND DMS. 21 MAY. 1991.  
SCALE: 3/16" = 1'-0"



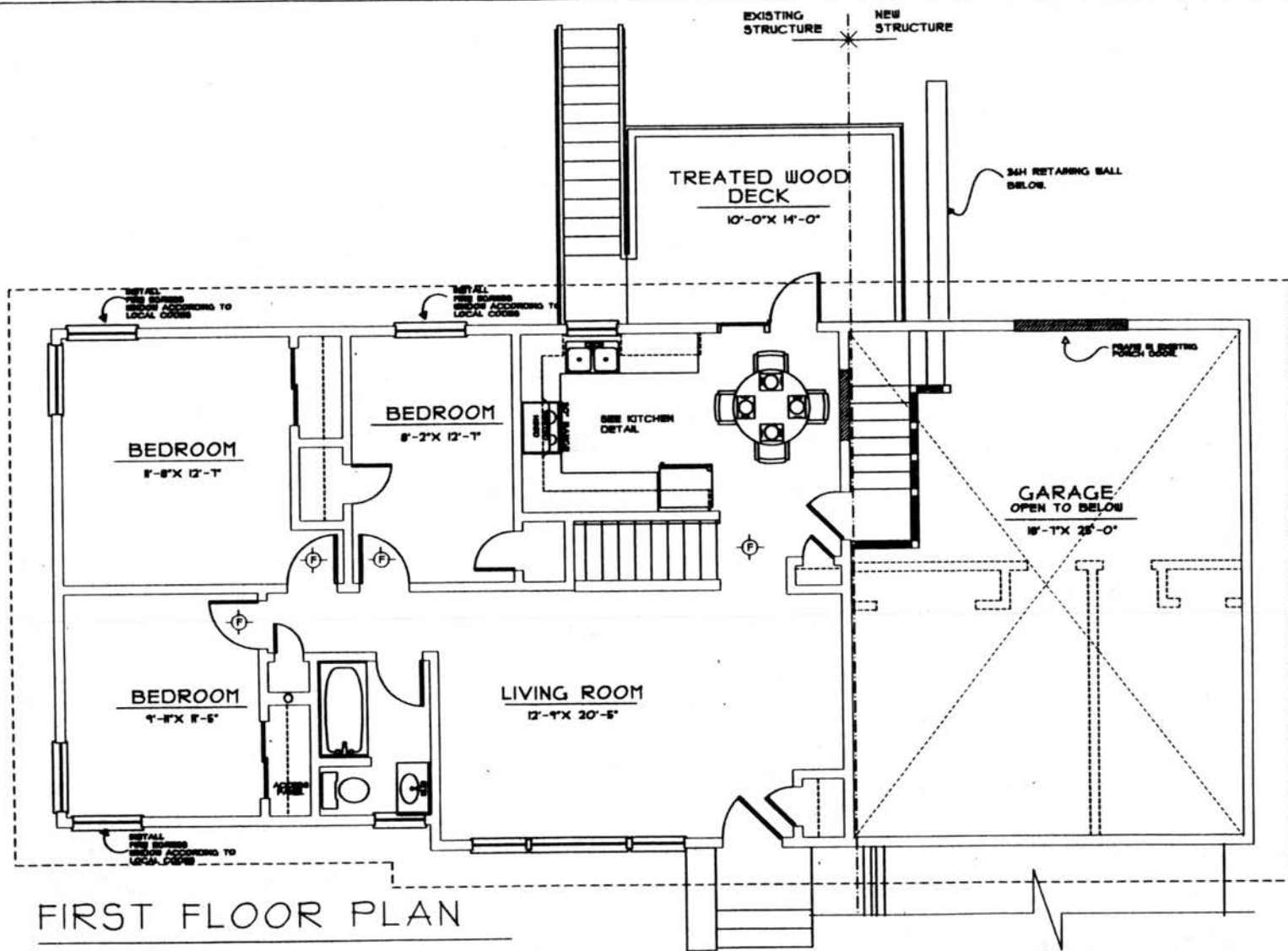
Front Elevation  
Option 1



SOUTH ELEVATION



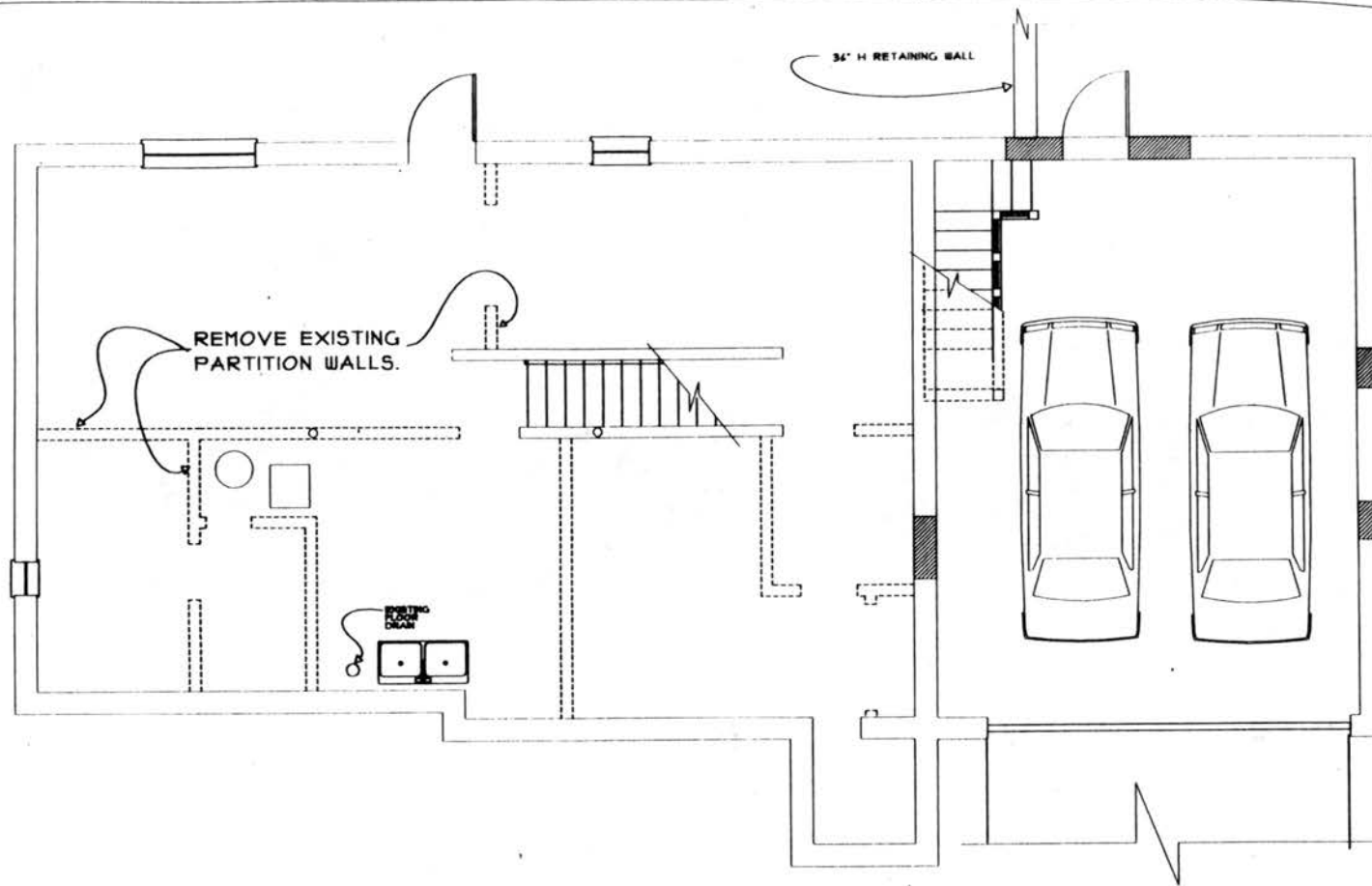
REAR ELEVATION



FIRST FLOOR PLAN

5212 WINNETKA AVE. N.  
 DRAWN BY: FAA AND DMS. 21 MAY. 1997.  
 SCALE: 3/16" = 1'-0"

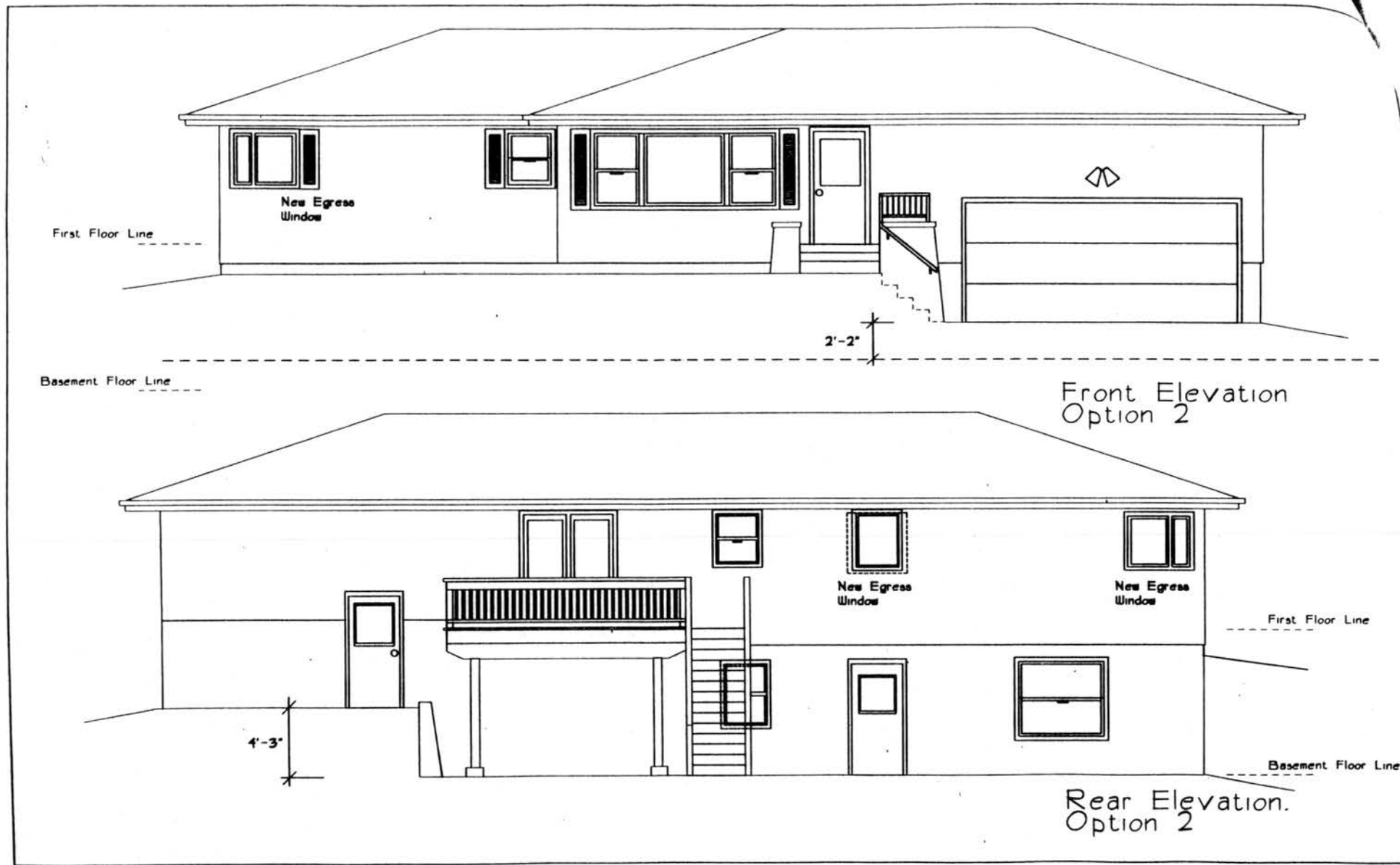
OPTION 2.



OPTION 2.

## BASEMENT AND GARAGE PLAN

5212 WINNETKA AVE. N.  
DRAWN BY: FAA AND DMS. 21 MAY. 1997.  
SCALE: 3/16"=1'-0"



Front Elevation  
Option 2

Rear Elevation.  
Option 2



## PROJECT BULLETIN

### **Rehabilitation of Single Family Home at 5212 Winnetka Avenue North**

#### **Overview**

In 1996 the City purchased the single-family house at 5212 Winnetka Avenue North from HUD, as part of the City's Scattered Site Housing Rehabilitation Program. The City, in cooperation with Project for Pride in Living (PPL), developed plans and specifications for rehabilitating the property. At the June 9 City Council meeting, the City Council approved the plans and specs for the rehabilitation, and authorized staff to seek bids for the project.

The City accepted bids for the rehabilitation in July. The lowest responsible bidder, Anton Construction, Inc., was awarded the contract by the City Council on July 28. The rehabilitation contract includes demolishing the south portion of the house, from the garage and up, and building an attached, double-car garage at a higher elevation to eliminate drainage issues on the property.

The City is currently seeking bids for removal of a tree located on the east side of the house. After the tree is removed, the City will proceed with rehabilitation of the single-family home. Once rehabilitation is completed, the property will be landscaped and sold to a first-time homebuyer meeting income guidelines.

#### **Construction Schedule**

The City will be reviewing tree removal bids the week of August 18. Once the tree has been removed, demolition of the garage and rehabilitation of the house will begin. Staff anticipates that demolition will be completed in approximately two weeks, weather permitting, and rehabilitation will be completed in November. The City will landscape the site when the rehabilitation is complete.

New Hope City Code states that construction activities can occur on the site between 7:00 a.m. to 10:00 p.m., Monday through Friday, and 9:00 a.m. to 9:00 p.m. on weekends or holidays.

#### **Site Upkeep**

The site will be mowed on a weekly basis during the summer.

#### **Contact Persons**

If you have questions or concerns, please call Stephanie Olson, Community Development Specialist, at 531-5137, or Kirk McDonald, Management Assistant/Community Development Coordinator, at 531-5119.

The City appreciates the cooperation of all businesses and residents in the area that may be impacted by the construction during this project.

City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

8/12/97



THE CITY OF NEW HOPE  
CORDIALLY INVITES YOU TO AN

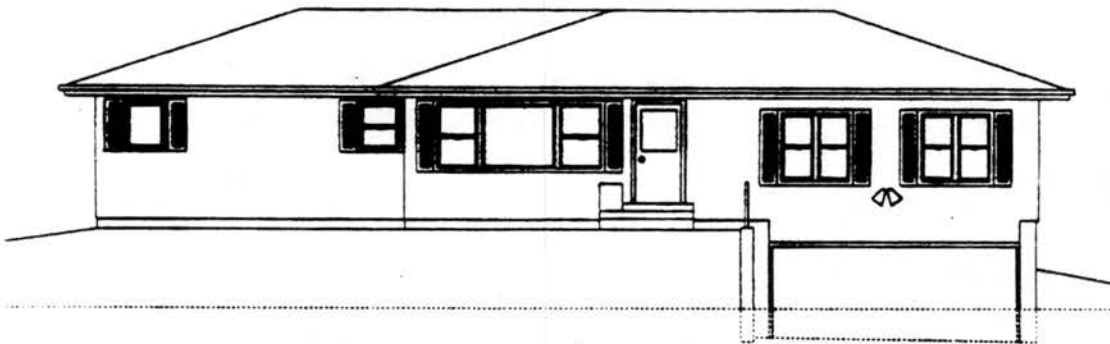
# OPEN HOUSE

ON

**THURSDAY, MARCH 5, 1998**  
**4:00 P.M. TO 6:00 P.M.**

THE CITY OF NEW HOPE, IN COOPERATION WITH  
CO-OP NORTHWEST COMMUNITY REVITALIZATION CORPORATION  
AND HENNEPIN COUNTY, RECENTLY COMPLETED A SINGLE FAMILY HOME  
AT 5212 WINNETKA AVENUE NORTH.

**PLEASE JOIN US TO CELEBRATE  
THE COMPLETION OF THIS HOME.**



**5212 WINNETKA AVENUE NORTH**  
**NEW HOPE, MINNESOTA**



REQUEST FOR ACTION

Originating Department City Manager	Approved for Agenda 1-12-98	Agenda Section Public Hearing
By: Kirk McDonald Management Assistant	By: <i>[Signature]</i>	Item No. 7.1

PUBLIC HEARING/ORDINANCE NO. 98-02: AN ORDINANCE ESTABLISHING A HOUSING IMPROVEMENT AREA FOR THE SANDPIPER COVE TOWNHOME DEVELOPMENT, PURSUANT TO MINN. STAT. §428A (IMPROVEMENT PROJECT NO. 600)

BACKGROUND

This is a public hearing continued from previous meetings to consider the adoption of an ordinance establishing a Housing Improvement Area for the Sandpiper Cove Townhome Development (Improvement Project no. 600). At the June 9, 1997, Council/EDA meeting, staff discussed the option of the City establishing a Housing Improvement Area to provide financial assistance to upgrade the exterior of these properties. Sandpiper Cove is a townhouse development located at 8101-8953 42nd Avenue that contains 36 owner-occupied townhomes. The complex is 20 years old and there are significant exterior deterioration problems. The association has sought preliminary bids from contractors who estimated that at least \$350,000 is needed to make siding, deck, window, and other improvements. They approached the City for assistance because, as a townhouse association consisting of individual owners, they have been rejected by several banks for loans to make the needed improvements. At that meeting, the City Attorney outlined new legislation and procedures to initiate a program where the City could assess the benefiting properties similar to a special assessment project. The EDA was generally receptive to this idea and directed staff to proceed with the preparation of an ordinance.

A public hearing was opened at the July 28 Council meeting to consider this ordinance and the public hearing was tabled because the association had not yet had an engineering analysis completed to determine the specific improvements that need to be made to the properties. A description of the necessary improvements must be identified in the ordinance. The public hearing was tabled until August 25, October 13, November 10, December 8 and January 12 because the hiring of a consultant and the completion of the engineering analysis was taking longer than anticipated by the association. The townhouse association conducted a meeting in November where approximately 70 percent of the homeowners were present and there was a unanimous vote to proceed with the project and to contract with an engineer to prepare detailed cost estimates. (cont'd.)

MOTION BY Collier/Norby SECOND BY Collier/Cassen  
TO: close hrg. adopt ord. 98-02 (with  
deletion of "no early payoff")

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

UPDATE

The enclosed Overview Specification and budget estimates were submitted to the City in December and are in the process of being reviewed by the appropriate inspection personnel. Note that the total estimated costs of the improvements has increased to almost \$600,000 and does not include the 15 percent that the City would add on for legal, financial and administrative costs. **The approval of the ordinance establishing the Housing Improvement Area does not constitute approval of the specifications**, as staff wants to have the opportunity to recommend changes before the specifications are finalized. The association also met with staff in December to discuss the assessment process and several options are outlined in the attached correspondence. The association may consider reducing the scope of the project due to the increased costs. They have also requested that information be made available to them on potential rehabilitation grant programs for low/moderate income persons that own units in the complex.

PROCESS

Per the attached correspondence from the City Attorney, the adoption of this Ordinance does not commit the City to go forward with the housing improvement project. Before the City would be obligated, a number of things must happen, as follows:

1. The Condominium Association must provide the City with a financial plan prepared by an independent third party, acceptable to the City and the Association, indicating the Association will be able to finance the construction, maintenance and operation of the proposed improvements made to the common elements of the property. The plan should also indicate the Association's long range plan to conduct and finance other capital improvements that will be necessary to the property.
2. The Association will need to enter into a Development Agreement with the City for the purpose of implementing the construction of the proposed improvements.
3. A final determination will need to be made regarding the special assessments for costs to each unit within the Association for the proposed improvements. Once this cost is determined, the City will then need to hold a second public hearing in connection with the special assessment of these costs against each housing unit. As part of this public hearing for imposition of special assessments, the City will need to indicate the assessable amount against each unit.
4. The adoption of proposed Ordinance 98-02 and any resolution imposing special assessments for cost of the improvement project are also subject to a veto by 35 percent of the homeowners within the Association within 45 days after the adoption of either the Ordinance or the resolution. As a result, proposed Ordinance No. 98-02 will not be effective until 45 days after its publication on January 21, assuming the Ordinance is adopted by the City Council at its January 12, 1998, meeting. In other words, this Ordinance will not be effective until March 9, 1998. Likewise, a fee resolution is subject to a veto by 35 percent or more of the homeowners within the improvement area. Therefore, the City could not fund any construction related costs until the veto time period has expired after adoption of the fee resolution. Before we can adopt the fee resolution, items 1, 2 and 3 above must be completed.
5. Even if both veto time periods expire, homeowners within the improvement area may file objections to the special assessments against their housing units. However, to affect appeal rights a property owner would need to file a written objection to the Ordinance or the resolution on or before the public hearing at which the Ordinance or resolution is adopted. Therefore, if we receive no filed objections to the Ordinance on or before January 12, no property owner will be able to object to the inclusion of his or her unit within the improvement area. However, since we have not yet noticed a public hearing

to adopt a special assessment fee resolution, all property owners within the improvement area will still be able to object to a fee levied against their units.

#### SUMMARY

Adoption of the proposed Ordinance simply initiates the process to implement a housing improvement project financed by the City and funded by special assessments against the individual housing unit. The Homeowner's Association, as well as the City, still have a significant amount of work to do prior to the actual commitment of funds or the sale of bonds for actual improvement costs. It is anticipated that representatives from Sandpiper Cove will be present at the meeting.

Staff recommends approval of the ordinance.

ORDINANCE NO. 98-02

AN ORDINANCE ESTABLISHING  
A HOUSING IMPROVEMENT AREA  
FOR THE SANDPIPER COVE TOWNHOME  
DEVELOPMENT PURSUANT TO MINN. STAT. CHAP. 428A

The City Council of the City of New Hope ordains:

Section 1. Section 1.80 "Sandpiper Cove Housing Improvement Area" of the New Hope City Code is hereby added to read as follows:

1.80 Sandpiper Cove Housing Improvement Area. The City of New Hope (hereafter City) hereby establishes pursuant to Minn. Stat. Chap. 428A a housing improvement area over the property commonly known as the Sandpiper Cove Townhome development which is legally described in Section 1.803 of this Code.

1.801 Recitals. The City hereby makes the following recitals in support of its action to establish the herein housing improvement area:

1. The City is authorized under Minn. Stat. §§428A.11 through 428A.21 to establish by ordinance housing improvement areas within which housing improvements are made or constructed and the costs of the improvements are paid in whole or in part from fees imposed within the area.
2. The City has determined a need to establish the Sandpiper Cove Housing Improvement Area as defined herein, in order to facilitate certain improvements to the property all in accordance with the Housing Improvement Act.
3. The City has consulted with the Rockford Owners Association and with residents in the Sandpiper Cove Housing Improvement Area regarding the establishment of said housing improvement area and the housing improvements to be constructed and financed under this ordinance.

1.802 Findings. The City hereby makes the following findings in support of its action to establish the herein housing improvement area:

1. The City Council finds that, in accordance with Minn. Stat. §428A.12, owners of at least 25 percent of the housing units within the housing improvement area have filed a petition with the City Clerk requesting a public hearing regarding establishment of such housing improvement area.
2. The City Council has on July 28, 1997 and by adjournment thereafter conducted a public hearing, duly noticed in accordance with Minn. Stat. §428A.13, subd. 2, regarding adoption of this ordinance at which all persons, including owners of property within the housing improvement area were given an opportunity to be heard.
3. The Council finds that, without establishment of the housing improvement area, the Housing Improvements (as hereinafter defined) could not be made by the homeowners association for, or the housing unit owners in, the Sandpiper Cove Townhome development.
4. The Council further finds that designation of said housing improvement area is needed to maintain and preserve the housing units within such area.

1.803 Housing Improvement Area Defined. The Sandpiper Cove Housing Improvement Area is hereby defined as that area of the City legally described as follows:

Lots 1 through 59, inclusive, Sandpiper Cove, all of which is according to the plat(s) thereof on file and of record in the office of the Registrar of Titles, Hennepin County, Minnesota. Said housing improvement area consists of 36 housing units as of the adoption of this section.

1.804 Housing Improvements Defined. For the purposes of §§1.80 through 1.809 of this Code, the term "Housing Improvements" shall mean those improvements to the housing units, garages, and common areas within Sandpiper Cove Housing Improvement Area as set out in the December 23, 1997 Overview Specifications (Preliminary) prepared by Construction Consulting & Inspections, Ltd. for the Rockford Owners Association as follows:

1. replacement of 234 window units;
2. replacement of 44 patio doors;
3. replacement of 36 overhead garage doors;
4. replacement of all rear decks and side entry stoops on 10 duplex buildings and replacement of all rear decks and front entry stoops/decks on 4 fourplex buildings;
5. repair of all roofs and installation of new fiberglass reinforced shingles;
6. replacement of all gutters and downspouts;
7. replacement of all exterior lighting on the buildings;
8. replacement of all exterior siding, soffits and fascia including wrap of all windows and doors, trim and ceilings in stoops;
9. replacement of 20 garage mandoors in the duplex buildings;
10. the above mentioned construction shall also include all incidental work and repairs to finish the construction to industry standards and comply with all building codes regardless of whether said incidental work is described in this Code or in the December 23, 1997 Construction Consulting & Inspections, Ltd. Overview Specifications.
11. Housing Improvements shall also be deemed to include the following costs incurred by either the Rockford Owners Association or the City:
  - a. All costs of architectural and engineering services in connection with the activities described in this Section.
  - b. All administration, legal and consultant costs in connection with the housing improvement area.
  - c. Costs of issuance of bonds, if any, to finance housing improvements under the Housing Improvement Act, subject to the terms of Section 1.805 of this Code.

1.805

Housing Improvement Fee. The City may, by resolution adopted in accordance with the petition, hearing and notice procedures required under Minn. Stat. Chap. 428A known as the Housing Improvement Act, impose a fee on the housing units within the Sandpiper Cove Housing Improvement Area, at a rate, term or amount sufficient to produce revenues required to provide the Housing Improvements (hereinafter referred to as the "Housing Improvement Fee"), subject to the terms and conditions set forth in this Section.

1. Any Housing Improvement Fee shall be imposed on the basis of the total cost of the Housing Improvements to be financed by the Housing Improvement Fee, divided by the number of housing units in the housing improvement area as of the date of any fee resolution.
2. Any Housing Improvement Fee shall be imposed and payable for a period no greater than 20 years after the first installment is due and payable.
3. Any Housing Improvement Fee shall be prepayable in full or in part by any housing unit owners within 30 days after the effective date of the resolution setting the Housing Improvement Fee, provided that a partial prepayment must be at least 25% of the total fee for that unit. After such 30-day period the unpaid portion of any Housing Improvement Fee and accrued interest shall be prepayable only in the full amount.
4. The resolution imposing any Housing Improvement Fee shall provide that any fee (or portion thereof) not prepaid by the housing unit owner shall be deemed to include simple interest on unpaid housing improvement costs at a rate of 8% per annum.
5. Any Housing Improvement Fee shall be collected at the same time and in the same manner as provided for payment and collection of ad valorem taxes, in accordance with Minn. Stat. §428A.05. As set forth in Minn. Stat. §428A.14, the Housing Improvement Fee is not included in the calculation of levies or limits on levies imposed under any law or charter.



6. Any Housing Improvement Fee shall not exceed the amount specified in the notice of public hearing regarding the approval of such fee; provided, however, that the Housing Improvement Fee may be reduced after approval of the resolution setting the Housing Improvement Fee, in the manner specified in such resolution.

1.806 Issuance of Bonds. At any time after a contract with Rockford Owners Association, Inc. for construction of all or part of the housing improvements has been entered into or the work has been ordered, and the 30-day period for prepayment of the Housing Improvement Fee has expired as described in §1.805 hereof, the Council may issue bonds in the principal amount necessary to finance the cost of the housing improvements that have not been prepaid together with costs of issuance of the bonds. Such bonds shall be issued pursuant to and in accordance with Minn. Stat. §428A.16 of the Housing Improvement Act.

1.807 Annual Reports.

1. On August 15, 1998 and each August 15 thereafter until all housing improvement fees derived in the housing improvement area are fully paid, the Rockford Owners Association, Inc. (and any successor in interest) shall submit to the City Clerk a copy of the association's audited financial statements.
2. Rockford Owners Association, Inc. (and any successor in interest) shall also submit to the City any other reports or information at the times and as required by any contract entered into between that entity and the City.

1.808 Notice of Right to File Objections. Within five days after the adoption of §§1.80 through 1.809 of this Code, the City Clerk is authorized and directed to mail to the owner of each housing unit in the Sandpiper Cove Housing Improvement Area: a summary of these Code sections; notice that owners subject to the proposed Housing Improvement Fee have a right to veto this ordinance if owners of at least 35 percent of the housing units within the

Sandpiper Cove Housing Improvement Area file an objection with the City Clerk before the effective date of this ordinance; and notice that a copy of this ordinance is on file with the City Clerk for public inspection. Sections 1.80 through 1.809 of this Code shall be effective 45 days after their passage and publication.

1.809 Amendment. This ordinance may be amended by the Council upon compliance with the public hearing and notice requirements set forth in Minn. Stat. §428A.13, subd. 2 of the Housing Improvement Act.

Section 2. Effective Date. This Ordinance shall be effective 45 days after its passage and publication.

Dated the 12th day of January, 1998.



W. Peter Enck, Mayor

Attest: Valerie Leone  
Valerie Leone, City Clerk

Published in the New Hope-Golden Valley Sun-Post the 21st day of January, 1998.)

STEVEN A. SONDRALL  
MICHAEL R. LAFLEUR  
MARTIN P. MALECHA  
WILLIAM C. STRAIT\*

\*QUALIFIED ADR NEUTRAL

**CORRICK & SONDRALL, P.A.**

ATTORNEYS AT LAW  
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8525 Edinbrook Crossing  
Suite #203  
Brooklyn Park, Minnesota 55443

TELEPHONE (612) 425-5671  
FAX (612) 425-5867

LEGAL ASSISTANT  
SHARON D. DERBY

January 6, 1998

Kirk McDonald  
Management Asst.  
City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

RE: Sandpiper Cove Housing Improvement Area/Ord. No. 98-02  
Our File No: 99.49802

Dear Kirk:

Please find enclosed proposed Ordinance No. 98-02 entitled An Ordinance Establishing a Housing Improvement Area for the Sandpiper Cover Townhome Development Pursuant to Minn. Stat. Chap. 428A. This Ordinance is for consideration at the January 12, 1998 Council meeting.

Please note this Ordinance was originally numbered 97-23. Since the Ordinance was not adopted in 1997, it has been assigned a new number to indicate its adoption in 1998.

Further, the adoption of this Ordinance does not commit the City to go forward with the housing improvement project set out in the Ordinance and in the December 23, 1997 report from Construction Consulting & Inspections, Ltd. Before the City would be obligated to fund the improvement project as proposed in the Consultant's report, a number of things must happen as follows:

1. The Condominium Association must provide the City with a financial plan prepared by a independent third party, acceptable to the City and the Association, indicating the Association will be able to finance the construction, maintenance and operation of the proposed improvements made to the common elements of the property. The plan should also indicate the Association's long range plan to conduct and finance other capital improvements that will be necessary to the property. I mentioned this requirement in my July 30, 1997 letter concerning this project, however, I do not believe the Association has yet to address this issue or indicate who they will use to prepare this financial plan.

2. The Association will need to enter into a Development Agreement with the City for the purpose of implementing the construction of the proposed improvements as outlined in the Consultant's report.
3. A final determination will need to be made regarding the special assessments for costs to each unit within the Association for the proposed improvements. Once this cost is determined, the City will then need to hold a second public hearing in connection with the special assessment of these costs against each housing unit. As part of this public hearing for imposition of special assessments, we will need to indicate the assessable amount against each unit. We will not be able to increase the assessable amount after the public hearing, however, we will be able to decrease the amount. As a result, we will need to build in a contingency for improvement cost overruns to insure the project can be fully funded by special assessments against units within the Association. Otherwise, we will be left with an uncompleted project or the homeowners in the Association will need to privately raise additional funds to complete the project if its costs exceed our estimate as set out in the public hearing notices for imposition of the special assessments.
4. The adoption of proposed Ordinance 98-02 and any resolution imposing special assessments for cost of the improvement project are also subject to a veto by 35% of the homeowners within the Association within 45 days after the adoption of either the Ordinance or the resolution. As a result, proposed Ordinance No. 98-02 will not be effective until 45 days after its publication on January 21st, assuming the Ordinance is adopted by the City Council at its January 12, 1998 meeting. In other words, this Ordinance will not be effective until March 9, 1998. Likewise, a fee resolution is subject to a veto by 35% or more of the homeowners within the improvement area. Therefore, the City could not fund any construction related costs until the veto time period has expired after adoption of the fee resolution. Before we can adopt the fee resolution, items 1, 2 and 3 above must be completed.

Kirk McDonald  
January 6, 1998  
Page 3

5. Even if both veto time periods expire, homeowners within the improvement area may file objections to the special assessments against their housing units. However, to affect appeal rights a property owner would need to file a written objection to the Ordinance or the resolution on or before the public hearing at which the Ordinance or resolution is adopted. Therefore, if we receive no filed objections to the Ordinance on or before January 12th, no property owner will be able to object to the inclusion of his or her unit within the improvement area. However, since we have not yet noticed a public hearing to adopt a special assessment fee resolution, all property owners within the improvement area will still be able to object to a fee levied against their units.

In summary, adoption of the proposed Ordinance enclosed simply initiates the process to implement a housing improvement project financed by the City and funded by special assessments against the individual housing unit. The Homeowner's Association, as well as the City, still have a significant amount of work to do prior to the actual commitment of funds or the sale of bonds for actual improvement costs. Please contact me if you have any questions or comments about the enclosed Ordinance or continuing process and procedures towards implementing a housing improvement project at the Sandpiper Cove Development.

Very truly yours,



Steven A. Sondrall

s1t3  
Enclosure

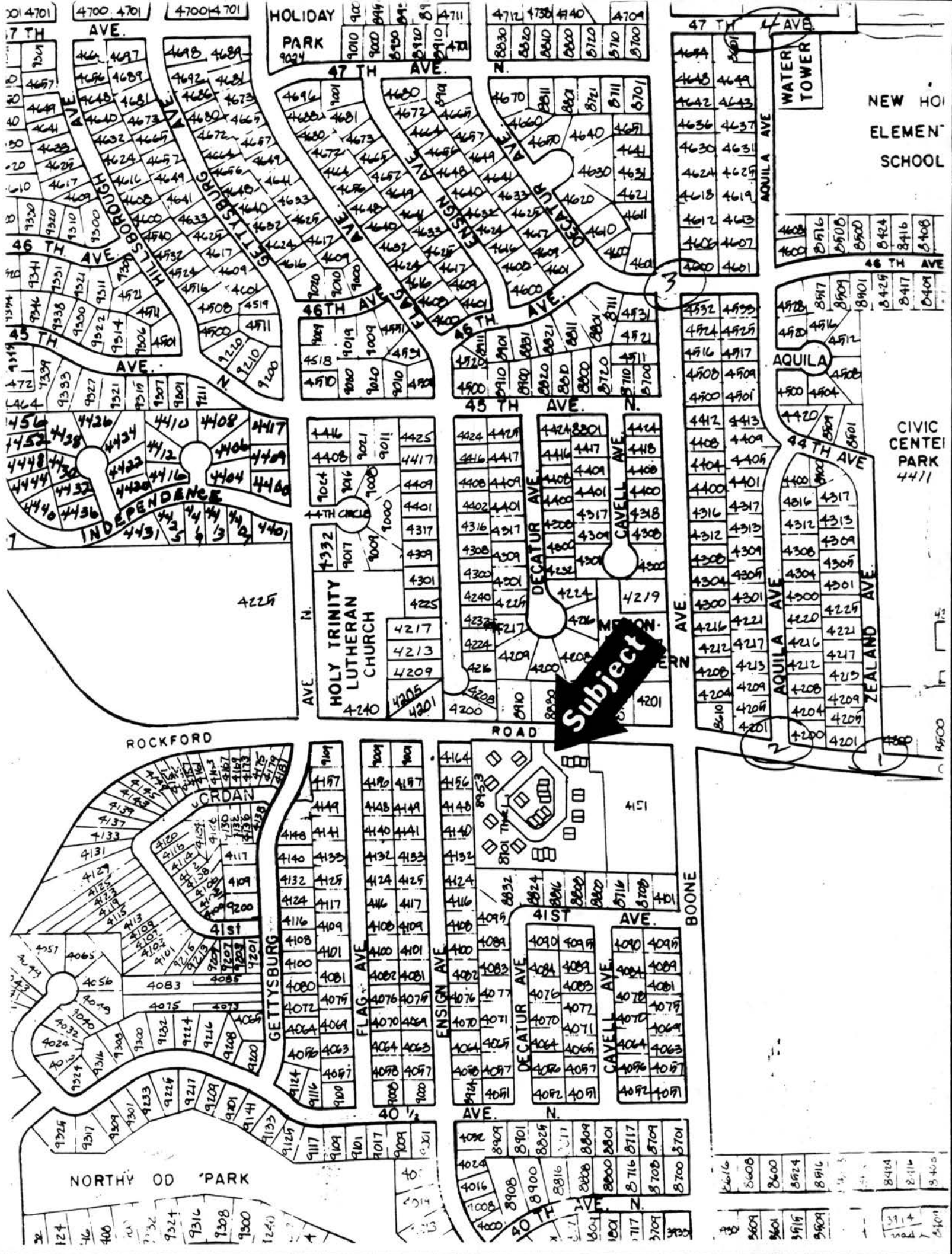
cc: Daniel J. Donahue, City Manager  
Valerie Leone, City Clerk (w/enc)

June 2, 1997

We the undersigned, members of the Rockford Homeowners Association, request and petition the City of New Hope, for the creation of an enabling ordinance and the conception of a special district for a housing improvement area.

Unit No. . . .

8805	_____	8877	_____
8807	<u>W. J. Simon</u>	8879	_____
8809	<u>Sharon Wheeler</u>	8881	<u>Kutler</u>
8811	<u>Ed J. K.</u>	8883	_____
8819	_____	8901	<u>S. J. ...</u>
8821	_____	8903	_____
8823	_____	8911	_____
8825	_____	8913	<u>...</u>
8833	<u>...</u>	8921	<u>...</u>
8835	_____	8923	<u>...</u>
8843	<u>...</u>	8931	<u>...</u>
8845	_____	8933	<u>...</u>
8853	_____	8941	_____
8855	<u>Linda Sueder</u>	8943	<u>...</u>
8857	_____	8951	_____
8859	_____	8953	_____
8867	<u>...</u>	8961	<u>...</u>
8869	<u>Amelia Kestano</u>	8963	_____



Subject

HOLY TRINITY LUTHERAN CHURCH

NEW HOME ELEMENTARY SCHOOL

CIVIC CENTER PARK

AQUILA

AQUILA WATER TOWER

ROCKFORD ROAD

BOONE

NORTH OOD PARK

Map containing numerous street names and house numbers. Key streets include 47th Ave, 46th Ave, 45th Ave, 44th Ave, 43rd Ave, 42nd Ave, 41st Ave, 40th Ave, 39th Ave, 38th Ave, 37th Ave, 36th Ave, 35th Ave, 34th Ave, 33rd Ave, 32nd Ave, 31st Ave, 30th Ave, 29th Ave, 28th Ave, 27th Ave, 26th Ave, 25th Ave, 24th Ave, 23rd Ave, 22nd Ave, 21st Ave, 20th Ave, 19th Ave, 18th Ave, 17th Ave, 16th Ave, 15th Ave, 14th Ave, 13th Ave, 12th Ave, 11th Ave, 10th Ave, 9th Ave, 8th Ave, 7th Ave, 6th Ave, 5th Ave, 4th Ave, 3rd Ave, 2nd Ave, 1st Ave. Specific lot numbers are scattered throughout the grid.

**CORRICK & SONDRALL, P.A.**

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Edinburgh Executive Office Plaza  
8525 Edinbrook Crossing  
Suite #203  
Brooklyn Park, Minnesota 55443

LEGAL ASSISTANT  
SHARON D. DERBY

STEVEN A. SONDRALL  
MICHAEL R. LAFLEUR  
MARTIN P. MALECHA  
WILLIAM C. STRAIT\*

\*APPROVED ADR NEUTRAL

TELEPHONE (612) 425-5671  
FAX (612) 425-5867

March 27, 1997

Kirk McDonald  
Management Asst.  
City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

RE: Loan Request for Housing Improvements/Sandpiper Cove  
Association  
Our File No: 99.11155

Dear Kirk:

This letter is your long awaited response regarding your question about the loan and other funding options for needed improvements at the Sandpiper Cove Townhome Development. It is my understanding the property owners in the development need collectively between \$200,000 to \$300,000 for replacement of siding, replacement and/or repair of defective decks and other structural problems. It is my further understanding the Townhome Association is severely underfunded and as a result are without any reserves to pay for these needed repairs. The Association has also informed us neither the Association or the individual unit owners can arrange a private loan. Banks apparently will not transact business with the Association and the individual unit owners lack equity in their units sufficient to secure a loan by a mortgage against the individual units.

The City has two options it could implement to assist the Association and individual owners at the Sandpiper Cove Development as follows:

1. Bond counsel has indicated we could provide loans to either the Association or the individual unit owners utilizing our existing TIF funds. Basically, we would be acting like a private banking institution taking back mortgages from the individual owners and/or the Association as security for the loans. Unfortunately, the City has the same problem as the lending institutions in this regard. Namely, lack of unit equity as security



Kirk McDonald  
March 27, 1997  
Page 2

for the loans. Nor do we want to become owners of the units in the event of default on the loans requiring foreclosure of the proposed mortgages and quite possibly being subject to superior first mortgages already in place on the property.

2. Our second option involves establishing a housing improvement area under Minn. Stat. §§428A.11 through 428A.21. As you know, this law was enacted during the 1996 legislative session. Basically, it allows us to define a housing improvement area, permits us to make improvements within said area and assess the benefiting properties for the cost of the improvements much like the special assessment procedure under Chap. 429. This appears to be a more viable solution to the funding problem for Sandpiper Cove than direct loans to individual property owners from excess TIF funds secured by a mortgage.

The remainder of this letter will briefly detail how the City could implement a housing improvement area for the Sandpiper Cove Development or any area in the City. Initially, the Council would need to adopt an enabling ordinance specifically defining the improvement area or areas and specifically indicating the necessary improvements to be made within the area. The City cannot adopt this ordinance on its own initiative. Before such an ordinance can be considered, there must be a petition by at least 25% of the owners within the proposed area requesting the enabling ordinance.

Before adoption of the enabling ordinance, the City would need to conduct a public hearing. 7 days published notice and 10 days mailed notice to all property owners within the proposed area is required for the public hearing. At the hearing and within the ordinance, the Council would need to make findings that the necessary improvements will not be made if the housing improvement area is not created and making the improvements within the area is needed to maintain and preserve the area's housing units. Further, the enabling ordinance will allow the City to impose a fee against the benefiting property owners to pay for the cost of the improvements. However, the ordinance must also specify the basis for the imposition of the fee and the number of years it will be in effect.

The property owners within the improvement area also have veto power over the ordinance. In other words, if 35% of the property owners object to the ordinance after its adoption it will not take

Kirk McDonald  
March 27, 1997  
Page 3

effect. As a result, the effective date of the ordinance must be at least 45 days after its adoption by the City Council. During that 45-day interim period the property owners, after all receive notice of the ordinance and its contents within 5 days of its adoption, can file an objection to the ordinance with the New Hope City Clerk. If 35% of the owners object, the ordinance is void.

If the ordinance is not vetoed, property owners can individually object to their inclusion in the improvement area or the imposition of fees against their property. The objection procedure works similar to the special assessment challenges found in Chap. 429. Also, the City will need to hold a second public hearing before it can collect fees or specially assess properties for payment of the improvement costs. Again, this works like the special assessment procedure found in Chap. 429.

Collection of fees also may take two forms. It can be done either by an ad valorem tax or it can be done like a special assessment to benefitted properties. If done like an ad valorem tax, it would be based on the net tax capacity of the property, the square footage of the property, or some other method determined by the Council. If it is done like a special assessment, we would need to codify special assessment regulations and incorporate them in the ordinance.

If an improvement area is established, the repairs would be done as a public improvement. This may potentially require the City to act like a general contractor for repairs on private property. Obviously, we would be subject to the Uniform Municipal Contracting Law for letting contracts. Further, it creates numerous liability and warranty issues involving the completed work. I would not consider this program unless we had extensive releases, hold harmless and indemnification agreements with the involved property owners. It would also allow the City to issue general obligation bonds to finance the construction costs in lieu of using TIF funds.

Finally, this law has a sunset provision of June 30, 2001. After said date, no housing improvement areas can be established pursuant to Minn. Stat. §428A.11, et al. Therefore, we do have some time to consider this kind of funding option for the Sandpiper Cove Development.


Some extensive work is involved to establish a procedure for creating housing improvement areas. I have contacted the League of Minnesota Cities to find out if other municipalities have

Kirk McDonald  
March 27, 1997  
Page 4

implemented a program like this under Minn. Stat. §428A.11. Possibly, there is a model ordinance developed by the League or we could obtain ordinances from other cities that have already adopted this program. Before we get into this project too far, I think we need direction from the City Council whether they would be willing to entertain this kind of program for the Sandpiper Cove Development or any other area within the City requiring this kind of assistance. At any rate, I will not do anything further unless I receive direction from you or the City Manager to proceed.

Please contact me if you have any other questions or comments regarding the content of this letter.

Very truly yours,



Steven A. Sondrall

s1t4  
Enclosure

cc: Daniel J. Donahue, City Manager (w/enc)  
Jerry Gilligan, Esq. (w/enc)

NEW INFO

September, 1996

Members of New Hope City Council  
City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

Dear City Council Members:

We are writing to you as an association to request your assistance in a matter which is of great importance to us. As residents of the City of New Hope, Sandpiper Cove Community and members of the Rockford Townhouse Association, we want to take pride in where we live. However, the condition of our townhomes is deteriorating at a rate with which we cannot keep up. We understand the City of New Hope takes pride in the condition of its residential properties. We want to be proud of our townhomes and to have them be an attractive and pleasant enhancement to this city.

We are living with a problem that began when our homes were built. Gleason Construction, the contractor who constructed our townhomes, used materials of poor quality and whose construction techniques were questionable. The materials have lasted approximately fifteen years but are now deteriorating and are in desperate need of repair. At various levels of urgency, our homes need to be sided, gutters and downspouts applied, roofs, windows, patio doors and decks.

The founders of the Association felt, with the newly built homes, there was no need to put money aside in a maintenance fund for future repairs. A majority of the current residents are relatively new to the complex and had no control over or voice in the decisions made so many years ago. We have just recently started such a maintenance fund; however, it will take some time before assets are built up.

We are doing all that is within our means to correct this problem ourselves. Even with the majority of our residents living below New Hope's median income level, we have voted and passed a \$20 per month increase from \$115 to \$135 in our association dues with an additional \$20 increase effective January, 1997 from \$135 to \$155. Within the past five years, the monthly fee has increased from \$75 to \$135. Unfortunately, this will only make a small impact on the property's overall need.

Page 2.

The work to be performed is not superficial improvements that we desire. Some residents can no longer walk on their decks due to the structural weakness, some have water leaking through their light fixtures and others have siding that is rotting right off their home. The improvements we are requesting your assistance with are vital and would benefit us as well as the City of New Hope. Aesthetically, the property would be much more attractive and pleasing with new vinyl siding, roofs, windows, patio doors and stable decks.

Being located right off the major intersection of 42nd and Boone Avenues, positions our townhomes in the direct view of the public. We do not want our property to nullify the improvements that have been made along 42nd Avenue over the past years. We want to be considered an asset rather than a drawback.

We hope that by receiving this letter you will see our serious concern and dedication to this subject.

Once again we ask you to carefully consider the possibility of assisting us with the special funding so improvements can be made.

Respectfully,

Residents of the Rockford Homeowners Association

New Hope City Council,

I have been a resident of Sandpiper Cove off and on since it was built by Gleason Construction in 1978 and have lived in New hope since 1970 when my parents bought a home on Northwood Parkway. The city of New Hope has always been a nice place to grow up and live in. I'm stating this from first hand experience. I would like it to stay that way. Sandpiper Cove is in desperate need of repairs and updating. The repairs are coming too fast and numerous for us as an Association to keep up with. We need financial help. We've been to five banks already and cannot get loans because we are an association. We spent \$25,000 on repairs this year alone and these are only band-aid jobs that are covering up needed major repairs.

Some of the repairs needed as follows are:

- 1) Decks, some rotting right off of their buildings. All are original decks made without pressure treated lumber. None of the decks are up to current codes and most of them leak.
- 2) Windows and patio doors, these were of poor quality and were installed poorly - as a result most are to the point of total failure
- 3) Siding and garage doors, again a poor choice of materials and most were installed wrong, resulting in damage to the builtrite as well on a lot of the buildings.
- 4) Roofs, these should last 3-5 more years before needing replacement.
- 5) Parking lot, will have to be seal coated in 1997 at a cost of about \$7000 to \$8000.
- 6) Foundations, at least one garage floor will have to be replaced in 1997 due to settling.

As you know we're on a swamp.

This is just an overview to help you assess are situation.

Estimated cost of repairs needed is \$350,000 (see attached bids). This is by no means a final figure but will be close when were done.

A brief financial picture:

\$13,258 in savings account at Norwest

\$5000-\$6000 in account with management company

\$4860 taken in from monthly dues, \$5580 starting in January 1997

\$2200 in fixed monthly expenses


Enclosed is information that we have come up with so far.. Please let us know of any other information you will need.

Thank You

Daniel P. Leaf  
President Rockford Owners



**REQUEST FOR ACTION**

Originating Department City Manager  Kirk McDonald By: Management Assistant	Approved for Agenda  12-22-97  By: 	Agenda Section Consent  Item No. 6.16
---	--	---

**RESOLUTION APPROVING PURCHASE OF 5629 WISCONSIN AVENUE NORTH (IMPROVEMENT PROJECT NO. 612)**

In September, the City was contacted by the owner of the property located at 5629 Wisconsin Avenue North. In his letter, the owner stated his intent to sell his property in the spring, and inquired if the City was interested in discussing the purchase of his property. The owner does not currently occupy the property, and staff had knowledge that the house had been rental property for many years.

The property has a long history of zoning and housing code violations, including illegal storage of vehicles, excessive garbage, etc. As a result of recent complaints, the General Inspector completed an inspection on August 13, 1997. The Inspector noted several items in need of repair to meet minimum housing standards. Other major repairs needed to bring the house into code compliance include reroofing, replacing the driveway, windows, and trim on the house and garage, repairing and painting the siding. The properties surrounding this house are in good condition, and this property is a detriment to the neighborhood. Staff indicated an interest in potentially acquiring the property, demolishing the structure and constructing a new single family home.

There is a single-family house and single-car detached garage located on the property. The home is approximately 832 sq. ft. finished, with no basement. The lot area is approximately 13,500 sq. ft. **The assessed value of the property is \$58,000** (\$23,500 land/\$34,500 building). The home was built in 1949. The property is located within an R-1 Single Family Residential Zoning District, and is surrounded by R-1 Residential properties to the north, east and south and R-4 High Density Residential to the west.

In October the City Council authorized staff to obtain an appraisal of the property. **The Fair Market Value of the property was estimated at \$57,000**, per the appraisal. Staff met with the property owner, explained the intent of purchasing the property, and **negotiated to purchase the property for \$45,000** (with the property owner agreeing to make a \$12,000 donation to the City). Staff indicated that we did not feel the Council would be agreeable to paying the estimated market value for the property due to the fact that the existing house would be demolished.

(cont'd.)

MOTION BY   Otten   SECOND BY   Norby    
TO:   Adopt res 97-219.  

Review: \_\_\_\_\_ Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

The City Attorney has prepared the enclosed resolution and purchase agreement for the acquisition of the property in the amount of \$45,000. The property purchase would be funded with CDBG scattered site housing funds. If approved, staff would proceed with plans for demolition and return to the Council with new construction plans and project budget options.

Also, due to the fact that the property is currently occupied by a tenant, the City Attorney has indicated that the City must comply with the Uniform Relocation Act and pay relocation expenses. Per the attached relocation estimate, the total estimated cost for relocation is \$2,598. The property owners \$12,000 donation to the City would be used to off-set the relocation expenses.

Staff recommends approval of the resolution.



SUBJECT PROPERTY PHOTO ADDENDUM

801 1/2 5th St  
William F. Carver, Licensed Broker  
3852 Anthony Lane South  
Minneapolis, Minnesota 55417  
(612) 741-0605 Fax 781-7825

File No. 97-2306-A



FRONT VIEW OF  
SUBJECT PROPERTY AT

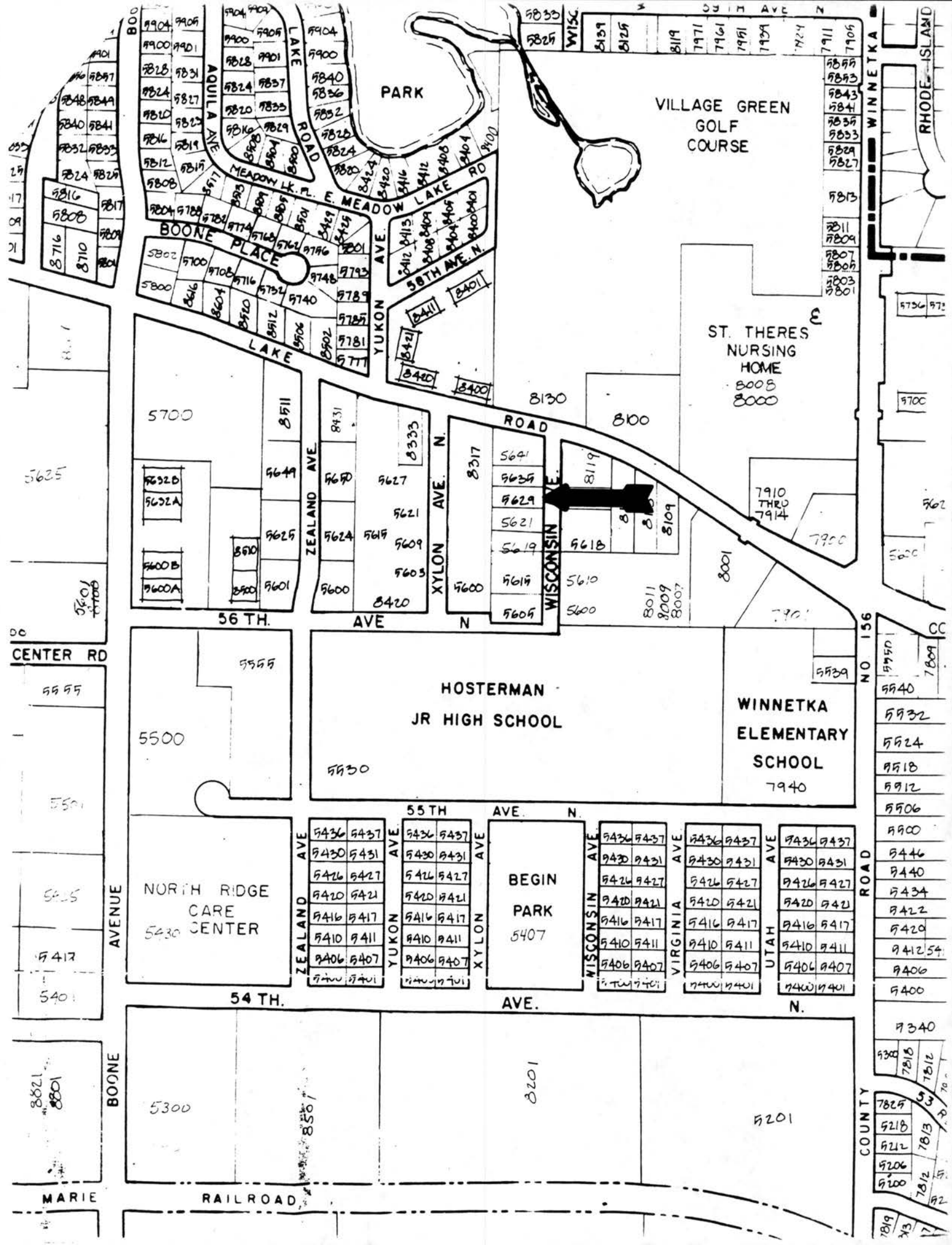
5629 Wisconsin Avenue North  
New Hope, MN 55343  
Appraised: October 23, 1997  
Appraised Value: \$675,000



REAR VIEW OF  
SUBJECT PROPERTY



STREET SCENE



PARK

VILLAGE GREEN  
GOLF COURSE

ST. THERES  
NURSING HOME  
8008  
8000

HOSTERMAN  
JR HIGH SCHOOL

WINNETKA  
ELEMENTARY  
SCHOOL  
7940

NORTH RIDGE  
CARE CENTER  
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BEGIN  
PARK  
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# REQUEST FOR ACTION

Originating Department	Approved for Agenda	Agenda Section
City Manager	By: 	Consent
By: Stephanie Olson Community Dev. Specialist	May 27, 1997	Item No.
		6.13

MOTION AUTHORIZING STAFF TO NEGOTIATE WITH PROPERTY OWNER FOR POTENTIAL ACQUISITION OF 9116-31<sup>st</sup> AVENUE (IMPROVEMENT PROJECT #589)

At the January 27 City Council meeting, City Council authorized staff to obtain an appraisal for the property located at 9116 31<sup>st</sup> Avenue North. BCL Appraisals, Inc. completed an appraisal, and estimated that the fair market value is \$80,000. It was the opinion of the City Attorney and City staff that the appraisal did not take all factors into consideration. The City Manager gave authorization to proceed with a second appraisal. The second appraisal, completed by Herman Appraisal Services, Inc., estimated an "as is" market value of \$62,250 and an "as repaired" market value of \$80,000.

Staff did an interior and exterior inspection of the property on May 5. A preliminary list of rehabilitation repairs has been made and the Building Official estimated a cost of \$15,000 for basic rehabilitation of the property.

This property has been a problem for the City. This property is the lowest home in the area and storm water runoff from adjacent properties drain into this property. During the 1987 rainstorm, the basement flooded.

The property is approximately 11,493 square feet. The rambler was built in 1967 and is approximately 1,120 square of living space, including three bedrooms, one bathroom, living room, kitchen, dinette attached double car garage. The 1997 assessed value of the property is \$88,000 (\$25,500 land/\$62,500 building).

Staff is recommending authorization to negotiate with the property owner. Once a price has been determined, staff will return to the City Council with a recommendation as to whether the City should demolish the property, raise the grade and construct a new house, or rehabilitate the existing house.

MOTION BY Olten SECOND BY Collins

TO: approve

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_



# REQUEST FOR ACTION

Originating Department City Manager  Stephanie Olson By: Community Development Specialist	Approved for Agenda  11-10-97  By:	Agenda Section Development & Planning  Item No. 8.2
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MOTION APPROVING REVISED PLANS AND SPECIFICATIONS FOR THE REHABILITATION OF 9116 31<sup>ST</sup> AVENUE NORTH AND AUTHORIZATION TO ADVERTISE FOR BIDS (IMPROVEMENT PROJECT NO. 589)

In October, the City Council approved plans and specifications for the rehabilitation of 9116 31<sup>st</sup> Avenue North and authorization to advertise for bids. Bids were opened on November 3 and one valid bid was submitted by Anton Construction, Inc. in the amount of \$73,925. Because the City only received one responsive bid and that bid exceeded the projected budget, staff recommended rejecting the bid, with the intent to revise the plans and specifications and re-bid the project.

The scope of the project will remain the same, however, staff has reevaluated the original plans and specifications and identified areas where potential savings could be incurred. These areas include siding, windows, roofing, and cabinetry, with minor revisions in plumbing, electrical, appliances, and miscellaneous. All changes have been incorporated in the revised specifications.

A revised timeline for the project is as follows:

- |  |                          |
|--|--------------------------|
| Approve Revised Plans and Specifications | November 1997            |
| Solicit Bids                             | November-December 1997   |
| Award Contract                           | December 1997            |
| Remove Trees/Rehabilitate House          | December 1997-March 1998 |
| Landscape Property                       | Spring 1998              |

Staff recommends approval of a motion approving revised plans and specifications for the rehabilitation of 9116 31<sup>st</sup> Avenue North and authorization to advertise for bids (Improvement Project No. 589).

MOTION BY Norby SECOND BY Collier  
 TO: approve

Review: \_\_\_\_\_ Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

**SPECIFICATIONS FOR REHABILITATION**

**9116 31<sup>ST</sup> AVENUE  
NEW HOPE, MN**



**November 1997**

**SPECIFICATIONS FOR HOUSE REHABILITATION  
AT 9116 31<sup>ST</sup> AVENUE**

The City of New Hope is seeking bids for the following repairs needed on the City-owned house at 9116 31<sup>st</sup> Avenue North. Please contact Kirk McDonald, Community Development Coordinator, at 531-5119 for access to the home and/or specific information regarding the repairs.

**GENERAL INFORMATION**

1. The scope of the project includes expanding the single-car garage to a double-car garage and rehabilitating the single family house. A separate contract will be developed for correcting grading and drainage problems and landscaping the property.
2. All contractors shall have a State Residential Contractor's License
3. Contractors/subcontractors will submit evidence of insurance coverage. Specific requirements included in contract.
4. Contractor shall obtain all required permits, inspections and related contracts.
5. Equipment and materials must be installed according to state codes and manufacturers specifications and must perform the intended function. Please contact the New Hope Building Official for all questions regarding building codes.
6. Materials, patterns and colors to be selected by City.
7. When it is required to remove or replace an item, the replacement item should be equal in quality, size and function to the replaced item when new.
8. Contractor to provide all transferable warranties to City
9. Any materials which differ from those specified below are to be approved by City. A list of alternate materials must be submitted with Bid.
10. The City reserves the right to delete any portion of the work listed below without affecting the quoted costs of the remaining work, before or during the construction, due to budgetary concerns.
11. The City reserves the right to reject all bids.

**SPECIFICATIONS**

**QUOTES**

***Demolition***

1. Demolition of partial structure to be done within all state, county and city codes. Contractor to provide all necessary permits for demolition
2. Work to proceed in a manner that minimizes disturbances to adjacent and public properties. Damage to these areas will be repaired or replaced
3. Demolish driveway, sidewalk, garage slab, patio slab and service door step
4. Demolish existing SW end garage wall and foundation 3" below new slab level
5. Remove sheetrock and ceiling finishes in lower level
6. Properly dispose of all debris

***Footings/Foundation/Flatwork***

1. Evaluate condition of basement slab. Consult with City as to appropriate repairs
2. Install 12" X 48" frost footing and 6" X 6" cedar post under NW roof overhang
3. Install 24' X 24' garage slab and 5' X 24' patio slab, 4" thick with 6" X 6" #10 WRM and 4" sand base
4. Install curved sidewalk, width equal to steps (maximum 5' wide)
5. Install concrete step(s) at garage/house door per code
6. Replace broken or damaged garage foundation elements at south side of house, if footing is solid. Replacement block/mortar to match existing materials

**Siding/Soffits/Fascia**

1. Repair all damaged or broken siding, soffits, and fascia
2. Garage siding, soffits, and fascia to match existing siding
3. Handwash siding

**Windows/Exterior Doors**

1. Remove existing exterior doors and install 6-panel steel insulated front door, half view storm door, and steel insulated rear door
2. Install door closer at top of house/garage door per code
3. Install Anderson, or equal, 5'0" X 6'8" patio door in dining room
4. Repair all damaged or broken windows, storms, screens, hardware, and wells
5. Install (1) egress window and window well in southeast corner of basement. If area well is not manufactured, submit design plan

**Roofing**

1. Remove roof covering and felt and inspect. Replace roof sheathing, if needed, with ½", 4' X 8' Oxboard
2. Install (5) new 8" plastic fixed attic vents
3. Replace roof covering with 15 lb. felt, Ice & Water shield per code, and 3-tab 225 lb. fiberglass/asphalt shingles. Color to be selected by City

**Gutters**

1. Repair existing gutter system

**Driveway**

1. Lay 3" asphalt driveway. Driveway to be 20' wide

**Carpentry**

1. Repair rotted or damaged stair framing in basement
2. Construct new bearing walls with treated bottom plate in basement
3. Provide 22" X 30" attic access. Verify location with City
4. Install new header and framing for patio door in dining room
5. Construct 10' X 24' garage addition. Roof pitch and overhang in front to match existing roof
6. Repair and tape gypsum fire wall in garage
7. Remove bookcase in living room

**HVAC**

1. Remove existing unit and install Rheem or equal, 80% efficient furnace
2. Remove and dispose of air conditioner in dining room

**Plumbing**

1. Verify and correct all plumbing deficiencies per code
2. Remove lavs, faucets, tub/shower faucet/head, toilet and fiberglass tub surround in bathroom
3. Install Moen, or equal, chrome faucets
4. Install Kohler, or equal, white toilet
5. Install Kohler, or equal, white drop-in sinks
6. Install fiberglass tub surround with rod
7. Install single laundry tub, standard faucet, and standpipe in basement
8. Remove sink and faucet in kitchen. Install Moen, or equal, single lever faucet with spray and stainless steel 2-compartment sink
9. Remove existing unit and install Bradford, or equal, 40-gallon water heater

**Electrical**

1. Verify and correct all electrical deficiencies
2. Remove existing light fixtures and ceiling fans
3. \$500 Light Fixture Allowance. Fixtures to be selected by City
4. Center light fixture in foyer with door
5. Install fan in bathroom
6. Install (6) hard wired smoke detectors per plan
7. Install GFCI outlets in kitchen, laundry and garage per code
8. Remove front yard post

\_\_\_\_\_

**Interior Millwork**

1. Repair or replace any damaged or broken interior millwork, including doors and hardware
2. Install rod/shelf in (1) bedroom closet

\_\_\_\_\_

**Interior Paint/Stain**

1. Remove wallpaper, paneling, shelving and tile from walls
2. Paint all ceilings with Sherwin Williams, or equal, white flat interior paint
3. Patch and repair walls as needed. Paint walls with two coats of Sherwin Williams, or equal, flat interior paint. Color to be selected by City
4. Paint bathroom cabinets/millwork with semi or high-gloss Sherwin Williams Superpaint. Color to be white

\_\_\_\_\_

**Cabinetry**

1. Repair all damaged or broken cabinets, shelves, and hardware
2. Install new cabinet hardware in kitchen and bathroom. Style to be selected by City

\_\_\_\_\_

**Countertops**

1. Remove countertops in kitchen and bathroom
2. Install WilsonArt, or equal, plastic laminate top in kitchen and bathroom with standard edge, backsplash, and overhang. Colors to be selected by City

\_\_\_\_\_

**Floor Covering**

1. Remove existing floor covering on main level
2. Install 1/2", 6lb. pad and World *Exquisite*, or equal, carpet in living room, hallway and (3) bedrooms
3. Install Armstrong Solarian, or equal, vinyl in kitchen, dining room, and bathroom
4. Install 12" ceramic tile at front entry

\_\_\_\_\_

**Appliances**

1. Remove existing appliances
2. Install Kenmore 30" X 30" refrigerator, white in color
3. Install Kenmore, or equal, 32" range, white in color
4. Install recirculating range hood, white in color

\_\_\_\_\_

**Deck**

1. Install 8' starter plate for future deck and steps to grade

\_\_\_\_\_

**Miscellaneous**

1. Clean all surfaces in basement with a sanitizing solution

\_\_\_\_\_



**Drain Tile**

1. Remove existing system and install new interior drain tile system at all basement perimeter walls with 1/3 HP pump with check valve. Direct drainage to sump basket located in south center, discharge to exterior

\_\_\_\_\_

**TOTAL BID**

\_\_\_\_\_

**Company** \_\_\_\_\_

**Contact Person** \_\_\_\_\_

**Address** \_\_\_\_\_

**Telephone Number** \_\_\_\_\_ **Fax Number** \_\_\_\_\_

\_\_\_\_\_  
Signature of Person Submitting Quote

**PLEASE RETURN QUOTES BY MONDAY, DECEMBER 1, TO:**

Kirk McDonald  
New Hope City Hall  
4401 Xylon Avenue North  
New Hope, MN 55428

*Bids will be opened at 11:00 a.m. on Monday, December 1.* The bids will be considered by the New Hope City Council at the Monday, December 8 City Council meeting. All work is to be completed by Friday, February 27, 1998.

The lowest responsible bidder will be expected to enter into a contract with the City to ensure the completion of the work in a timely manner. Payment will be made by the City upon acceptance of the quality and completion of the project.



## 9116 31<sup>st</sup> Avenue North

### Purpose

The purpose of this bulletin is to update property owners and residents in the neighborhood of 9116 31<sup>st</sup> Avenue North about the status of the City's rehabilitation project on this property.

### Overview

In September the City purchased the property at 9116 31<sup>st</sup> Avenue North as part of the City's scattered site housing rehabilitation program. The City is proactive in acquiring properties with significant deficiencies and rehabilitating them in an effort to preserve property values in New Hope's residential neighborhoods. This particular property had suffered extensive water damage in previous years. The City's intent is to correct the drainage problems and rehabilitate the home and place it for sale. In October the City contracted with a firm to install storm sewer and yard drains to resolve problems with water ponding in the rear and side yards. A portion of the property was also regraded so that it drains properly. In November the City hired a tree service to trim and remove some trees on the property in preparation for the house rehabilitation.

### Construction/Rehabilitation

The City accepted bids for the rehabilitation of the house in December and awarded the bid to Flag Builders, who has completed other rehabilitation projects for the City in the past. Rehabilitation of the house is expected to start in mid-January. The rehabilitation contract includes the following exterior work: expanding the single-car garage to a double-car garage; demolition of existing and installation of new driveway, sidewalk and garage slab; repair of all damaged or broken siding, soffits and fascia; installation of new six-panel steel insulated front door, installation of new patio door and basement egress window and repair of all damaged or broken windows, storms and screens; installation of new roof and repair of existing gutter system. Interior improvements will include installation of a new interior drain tile system; new furnace; new water heater; repair/replacement of rotted timbers and stair framing in basement; repair all plumbing/electrical deficiencies; installation of new bathroom fixtures; and new paint and carpeting/vinyl floor covering throughout the main level.

### Schedule

Rehabilitation will begin immediately and is scheduled to be completed by April 1, except for exterior cement work which will be completed by June 15. This spring the City will contract with a firm to do additional landscaping on the property as well as final grading and sodding.

**9116 31<sup>st</sup> Avenue North**

**Construction Hours**

New Hope City Code states that construction can occur on the site between the hours of 7 a.m. and 10 p.m. Monday through Friday and 9 a.m. and 9 p.m. on weekends or holidays.

**Contact Person**

If you have questions or concerns during the construction project, please contact Kirk McDonald, Director of Community Development, at 531-5119.

The City appreciates the cooperation of all residents in the area that may be impacted during this project. The City will keep you informed about any future activities that are to take place on the site. Thank you for your cooperation.

City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

SUBJECT PROPERTY PHOTO ADDENDUM

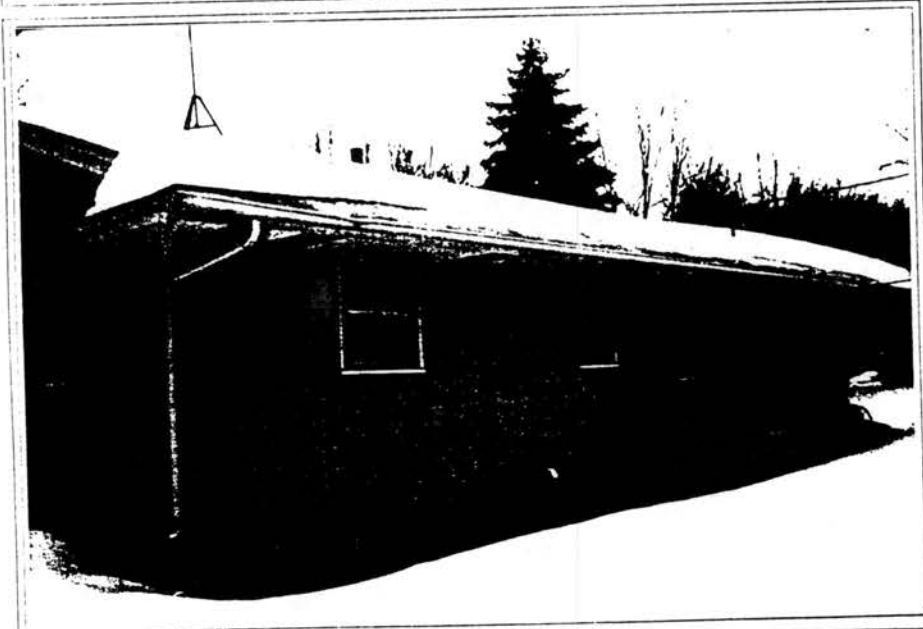
Bjorklund, Gantzel, Lachenbruch & Associates  
2852 Anthony Lane South  
Minneapolis, Minnesota 55418  
(612) 781-0605 Fax: (612) 781-7826

File No. 97-0250J



FRONT VIEW OF  
SUBJECT PROPERTY AT:

9116 - 31st Avenue North  
New Hope, MN 55427  
Appraised: February 3, 1997  
Appraised Value: \$86,000



REAR VIEW OF  
SUBJECT PROPERTY



STREET SCENE

← subject

SUBJECT PROPERTY PHOTO ADDENDUM

1021 Superior St., Bldg. 10  
Bordland, Central, Tachenna Corporation  
2852 Anthony Lane South  
Minneapolis, Minnesota 55418  
(612) 781-0605 Fax: (612) 781-7826



File No. 97-0250J

BASEMENT AREA



BASEMENT AREA



REQUEST FOR ACTION

Originating Department City Manager	Approved for Agenda 12-22-97	Agenda Section Consent
By: Kirk McDonald Management Assistant	By:	Item No. 6.17

RESOLUTION APPROVING PURCHASE OF 7621 62<sup>ND</sup> AVENUE NORTH (IMPROVEMENT PROJECT NO. 613)

At the October 13 City Council meeting, staff requested and the Council authorized an appraisal of the multiple family dwelling located at 7621 62<sup>nd</sup> Avenue. The request was made in response to correspondence the City had received from the owner of the four-plex stating that it was their intention to sell the property and inquiring if the City had an interest in the property. The building has four two-bedroom apartments and was constructed in 1960. The Inspection's Department has indicated that the building is in deteriorating condition and would require substantial rehabilitation. Staff indicated an interest in potentially acquiring the property, demolishing the building and land banking the site for combination with other adjacent parcels for future redevelopment purposes. The south side of 62<sup>nd</sup> Avenue between West Broadway and Sumter Avenue has been identified by the Council as a potential future redevelopment area. The block has also been included in an area where tax increment financing funds from other districts can be utilized. It is a non-TIF generating property eligible for TIF expenditures. Staff indicated that it was probable that relocation benefits would have to be paid if the City acquired the property.

The appraisal of the property was completed. The current market value of the property (tax book listing), the appraised value ("fair market value") and the seller's asking price are listed below:

Current Market Value	= \$117,000 (\$26,000 land & \$91,000 building)	
(Proposed January 1997 value for taxes payable in 1998)		
Original Appraisal Fair Market Value	= \$127,000	
Owners Asking Price	= \$139,900	(cont'd.)

MOTION BY Olten SECOND BY Norby  
 TO: Adopt res. 97-229.

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

At the November 10 Council meeting, staff presented this information to the Council and requested authorization to negotiate with the property owner for the potential acquisition of the property. Staff indicated that if an agreement was reached to purchase the property that staff would be requesting authorization to obtain the services of a relocation expert to assist the City with relocation matters. The Council authorized staff to proceed with the negotiation and requested that staff report back with approximate costs for relocation benefits.

Staff met with and had several discussions with the owners of the building. The owners pointed out several inequities in the original appraisal and staff sent the appraisal back to BCL for revision. **The revised Fair Market Value Appraisal of the property is \$132,000. Staff has negotiated a purchase agreement with the property owner for \$133,500, subject to Council approval.**

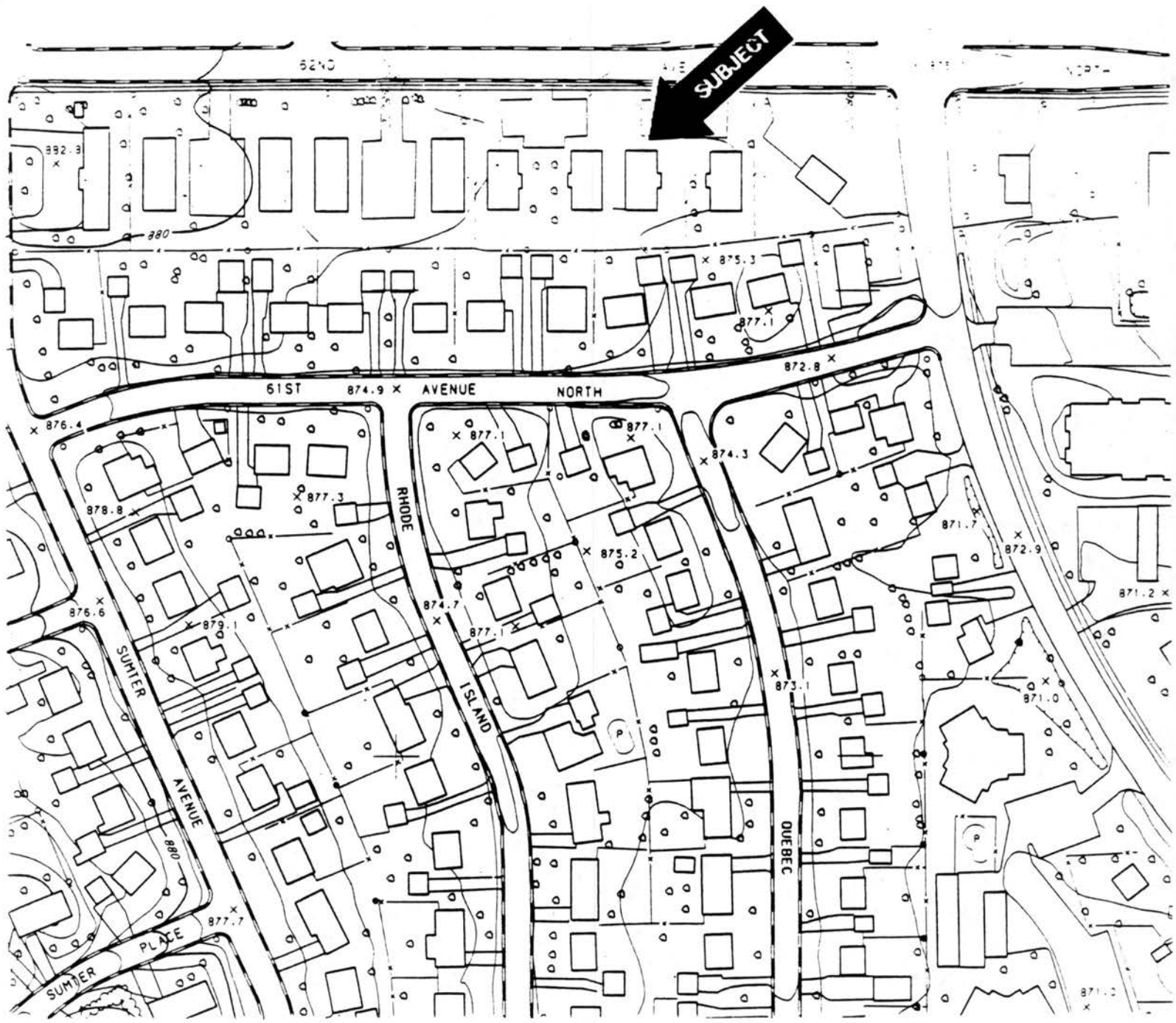
Staff also requested that a relocation specialist complete a market study of relocation benefits and said study is attached. **The City is fortunate in the fact that only two of the four apartments are presently occupied so relocation benefits will only have to be paid to two parties. Total estimated cost of the relocation expenses is \$10,498.** This expense would be double if the other two units were occupied, therefore, staff feels that the purchase price, which is \$1,500 over the appraised price, is justified.

The City Attorney has prepared the enclosed resolution and purchase agreement for the acquisition of the four-unit apartment complex in the amount of \$133,500. The property purchase would be funded with Tax Increment Financing funds. If approved, staff would work with the relocation specialist to relocate the tenants as soon as possible and proceed with plans for demolition of the building.

Staff recommends approval of the resolution.







# MINDER ENGINEERING CO., INC.

## ENGINEERS AND SURVEYORS

LAND SURVEYING  
CIVIL & MUNICIPAL ENGINEERING

SOILS TESTING  
LAND PLANNING

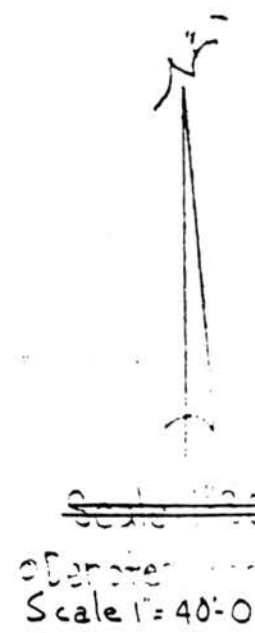
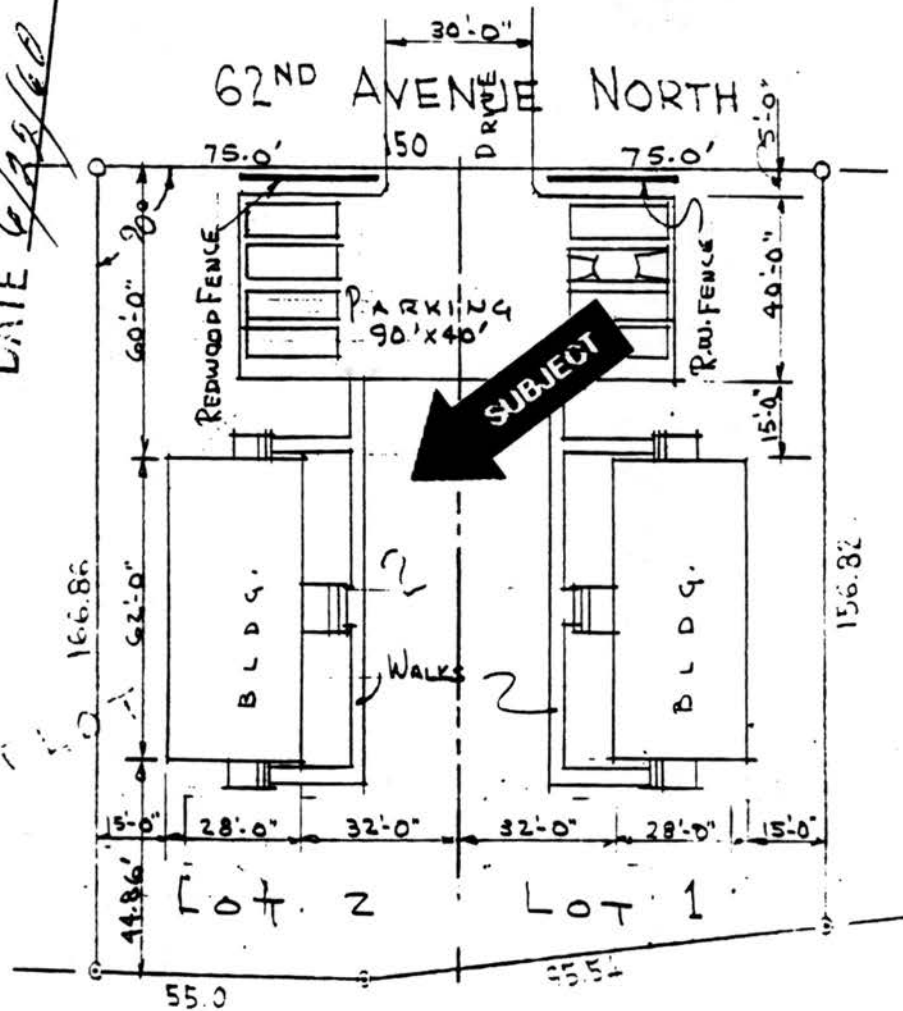
6418-56TH AVENUE N.  
MINNEAPOLIS 27, MINN.  
KE 7-3637

### Certificate of Survey for CAMPION - LAUREL

*Subst. for record*  
*2011 parking lot*  
*Official of City & Bldg Insp*

**PLAT PLAN APPROVED**  
**BY [Signature]**  
**BUILDING INSPECTOR**  
**VILLAGE OF NEW HOPE**  
**DATE 6/22/80**

**OUTLOT 2**



The East 150 feet of Outlot 2, Mork-Campion Heights as measured at a right angle from the East line thereof.

WE HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT REPRESENTATION OF A SURVEY OF THE BOUNDARIES OF THE LAND ABOVE DESCRIBED AND OF THE LOCATION OF ALL BUILDINGS, IF ANY, THEREON, AND ALL VISIBLE ENCROACHMENTS, IF ANY, FROM OR ON SAID LAND.

DATED THIS 31<sup>ST</sup> DAY OF MAY 1980

MINDER ENGINEERING CO., INC.  
ENGINEERS AND SURVEYORS

by *[Signature]*

S139/25



## REQUEST FOR ACTION

Originating Department Community Development  By: Kirk McDonald	Approved for Agenda  <div style="text-align: center;">2-9-98</div> By:	Agenda Section EDA  Item No. 5
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RESOLUTION AUTHORIZING THE PRESIDENT AND EXECUTIVE DIRECTOR TO ENTER INTO A REDEVELOPMENT CONTRACT WITH PROJECT FOR PRIDE IN LIVING, INC. FOR FUNDING OF BASS LAKE ROAD REDEVELOPMENT (IMPROVEMENT PROJECT NO. 614)

At the October 27, 1997, EDA meeting, a presentation was made by city staff and Project for Pride in Living, Inc. regarding a concept proposal for the redevelopment of the multi-family dwellings located at 7302-7316 Bass Lake Road. The project involves the redevelopment of the eight four-plexes located at the site and the construction of new townhomes. A total of 34 units would be created with 14 existing units being rehabilitated and 20 new units being constructed. A variety of financing sources would be utilized, including tax increment financing funds from the City. The EDA unanimously supported the project and directed staff to proceed on the project with PPL. Since that time, a neighborhood meeting has been conducted and several meetings with city staff have taken place.

The next step in the process is the approval of a Redevelopment Contract outlining the responsibilities of the City and PPL. Said contract is necessary so that PPL can demonstrate the City's commitment to the project to other funding agencies. The contract, which has been reviewed and revised by the City Attorney, states that the City will have final approval on the plans.

The City Attorney will review the contract with the EDA and PPL will also be present at the meeting to make a presentation and answer any questions the EDA may have. Also enclosed is a summary of the Redevelopment Contract by PPL, a project bulletin and the most recent concept site plan that is being sent to property owners in the area, a summary of the planning issues prepared by PPL in response to the City's Planning Consultant's report. Lastly, a summary of the development agreement planning issues and a report from the City's Planning Consultant are also attached.

Staff recommends approval of the resolution.

MOTION BY Collier SECOND BY Casen  
 TO: adopt EDA Res 98-02

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

EDA RESOLUTION NO. 98- 02

**RESOLUTION AUTHORIZING THE PRESIDENT  
AND EXECUTIVE DIRECTOR TO ENTER INTO A  
REDEVELOPMENT CONTRACT WITH PROJECT FOR  
PRIDE IN LIVING, INC. FOR FUNDING OF BASS LAKE ROAD  
REDEVELOPMENT PROJECT  
(PROJECT 614)**

BE IT RESOLVED BY the Economic Development Authority in and for the City of New Hope as follows:

WHEREAS, the Economic Development Authority in and for the City of New Hope (EDA) was created pursuant to state law now codified as Minn.Stat. §§ 460.001 through 469.047 (the "Act") and was authorized to transact business and exercise its powers by a resolution of the City Council of the City of New Hope, Minnesota ("City"); and

WHEREAS, in furtherance of the objectives of the Act, the EDA has undertaken a program for the clearance and redevelopment of blighted, vacant and unused areas of the City and in this connection is engaged in carrying out a redevelopment project as defined in Minn.Stat. §469.002, Subd. 12 (the "Redevelopment Project"); and

WHEREAS, as of the date of this Agreement there has been prepared and approved by the EDA and the City Council pursuant to the Act a redevelopment plan for the Redevelopment Project area which includes property more fully described in Schedule A attached hereto (the "Project Area"); and

WHEREAS, Project for Pride in Living, Inc. (the "Redeveloper") has proposed to redevelop the property included in the Project Area subject to the Redevelopment Plan and the Redeveloper has requested that the EDA provide financial aid and assistance to such project; and

WHEREAS, the Redeveloper intends to construct and manage in the Project Area twenty new three bedroom townhomes with attached garages and renovate the seven existing four-plexes into fourteen four bedroom townhome units; and

WHEREAS, the EDA believes that redevelopment of the Project Area pursuant to the Redevelopment's plan is in the best interests of the City and benefits the health, safety, morals and welfare of its residents, and complies with the applicable state and local laws and requirements under which the Redevelopment Plan has been undertaken and is being assisted.

NOW, THEREFORE, BE IT FURTHER RESOLVED by the Economic Development Authority in and for the City of New Hope that:

1. That the President and Executive Director are hereby authorized to enter into a Redevelopment Contract with Project for Pride in Living, Inc. to assist in the financing of a redevelopment project to construct twenty new three bedroom townhomes and to renovate seven existing four-plexes into fourteen four-bedroom townhomes within the Project Area identified on attached Schedule A.
2. That the Executive Director and his staff are further authorized to take all necessary steps required to implement the terms and conditions of the Redevelopment Contract, including acquisition of land within the Project Area by Eminent Domain procedures according to the terms of the Redevelopment Contract.
3. That the EDA shall loan the Project for Pride In Living, Inc. funds not to exceed \$1,400,000.00 for the purpose of completing the project in accordance with the terms of the Redevelopment Contract.

Dated: February 9, 1998.

Attest:   
Daniel J. Bonahue,  
Executive Director

  
W. Peter Enck, President

SCHEDULE A

PROJECT AREA

The property in Hennepin County described as:

Under Contract:

7302, 7306, 7308, 7312 and 7316 Bass Lake Road

Under Negotiation:

7300 Bass Lake Road

7304 Bass Lake Road

Southern 327 feet of land owned by School District 281

SCHEDULE B

PROJECT DESCRIPTION

1. Number and Description of Units

Number of Units	Construction Type	Bedrooms	Baths	Type	Size sq ft	Number of units per bldg
14	rehabilitated fourplex	4 bedrooms	2 full	2 story	1,700	2
20	new construction	3 bedrooms	1.5	2 story	1,200	4
TOTAL: 34 units						12 bldgs.

After submission of the funding applications, the total number of units and number MHOP units are subject to negotiation with the Minnesota Housing Finance Agency, Minneapolis Public Financing Authority and Department of Housing and Urban Development and are thus subject to change.

2. Rents and Occupancy

	Market Rate	MHOP	TOTAL
4 bedroom Rehabilitation	8	6	14
3 bedroom Rehabilitation	14	6	20
TOTAL:	22	12	34

Type	Rent Including tenant utility allowance	Rent Restriction	Occupancy Restriction
Market Rate	S745 - 3 bed	30% of 50% of median income 1st 5 years, then 60%	initial income below 50% of median, currently at \$30,950 (1996) 60% of median currently \$37,140
MHOP	30% of tenant income	not applicable	8 units initially offer to Minneapolis residents; minimum of 4 reserved for New Hope



### 3. Site Plan

- A totlot with play equipment will be included in courtyard area.
- Creating decks above the four-plex garages is being explored.
- PPL will have on-site staff and an on-site office.
- A wood or wrought iron (based on cost consideration) fence and landscaping will separate access drive from adjacent backyards.
- Breckenridge Group Home will remain; PPL will provide landscaping and exterior improvements to match building to others.

### 4. Proposed Project Financing

Type	Lender/Investor	Terms
First Mortgage	Minnesota Housing Finance Agency	6.9% 24 year term
Second Mortgage	Minnesota Housing Finance Agency	1%, 30 year term, interest & payments deferred for 30 years
Third Mortgage	Family Housing Fund	1%, 30 year term, interest & payments deferred for 30 years
Fourth Mortgage	City of New Hope	grant after satisfactory completion
Equity Investor	National Equity Fund	Purchase of low income housing tax credits

## SUMMARY OF REDEVELOPMENT CONTRACT BETWEEN PROJECT FOR PRIDE IN LIVING (PPL) AND NEW HOPE EDA

EDA agrees to make a loan of up to \$900,000 to PPL for the Bass Lake Road redevelopment project secured by a mortgage on the property; the mortgage will be satisfied when the project is complete and 100% occupied. PPL agrees to acquire the land and construct the project in accordance with plans approved by the City and the EDA.

1. **Authority**  
EDA represents that this is a redevelopment project and that the EDA has the authority to make the loan. PPL represents that it has the authority to enter into the agreement and to proceed with the project, subject to acquisition of the land, City approvals and project financing.
2. **Plan Approval**  
EDA and the City have the right to approval constructions plans, including approval of any changes required by other lenders.
3. **City Approvals**  
PPL will rezone the entire property to R-3, replat the entire site, obtain conditional use permits or variances as required.
4. **Property Acquisition**  
PPL has control of 6 four-plex properties and is in negotiation for the other 3 properties. If negotiations fail, the EDA agrees to initiate condemnation or to otherwise acquire the properties and transfer them to PPL. The cost of condemnation will be a project cost and may increase the amount of the loan. if above a budgeted amount of \$250,000.
5. **Loan Terms**  
Loan will be used for land acquisition and construction. Loan will be at no interest and will be satisfied when construction is satisfactorily completed and the project is 100% occupied. Loan funds may be requested by PPL as the first funds spent in the project.
6. **Monitoring of the Project - During Construction**  
PPL will provide the EDA with copies of all payment requests from all financing sources during construction and with notice and the right to attend all construction draw meetings and inspections.
7. **Monitoring of the Project - After Occupancy**  
PPL will give the EDA the right to inspect the properties upon 24 hours notice except in an emergency. PPL will request that the other project lenders: allow the EDA to participate in and receive reports of their monitoring and inspection procedures.

8. **Metropolitan Housing Opportunities Program (MHOP)**

Approximately 12 units will have financing from the MHOP Program. This financing requires that 70% of the units (8) are first offered to residents on the Minneapolis Public Housing waiting list and 30% (4) are offered to residents on a waiting list created and maintained by the EDA. MHOP units can only pay taxes equal to 5% of tenants rent (payments in lieu of taxes - "PILOT") for forty years.

9. **Defaults by PPL and EDA Remedies**

Default by PPL is defined as failure to complete the project, failure to comply with obligations and agreements, bankruptcy or corporate dissolution. If PPL defaults and the default is not remedied within 30 days after PPL is given notice, the EDA may suspend its performance (stop paying money or granting approvals), terminate the redevelopment contract, or withhold the certificate of completion, foreclose on its mortgage, or take other legal action. PPL must pay the costs of such actions, including reasonable legal fees.

10. **Project Financing**

Minnesota Housing Finance Agency	first and second mortgage	1,300,000
Family Housing Fund	third mortgage	340,000
EDA	fourth mortgage	900,000
MHOP	grant	1,306,000
NEF or other tax credit buyer	limited partner	1,506,000
Total Cost of Redevelopment, Construction, Rehabilitation		5,352,000



## Project for Pride in Living (PPL) Bass Lake Road Housing Development

### Overview

This is to inform you about the progress of the Project for Pride in Living (PPL) Bass Lake Road housing development. The development is on schedule and will be submitting applications in mid-February for mortgage funds.

PPL has proposed to renovate the four-plexes into two unit, two-story buildings, for a total of 14 four-bedroom units. Breckenridge will remain as the occupant of the eighth four-plex. A new garage would be built between each four-plex. Twenty three-bedroom townhouses would be built at both the north and south ends of the site. These would have tuck-under garages.

Thirty-four units would be created: 14 rehabilitated and 20 new. There are 28 units on the site right now. Initially, eight of the units would be reserved for families on the Minneapolis Public Housing waiting list and four units would be for families on the New Hope waiting list. These twelve units would consist of six three-bedroom and six four-bedroom units. Rent for the market rate units will be approximately \$660 for the three-bedroom and \$740 for the four-bedroom, with tenants paying their own utilities. Two handicapped accessible units would also be created. The plan is to begin construction this fall and be finished in the spring of 1999.

In December, PPL hosted a tour of buildings this nonprofit corporation has built and is managing, followed by a lunch and a discussion with the project architect. Another design meeting with the neighbors will be held this spring.

### Site Plan

There has been one minor change in the concept site plan, which is attached. Due to the need to maintain two ways to enter and exit the site, the office building land has been excluded because it is located on the west side of the drive. In addition, clustering the townhouses in this way allows for joint garages for each cluster, which reduces the amount of pavement needed for driveways and increases the lawn.

A new storm sewer will serve the site, which should eliminate problems adjoining neighbors have had with runoff from these buildings.

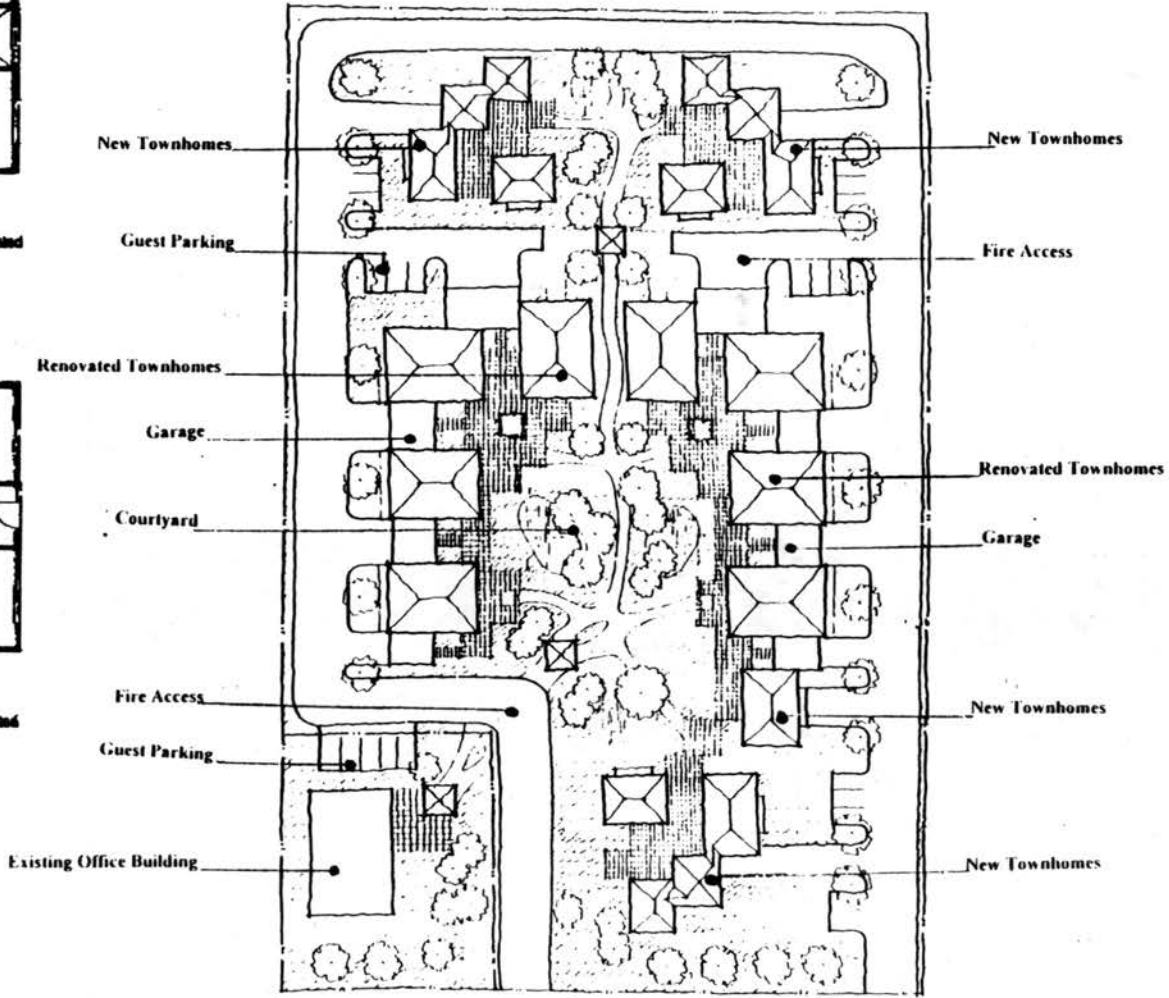
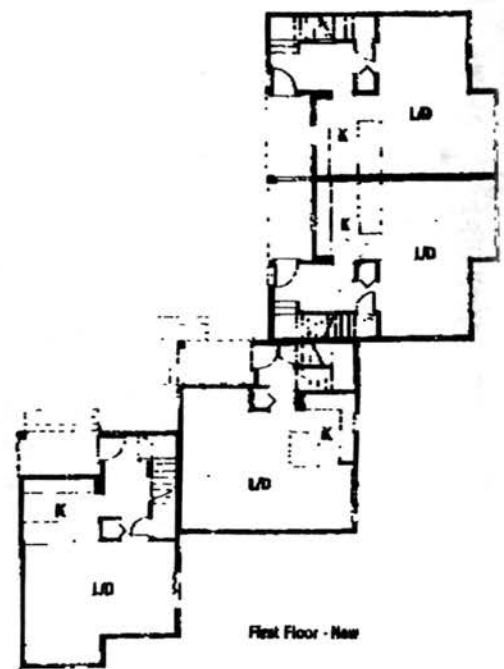
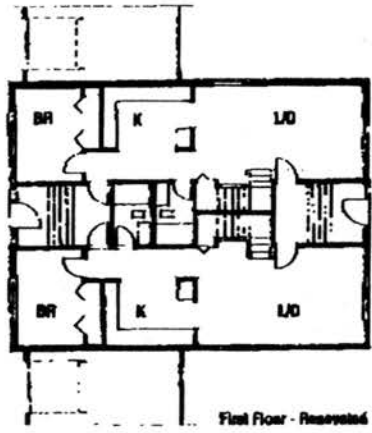
### Contact Person

For more information contact:

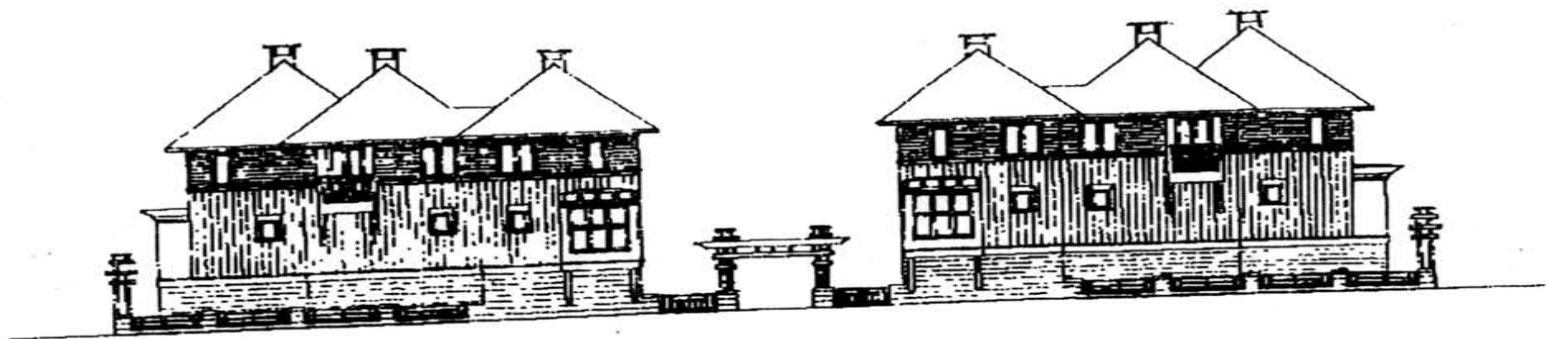
Chris Wilson, PPL Project Manager	874-3314
Steve Cramer, PPL Executive Director	874-8511
Lisa Kugler, PPL Development Consultant	827-2189

City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428  
531-5100

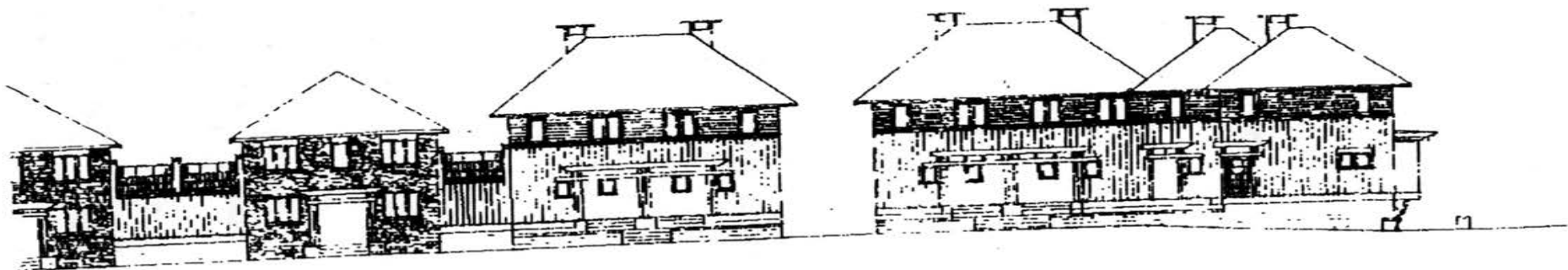
- Project Tabulations**
- 16 Four Bedroom Townhomes  
Renovated 1700 sf
  - 20 Three Bedroom Townhomes  
New 1200 sf
  - 36 Garage Parking Spaces
  - 22 Open Parking Spaces



Concept Proposal  
for a  
Residential Community  
Bass Lake Road



Bass Lake Road Elevation



Interior Courtyard Elevation


Concept Proposal  
for a  
Residential Community

Bass Lake Road  
New Hope, Minnesota

Developer: Project for Place in Living  
Architect: Johnson, Lindsey, Johnson & Co.  
October, 2007

**MEMORANDUM**

**TO:** Kirk McDonald, City of New Hope

**FR:**  Lisa Kugler, for PPL

**RE:** PPL Bass Lake Road Project - Development Requirements

**DATE:** February 5, 1998

4737 Garfield Ave. So.  
Minneapolis, MN 55409

What follows is our understanding of the development application and design standards we need to meet for this project, based on the memo from Alan Brixius, 12/4/97.

**DEVELOPMENT APPLICATIONS**

1. Rezoning - PPL will apply for a rezoning of the entire site to R-3.
2. Subdivision - PPL will replat the site as a single lot.
3. Conditional Use/Planned Unit Development - PPL will apply for a conditional use for the townhouses.
4. Variances from PUD Standards - discussed in

**DESIGN ISSUES**

1. Density - PPL assumes the concept plan density is acceptable (9.7 units/acre).
2. Common Open Space - this requirement can be met by the current plan.
3. Underground Utilities - this requirement can most likely be met, but will require some additional research.
4. Utility Connections - a. Water Connections - shut-off valves exist in the four-plexes and will be built in the townhouses. b. Sewer connections - will meet code requirement.
5. Private roadways - a. Width - proposed roadway is 25 feet wide, with paving and curbing. b. Circulation for large and emergency vehicles - see proposed plan for solution. c. Parking prohibition - driveways and garages will accommodate parking on site.
6. PUD Setbacks.
  - a. Setback Periphery - met in proposed plan.
  - b. Height Abutting R-1 and R-2 - variance will be required for townhouses on north edge of property, which abuts vacant land.
  - c. Setback, front - variance will be required.
  - d. Building separation - variance will be required.

**PUD TOWNHOME PERFORMANCE STANDARDS**

- a. Frontage - can be met.
- b. Dwelling Unit - no accessory uses are proposed.

Memo to Kirk McDonald

February 5, 1998

Page 2

- c. Height - proposed townhouses are not more than two stories completely above ground.
  - d. Number of Units and Building Length - current site plan does not propose any one building with more than six units.
  - e. Open Space - open space requirement is met.
8. Site Drainage  
A storm sewer is being proposed as part of project construction. It is my understanding that PPL's engineer has been in contact with New Hope and Crystal City Engineers.

We look forward to providing you with a complete application for the City's review in the coming months. Thank you for your assistance.

CC: Steve Cramer  
Chris Wilson  
Bob Lunning





**NORTHWEST ASSOCIATED CONSULTANTS**  
**COMMUNITY PLANNING - DESIGN - MARKET RESEARCH**

## MEMORANDUM

**TO:** Kirk McDonald  
**FROM:** Alan Brixius  
**DATE:** 4 December 1997  
**RE:** New Hope - Project for Pride in Living  
**FILE NO:** 131.01 - 97.05

## BACKGROUND

On 25 November 1997, City staff met with a group from Project for Pride in Living to discuss a proposal to redevelop two commercial properties and a group of multiple family dwellings at 7203-7316 Bass Lake Road. To facilitate this redevelopment effort, the following development application and design issues were discussed.

## DEVELOPMENT APPLICATIONS

- 1. Rezoning.** The proposed redevelopment area consists of three separate zoning classifications (R-3, R-O, and B-3). Both the R-O and R-3 zoning allow townhomes as a conditional use/planned unit development. The B-4 Zoning District does not allow for residential land uses. A zoning change to a R-3 zoning classification is recommended for the entire redevelopment site.
- 2. Subdivision.** The site consists of three separate lots. Based on the meeting discussion, these lots have not been platted. In conjunction with the redevelopment request, the site should be platted as a single lot. The subdivision should be coordinated with Hennepin County to insure proper street right-of-way is dedicated along Bass Lake Road.
- 3. Conditional Use/Planned Unit Development.** Within the R-3 Zoning District, townhouses are a conditional use permit that must comply with Section 4.19, Planned Unit Development requirements of the New Hope Zoning Ordinance.

5775 WAYZATA BOULEVARD, SUITE 555 ST. LOUIS PARK, MINNESOTA 55416

PHONE 612-595-9836 FAX 612-595-9837

4. **Variance.** In review of the submitted concept plan, a number of variances from PUD standards have been identified. The areas where variances are needed are described in latter portions of this report.

### **SUBMISSION REQUIREMENTS**

To date, the City has received only a concept drawing of the redevelopment site. With the development application, the following plans must be provided.

1. Site survey and plat of the entire redevelopment site.
2. Dimensioned site plan.
3. Grading and drainage plan.
4. Utility plans.
5. Landscaping plans.
6. Colored building elevations showing the exterior building treatments.
7. Property fence detail.

### **DESIGN ISSUES**

Review of the submitted concept plan raise the following issues with regard to the City's zoning performance standards:

1. **Density.** The New Hope PUD standards allow the project density to be negotiated and agreed upon between the applicant and the City.
2. **Common Open Space.** The site must provide the common open space at least sufficient to meet minimum standards of the City Code.

Section 4.193(5)(e) of the New Hope Zoning Ordinance requires 400 square feet of usable open space per townhome unit. Based on a unit count of 34 dwellings, the project must provide 11,600 square feet of usable open space. The center court may satisfy the requirement, however, it should be verified.

3. **Underground Utilities.** In any PUD, all utilities, including but not limited to telephone, electricity, gas and cable television shall be installed underground.
4. **Utility Connections.**
  - a. **Water Connections.** Where more than one property is served from the same service line, a shut off valve must be located in such a way that each unit's

service may be shut off and secured by the City, in addition to the normally supplied shut off at the street.

- b. **Sewer Connections.** Where more than one unit is served by a sanitary sewer lateral which exceeds 300 feet in length, provision must be made for a manhole to allow adequate cleaning and maintenance of the lateral. All maintenance and cleaning shall be the responsibility of the property owners association or owner.

5. **Private Roadways.** Private roadways are allowed through the PUD provided:

- a. The roadways have a paved width of 25 feet or more. The roadways and parking areas must be constructed with bituminous paving and concrete curbing.
- b. The private roadway system must provide proper circulation for large trucks and emergency vehicles. The applicant should illustrate how the looped private street will accommodate large truck maneuvering in the northern end of the site.
- c. Parking will be prohibited on the private streets.

6. **PUD Setbacks.** The following setbacks are applicable within a residential PUD:

- a. **Setback, Periphery.** The front and side yard restrictions at the periphery of the planned unit development site at a minimum shall be the same as imposed in the respective districts.
- b. **Height Abutting R-1 and R-2.** No building shall be nearer than its building height to the rear or side property line when such line abuts an R-1 or R-2 District.
- c. **Setback, Front.** No building shall be located less than 15 feet from the back of the curb line along those roadways which are part of the internal street pattern.
- d. **Building Separation.** No building within the project shall be nearer to another building than one-half the sum of the building heights of the two buildings.

The concept plan suggests that most of the setbacks will be met with the exception of the required setbacks between buildings. A variance from this setback will be required.

7. **PUD Townhome Performance Standards.** The following design standards are applicable specifically to a townhome development:
- a. **Frontage.** Minimum unit lot frontage for townhouses shall be not less than 20 feet.
  - b. **Dwelling Unit.** Dwelling unit and accessory use requirements are in compliance with the district provisions in which the development is planned.
  - c. **Height.** A townhouse shall have not more than two stories completely above ground.
  - d. **Number of Units and Building Length.** A structure containing a townhouse shall have three to six dwelling units with no single wall greater than 80 feet in length without an offset of ten feet or more, or an angle of 22.5 degrees or more.
  - e. **Open Space.** Townhouse projects shall have a useable open space area equal to 400 square feet per unit.

In review of the concept plan, a variance will be required from provision d. above. The concept plan shows a townhouse building containing ten units.

8. **Site Drainage.** Site drainage is an existing problem for the site and adjoining properties. The solution of the drainage concerns will likely require the cooperative effort between the applicant and both the Cities of New Hope and Crystal.

## CONCLUSION

This report is intended to serve as a technical evaluation of the proposed concept plan in relation to the City Zoning Ordinance. This is intended to assist in identifying elements that will require further attention in completing the appropriate development applications.

In review of the proposed concept plan, we are excited at the prospect of redeveloping the problem areas of the City.

pc: Doug Sandstad  
Steve Sondraill



EDA

# REQUEST FOR ACTION

#614

Originating Department City Manager  Kirk McDonald Management Assistant  By:	Approved for Agenda  10-27-97  By:	ED <b>A</b> genda Section  Item No.  4
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**PRESENTATION BY PROJECT FOR PRIDE IN LIVING, INC. REGARDING CONCEPT PROPOSAL FOR REDEVELOPMENT OF MULTI-FAMILY DWELLINGS AT 7302-7316 BASS LAKE ROAD**

Project for Pride in Living, Inc. (PPL) will be making a presentation to the EDA regarding a concept proposal for the redevelopment of the multi-family dwellings at 7302-7316 Bass Lake Road (see enclosed report).

PPL is one of the developers selected by the Minneapolis Public Housing Authority for the implementation of the Metropolitan Housing Opportunities Program (MHOP) in the suburbs. MHOP is a rental housing program that was created as a result of a legal settlement, the *Hollman Consent Decree*. As one of the defendants in the lawsuit, the Minneapolis Public Housing Authority (MPHA) agreed to expand affordable housing opportunities for lower income residents in areas where there has traditionally not been a supply of public housing, in both the City of Minneapolis and in suburban locations. The MPHA will develop and operate the Hollman replacement units in the City, but a new kind of approach was needed for the MPHA to provide Hollman funds for the development of public housing in the suburbs, MHOP is this tool. MHOP-funded new construction homes can be built anywhere outside Minneapolis and St. Paul, but within the MUSA (metropolitan services) line. Rehabilitation of existing homes with MHOP can be done anywhere in the seven-county area, outside of Minneapolis and St. Paul. Sites are selected which meet public housing site and neighborhood standards, and the MPHA strongly encourages the development of MHOP units in places that are accessible to jobs, transportation, and other amenities important to families with children.

PPL approached the City this spring and inquired if the City might be interested in such a redevelopment and requested that the City identify potential redevelopment sites. City staff provided a list of sites and identified the Bass Lake Road properties as one of the top redevelopment priorities for the City. PPL reviewed the list, analyzed the sites and selected the Bass Lake Road properties as the site with the best financial potential for redevelopment. Since that time, they have met with the City Manager and staff on several occasions to prepare a concept for potential redevelopment.

(cont'd.)

MOTION BY \_\_\_\_\_ SECOND BY \_\_\_\_\_  
 TO: Supportive of concept

Review: \_\_\_\_\_ Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

RFA-001

There are seven buildings being considered for redevelopment with four apartments in each unit (two up/two down) at 7302/7304/7306/7308/7310/7312/7316 Bass Lake Road, also known as Park Square Apartments. All are two-bedroom apartments and there are no garages at the complex. Most of the buildings are under separate ownership. These seven buildings are the source of a number of police calls to the City and complaints have been received from surrounding homes and businesses. The eighth building on the site, 7314 Bass Lake Road, is the Breckenridge Group Home, which is not the source of complaints or problems. City staff indicated to PPL that the City would probably welcome a partnership that provided for either substantial rehabilitation or demolition/redevelopment on the site.

The site is located on the north side of Bass Lake Road between Pennsylvania Avenue and Nevada Avenue. The site is accessible only through an alley off of Bass Lake Road which runs between two commercial properties. The property is bordered on the east and west sides by Crystal single family homes. Adjacent to and north of the site is School District 281 property with Thorson Resource Center, also in Crystal. Directly adjacent to the site on the north is a vacant piece of property owned by District 281 located in New Hope, but part of the Thorson Resource Center complex. This concept proposal has been reviewed with representatives of both the City of Crystal and District 281.

PPL is proposing to renovate seven of the eight brick four-plexes into side-by-side duplexes and build twenty three-bedroom townhouses on the existing site. The two commercial buildings on Bass Lake Road would be replaced by one row of twelve townhouses. Eight additional townhouses would be built on the small piece of property located in New Hope south of the resource center, which would be acquired from District 281. The existing 32 two-bedroom apartments in eight four-plex buildings would be redeveloped into 14 four-bedroom side-by-side units in seven of the four-plex buildings and 20 three-bedroom townhomes with tuck-under garages and off-street parking for each unit. Twenty-two units would have market rate rents between \$700 and \$850. Twelve units would have rents subsidized for lower income families (those earning less than \$26,000 per year). Eight of the affordable units need to be offered first to residents on the Minneapolis waiting list; the other four (and any not accepted by people on the first list) would be for New Hope residents. PPL would provide an on-site management office with a full-time staff. All residents (market rate and affordable) would be carefully screened: each must have a good rental history, adequate income to afford the rent and no criminal background. Renters at the time PPL purchases the property will receive assistance in finding a new place to live and help with the expenses of moving.

The total cost of this redevelopment is approximately \$5 million. Financing is proposed to be a combination of approximately \$1.5 million in an equity investment, a first mortgage and a grant from the Minnesota Housing Finance Agency, an investment from the City of New Hope and a loan from the Family Housing Fund. The twelve affordable units are paid for by the Metropolitan Housing Opportunities Program, which was created to increase the supply of affordable rental housing outside the center cities. The property is located in an area eligible for TIF expenditures or PPL may propose the creation of a new TIF District.

PPL indicates that this development provides high quality, well designed townhomes which will be well maintained by an owner with a long-term commitment to the community. This creates more value and more stability than the current rental situation. From Bass Lake Road the new townhouses will present a welcoming appearance to the street while orienting the development to the interior of the block.

The proposed timeline for the project is as follows:

Finish purchase of the property -----	June 1, 1998
Start rehabilitation and construction-----	June 15, 1998
New residents move in -----	November-December 1998

Staff request that the EDA consider the concept and provide direction to staff as to whether this redevelopment is something the EDA is interested in pursuing.

---

***Y***ou are invited to participate in the  
**1998 Northwest Suburban  
Remodeling Fair**

**WHEN:** Saturday, April 4, 1998

**TIME:** 9:00 a.m. to 3:00 p.m.

**WHERE:** Crystal Community Center  
4800 Douglas Drive  
Crystal MN

The cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope, Robbinsdale and Plymouth in conjunction with the Northwest Hennepin Human Services Council invite you to join us for our sixth annual Remodeling Fair.

The purpose of the fair is to encourage home owners to make improvements to their homes. With over 2,000 residents in attendance, the event continues to be an excellent opportunity for members of the home improvement industry to demonstrate the benefits of their products and services.

The remodeling fair will include over 75 exhibits from local contracting businesses, landscape nurseries, designers and architects, lending institutions, local manufacturers and municipal inspectors. Prizes will be awarded throughout the day and refreshments will be available. The fair is free and open to the public.

Show hours are from 9:00 a.m. to 3:00 p.m. Display materials must be removed by 4:30 p.m. of the same day. Booth space (8' x 10') includes one 8-foot table, two chairs, table skirting, backdrop and sign. Booth space registration fee is \$125.00. Full payment must be included with your registration to reserve a booth. A hospitality room will be provided for vendors and will be stocked with refreshments.

If you would like to participate in this very successful marketing event, please return the enclosed registration form. **Final registration deadline is March 4, 1998.** Booth space is limited so we encourage you to return the registration form today.

Don't miss this opportunity to promote your business to local residents who are planning to remodel or improve their homes. If you have questions, please call:

Kirk McDonald, City of New Hope (531-5119)

or

Anne Norris, City of Crystal (531-1140)

---

CO-OP Northwest Presents

# 1998 NORTHWEST SUBURBAN REMODELING FAIR

FREE  
ADMISSION

## CRYSTAL

COMMUNITY CENTER  
4800 Douglas Drive, Crystal MN

FREE  
ADMISSION

### SATURDAY, APRIL 4, 1998

9:00 a.m. - 3:00 p.m.

#### *Free Workshops*

- 9:30 a.m. Decks Designed for Home Enhancement
- 10:00 a.m. Healthy Homes Through Heat Exchange
- 10:30 a.m. New Trends in Baths
- 11:00 a.m. Gold Medal Front-Yard Landscape Concepts
- 11:30 a.m. Building Good Relations with Your Contractor
- 12:00 noon Interior Design for Amateurs
- 12:30 p.m. Updating the Exterior of Your Home
- 1:00 p.m. State of the Art Kitchen Design

**SEMINARS LAST 30 MINUTES. THOSE WHO  
ATTEND SEMINARS MAY REGISTER FOR  
CHANCES TO WIN ADDITIONAL DOOR PRIZES.**



***Bring your Plans and Photos!***

***Talk with Local Contractors and Architects . . .***

- Up to 75 Booths and Exhibits
- "How To" Seminars and Demonstrations
- Money and Space-saving Ideas
- Talk with City Building Inspectors, Police and Fire
- Door Prizes
- Visit with Architects from Minnesota Chapters of the American Institute of Architects


**For Information Call 493-2802**

Sponsored by the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope, Plymouth and Robbinsdale in conjunction with the Northwest Hennepin Human Services Council





### REQUEST FOR ACTION

<b>Originating Department</b> City Manager  Kirk McDonald By: Management Assistant	<b>Approved for Agenda</b>  11-24-97  By: 	<b>Agenda Section</b> EDA
		<b>Item No.</b> 4

DISCUSSION REGARDING GREATER MINNEAPOLIS METROPOLITAN HOUSING CORPORATION (GMMHC) HOMEOWNERSHIP RESOURCE CENTER PROGRAM # 624

Per the enclosed correspondence and attachments, over the past year the Greater Minneapolis Metropolitan Housing Corporation (GMMHC) has been working with city staff from the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale to discuss a "Homeownership Resource Center" program for the 5-city group. GMMHC has submitted several grant requests to secure funding operations of the "Homeownership Resource Center." In recent conversations with the McKnight Foundation, the Foundation indicated that it is waiting for the 5-city group, or as many cities as are going to participate, to finalize their respective funding commitments for the "Homeownership Resource Center," prior to the Foundation making a final commitment of financial support. Staff request to discuss this proposed program with the EDA and to determine if the EDA wants to make a financial commitment to support the program or not.

Early in 1966, Hennepin County contacted GMMHC and indicated that the county staff had met with elected officials from suburban Hennepin County communities, and many of these communities had requested assistance from the County in coordinating programs to provide a one-stop approach to assist homeowners with their housing needs. At the same time, the County Board authorized staff to identify approaches for strengthening the county's coordinating role in addressing housing issues and stabilizing the tax base. Hennepin County engaged GMMHC to look into the possibility of establishing a Home Ownership Center, like its Northeast Minneapolis model, in a suburban setting. The county targeted the Northwest area of the county for this probe. The request was reviewed by the GMMHC Board and they agreed to consider the feasibility of expanding the program. In February of 1997, GMMHC entered into a

(cont'd.)

MOTION BY Norby SECOND BY Collier  
 TO: Supportive of participating

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

Professional Services Agreement with Hennepin County whereby they would share the cost, up to \$7,400, to undertake a suburban Hennepin County housing resource center feasibility study. Since that time there have been numerous meetings with staff, city planners and managers, as well as elected officials and other interested parties in the communities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. They have also had other meetings with the McKnight Foundation and the Metropolitan Council in regard to funding such an initiative.

The enclosed 5-City North Suburban Homeownership Resource Center Feasibility Fact Sheet states that the "center" would be structured to be a "one-stop resource" for home ownership and home improvement programs and services needed to intervene in neighborhoods on the edge; those neighborhoods poised to change from high homeownership to absentee ownership and from stable housing stock to disrepair and disinvestment. All home ownership and improvement resources, public, private and non-profit would be invited to operate out of this "one-stop resource center" and have their respective products and/or services available for the homeowner, home buyers, and renters. The "center" would provide one-stop shopping for comprehensive housing information, tailored to the circumstances of each family and property. Information and applications would be available for all of the dozens of mortgage and home improvement loan programs available. GMMHC states that the "center" would not duplicate programs and services, rather would provide an opportunity to collaborate with other providers to make existing programs and services available at the "center." The Fact Sheet also address why a resource center is needed and outlines the benefits, programs and services that would be available.

Each of the 5-city group is invited to become a sponsor of the "Homeownership Resource Center." The enclosed letter is a request from GMMHC to approve participation in the program and commit to city funding as per the initial budget amount of \$5,000 in 1998, \$6,000 in 1999, and \$7,000 in 2000. This request for each member of the 5-city group to commit its respective funding is subject to sufficient funding becoming available from other sources, e.g., the McKnight Foundation, etc. If projected funding cannot be achieved in 1998, the operation and related budget will have to be modified to the satisfaction of the city participants. In addition, there may be other potential funding resources that may be available for this project, and GMMHC is prepared to attempt to access these resources on behalf of the 5-city group. GMMHC is prepared to move forward with its commitment to operate the suggested 5-city "Homeownership Resource Center" and awaits only the commitment of the cities to partner with GMMHC on this program.

Staff is requesting direction from the EDA on this request and wants to know if the EDA is interested in participating in this 5-city venture. Staff is generally supportive of the program on a pilot project or trial basis. There are adequate EDA funds available to participate in 1998 and staff would recommend that only a one-year approval for participation be considered at this time and that funding for subsequent years be considered with the annual budget process.



THE GREATER MINNEAPOLIS  
METROPOLITAN HOUSING CORPORATION

514 Nicollet Mall, Suite 500  
514 Nicollet Mall  
Minneapolis, Minnesota 55402  
(612) 339-0601  
FAX: 339-0608

October 30, 1997

Mr. Dan Donahue  
City Manager  
City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

Dear Mr. Donahue:

Over the past year, the Greater Minneapolis Metropolitan Housing Corporation (GMMHC) has been working with city staff from the cities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale to finalize a "Homeownership resource center" program for the 5-city group.

GMMHC has submitted, in conjunction with the 5-city group, several grant requests to secure funding operations of the "Homeownership resource center." In recent conversations with the McKnight Foundation, the Foundation indicated that it is waiting for the 5-city group, or as many cities as are going to participate, to finalize their respective funding commitments for the "Homeownership Resource Center, prior to the Foundation making a final commitment of financial support.

Assuming that funding will be available from the McKnight Foundation, the 5-city group and possibly Hennepin County, GMMHC is prepared to propose a revised operating budget that will get the "Center" open and operating in early 1998. Further, GMMHC was recently informed that the Metropolitan Council will have 2 grant cycles for Livable Communities next year, so that, the 5-city "Homeownership Resource Center" can reapply for funding consideration. Recall, the 5-city 1997 application was submitted late and was rejected as a result. January 1998 will be the next opportunity to resubmit the 5-city Livable Community request to the Council.

GMMHC will bring some \$850,000 worth of value over a 3 year period to the 5-city Center. This will include professional staff, a physical facility and all furniture, fixtures and related equipment to operate the Center. This investment will be leveraged many times over with programs and services implemented at the Center.

The Center will provide the following direct benefits to participating communities, their respective residents, homeowners and potential buyers:

- \* Full time staff dedicated to deliver all of the programs and services made available at the Center.
- \* Marketing and promotional materials prepared and distributed in the five-city area to communicate the activities and programs available to interested homeowners and potential home buyers.
- \* A central office for client meetings.
- \* Evening staff sessions open to the public and rotated to each city hall location on a every-other-monthly basis.
- \* Evening and weekend client appointments scheduled for individuals not able to meet during regular Center hours.
- \* Financial institution representatives available at the Center.
- \* All office equipment, e.g., phones, fax, copier, etc. needed at the Center.
- \* Coordination of all community, regional and state home ownership programs and resources, both public and private, including non-profit services, e.g., home ownership counseling, etc.
- \* Development of new programs with state and federal agencies linked to GMMHC's home ownership resource center concept, e.g., Fannie Mae, Minnesota Housing Finance Agency.

The programs that will be offered include:

- \* Construction management specialists doing scope of work improvement plans for homeowners or interested buyers (rehabilitation and structural evaluations).
- \* Construction financing tools and programs.
- \* Flexible loan programs from lenders, MHFA and other programs.
- \* Pre-purchase consulting.
- \* Home ownership training.
- \* City building code and building permit information.
- \* Energy efficiency information and programs available.
- \* Mortgage foreclosure prevention program.
- \* Down payment, closing cost loans and grants.
- \* Assistance with contractors and the bidding process.
- \* Identification of substandard housing.

Clients served will include:

- \* Renters,
- \* First time home-buyers,
- \* Homeowners, and
- \* Property Owners.

Clients will receive individual assistance identifying financing tools that best suit their individual needs, technical construction consulting which will include on-site visits in homes and working with homeowners and contractors through all phases of construction.

Further, any service listed above that is presently available will be encouraged to join with GMMHC at the "Center" and provide said services so that clients will have a "one-stop-shop" for all homeownership and improvement needs. GMMHC will not duplicate services already available in the 5-city area.

### **GMMHC Professional Staff Background.**

#### Dan Elsen, Vice President

Dan brings extensive experience in the construction field. Both new building and rehabilitation. Working as a general contractor for 14 years, he completed numerous projects in the private sector, working closely with public agencies, cities and many non-profit developers.

#### Rosemary Fagrelus, Program Manager

Rosemary has spent over 20 years in the public sector with various state, regional and city government agencies in the housing field before joining GMMHC staff.

#### Ron Korsh, Construction Manager

Ron has many years of experience in residential design and construction. Ron owned his own architectural design company for a number of years.

#### Marci Koshiol, Program Coordinator

Marci started at GMMHC in 1993 and is responsible for administrating GMMHC's single family homeownership program and its Predevelopment Revolving Loan program.

I will personally be involved in many of the administration and operational issues. I have been associated with GMMHC for the past 17 years and have been its President for 5 1/2 years.

These are the GMMHC personnel who would initially staff the Resource Center and provide the professional leadership to implement the Center program.

Attached to this letter find a document entitled "5 City North Suburban Homeownership Resource Center Feasibility Fact Sheet". This document was prepared as part of a presentation to the Hennepin County Board. It, however, describes the "Center" program in detail.

Each of the 5-city group is invited to become a sponsor of the "Homeownership Center." This letter is a request to approve participation in the program and commit to city funding as per the initial budget amount of ~~\$5,000 in 1998~~, \$6,000 in 1999 and \$7,000 in 2000. This request for each member of the 5-city group to commit its respective funding is subject to sufficient funding becoming available from other sources, e.g., the McKnight Foundation, etc. If projected funding cannot be achieved in 1998, the operation and related budget will have to be modified to the satisfaction of the city participants. In addition, there may other potential funding resources that may be available for this project, and GMMHC is prepared to attempt to access these resources on behalf of the 5-city group. GMMHC is prepared to move forward with its commitment to operate the suggested 5-city "Homeownership Resource Center" and awaits only the commitment of the cities to partner with GMMHC on this program.

Please advise if you need additional information and if you'd like GMMHC personnel to make a formal presentation to your city council. Thank you for the opportunity to work with your city on this program.

Sincerely,



Carolyn E. Olson  
President

cc: Mr. Dan Bartholomay, McKnight Foundation  
Mr. Tom McElveen, Metropolitan Council  
Ms. Barb Hayden, Hennepin County  
Ms. Anne Norris, City of Crystal  
Mr. Tom Bublitz, City of Brooklyn Center  
Ms. Stacie Kvilvang, City of Brooklyn Park  
Mr. Bill Deblon, City of Robbinsdale  
Ms. Stephanie Olson, City of New Hope

## 5 CITY NORTH SUBURBAN HOMEOWNERSHIP RESOURCE CENTER FEASIBILITY FACT SHEET

Early in 1966, Barbara Hayden, Administrative Manager, Hennepin County, contacted GMMHC and asked to visit our Northeast HomeOwnership Resource Center located in Northeast Minneapolis. She indicated that the county staff has met with elected officials from suburban Hennepin County communities, and many of these communities had requested assistance from the County in coordinating programs to provide a one-stop approach to assist homeowners with their housing needs. At the same time the County Board authorized staff to identify approaches for strengthening the county's coordinating role in addressing housing issues and stabilizing the tax base.

After reviewing the services provided at the Northeast Home Ownership Resource Center she viewed the approach to be a model program for coordinated services which could be replicated in other areas of Hennepin County, and asked if we would consider expanding this program to serve inner-ring suburban communities.

The request was reviewed by our Board and they agreed to consider the feasibility of expanding the program. In February of 1997 we entered into a Professional Services Agreement with Hennepin County whereby they would share the cost, up to \$7,400, to undertake a suburban Hennepin County housing resource center feasibility study.

Since that time there have been numerous meetings with staff, city planners and managers, as well as elected officials and other interested parties in the communities of Brooklyn Center, Brooklyn Park, Crystal, New Hope and Robbinsdale. We have also had other meetings with the McKnight Foundation and the Metropolitan Council in regard to funding such as initiative. We are pleased to appear before you to review this project.

### **Mission**

The "center" is structured to be a "one-stop resource" for home ownership and home improvement programs and services needed to intervene in neighborhoods on the edge, that is, those neighborhoods poised to change from high homeownership to absentee ownership and from stable housing stock to disrepair and disinvestment. All home ownership and improvement resources, public, private and non-profit, will be invited to operate out of this "one-stop resource center" and have their respective products and/or services available for the homeowner, home buyers, and renters.

### **Background**

The "center" provides one-stop shopping for comprehensive housing information, tailored to the circumstances of each family and property. Information and applications are available for all of the dozens of mortgage and home improvement loan programs available. Most importantly, a knowledgeable staff discusses individual situations, recommends the most effective program available, and assists the resident through the entire process.

Critical to the "center" success is the availability of construction specialists who can give honest, impartial and expert assessments of renovation needs and building code requirements, suggest methods to achieve resident goals, and accurate cost estimates as well as ongoing assistance during the bid and construction process. Residents can find help to prevent mortgage foreclosure, refinance a contract-for-deed, apply for energy assistance, make a plan to become a homeowner or receive advice on selling their home, and more. The "center" will not duplicate programs and services, rather will provide an opportunity to collaborate with other providers to make existing programs and services available at the "center."

### **5 City - Why Resource Center Is Needed**

1. 57,469 Housing Units
2. 43.87% Older Units - Built Pre 1970
3. 6,187 Owner Occupied Units Need Reinvestment
4. 2,337 Rental Units Need Reinvestment
5. Aging Population Faced With Reinvestment in Property
6. Aging Housing Stock in Need of Significant Reinvestment
7. Below Metro Average Property Valuations
8. Concentrated Effort Can Bring Positive Impact to Neighborhoods
9. Desire to Maintain High Home Ownership Ratios - Better than 60% Average
10. Opportunity to Attract Younger Population With Affordable Upgraded Housing

### **5-City Resource Center Benefits, Programs and Services**

The Center will provide the following direct benefits to participating communities, their respective residents, homeowners and potential buyers:

- \* Full time staff providing professional staff time dedicated to deliver all of the programs and services made available at the Center.
- \* Marketing and promotional materials prepared and distributed in the five-city area to communicate the activities and programs available to interested homeowners and potential home buyers.
- \* A central office for client meetings.
- \* Evening staff sessions open to the public and rotated to each city hall location on a bi-monthly basis.
- \* Evening and weekend client appointments scheduled for individuals not able to meet during regular Center hours.
- \* Financial institution representatives available at the Center.
- \* All office equipment, e.g., phones, fax, copier, etc. needed at the Center.
- \* Coordination of all community, regional and state homeownership programs and resources, both public and private, including non-profit services, e.g., home ownership counseling, etc.
- \* Development of new programs with state and federal agencies linked to GMMHC's home ownership resource center concept, e.g., Fannie Mae, Minnesota Housing Finance Agency.



The programs offered at no charge to clients include:

- \* Construction management specialists doing scope of work improvement plans for homeowners or interested buyers.
- \* Construction financing tools and programs.
- \* Flexible loan programs from lenders, MHFA and other programs.
- \* Pre-purchase consulting.
- \* Home ownership training.
- \* City building code and building permit information.
- \* Energy efficiency information and programs available.
- \* Mortgage foreclosure prevention program.
- \* Down payment, closing cost loans and grants.
- \* Assistance with contractors and the bidding process.

Clients served will include:

- \* Renters.
- \* First time home-buyers,
- \* Homeowners, and
- \* Property Owners.

Clients will receive individual assistance identifying financing tools that best suit their individual needs, technical construction consulting which will include on-site visits in homes and working with homeowners and contractors through all phases of construction.

**Program Justification**

The 5 cities have recognized the importance of maintaining their existing housing stock. Further, they have over the years made a tremendous investment in infrastructure, e.g., streets, highways, sidewalks, sewer and water, utility lines, street lights, neighborhood and regional parks and schools have typically all been paid for. Maintenance of this "existing housing stock" is an indisputable bargain compared to the cost of purchasing land and building new infrastructure, even without considering other hidden considerable costs of outer suburban sprawl. Transit, shopping, churches, shade trees and other amenities are well established in these 5 cities.

Like the baby-boomers who grew up in it, the housing in four of the 5 cities (Brooklyn Park being the exception) is now middle-aged and requires more maintenance. Housing is likely to need major maintenance and repair if it was built before 1960 for owner occupied and before 1970 if rental. There are some different development patterns within these 5 cities, but generally the majority of housing stock is pre-1970.

At this age, housing needs replacement of major systems, such as, roofs, siding, heating systems, plumbing and windows. These major housing investments are not easily made from homeowner savings. The age of housing stock is a major concern for the 5-cities and calls for extensive planning and programs for continued maintenance, rehabilitation and renewal.

The following data is the basis upon which justification can be shown for a joint public, private and non-profit investment in a "home ownership resource center" in the 5-cities.

<b>Housing Which Is</b>			
	<b>Owner Occupied</b>	<b>Owner Occupied Built &lt; 1970</b>	<b>Change in % of Owner Occupied 1980-1990</b>
Brooklyn Center	70%	85%	(8.75)
Brooklyn Park	55%	31%	0.5
Crystal	70%	90%	0.8
New Hope	56%	81%	0.89
Robbinsdale	75%	91%	0.35

The high percentage of houses built before 1970 in four of the five cities raises the question of maintenance needs in order to maintain this housing stock for the future. In addition, these homes typically suffer from functional obsolescence (housing generally with 2-3 bedrooms, one bath models under 1,200 square feet, detached garages, out-dated kitchens).

With the notable exception of Brooklyn Park, each of the targeted cities have an aging population: substantially older than the county and metro average. Substantial numbers of households are empty nesters and are nearing retirement age. Thus, over the next decade large numbers of homes built before 1970 will become available in the marketplace.

The following chart shows SAS head of household data for age groups for both owners and renter occupied housing. The data comes from 1990 census information.

**Household Data 5-Cities**

City/Age Group	Owner-Occupied	Renter-Occupied	Total Households
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15-24 yrs.	65	444	509
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35-44 yrs.	1563	720	2283
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75+ yrs.	482	476	958
<b>Totals</b>	<b>7806</b>	<b>3420</b>	<b>11226</b>
<b>Brooklyn Park</b>			
15-24 yrs.	207	1572	1779
25-34 yrs.	3739	2799	6538
35-44 yrs.	4578	1285	5863
45-54 yrs.	2808	391	3199
55-64 yrs.	1503	266	1769
65-74 yrs.	719	194	913
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75+ yrs.	120	4584	891
<b>Totals</b>	<b>4723</b>		<b>9307</b>



<b>Robbinsdale</b>			
15-24 yrs.	42	189	231
25-34 yrs.	1031	388	1420
35-44 yrs.	779	239	1018
45-54 yrs.	530	77	607
55-64 yrs.	656	153	809
65-74 yrs.	690	151	841
75+ yrs.	657	425	1082
<b>Totals</b>	<b>4386</b>	<b>1622</b>	<b>6008</b>

The data clearly shows that all 5 cities have an aging head of household population which translates into increased housing issues, such as, need for maintenance and preservation investment.

The following chart sets forth the estimated public and private cost needed over the next decade to maintain and preserve the existing housing stock in the 5 cities. The information was supplied by each city as a part of the Housing Challenge 2020 Forum, November 1996.

**Public and Private Cost to Maintain and Preserve Existing Housing in 5 Cities**

City	Total Units	% Older Units	Rehab Owner Occupy.	Demo Owner	Rehab Rental	Demo Rental	Owner Cost	Public Cost
B. Ctr	11,713	58.4	1,210	64	416	22	\$18,687,200	\$8,008,800
B. Park	21,265	23.5	4,500	0	1,500	500	\$97,500,000	\$6,000,000
Crystal	9,541	67.2	370	175	212	0	\$8,730,000	\$8,575,000
N. Hope	8,795	27.4	57	10	79	0	\$722,500	\$1,562,500
Robbins	6,155	74.0	50	130	600	0	\$720,000	\$8,580,000
<b>Totals</b>	<b>57,469</b>	<b>43.87</b>	<b>6,187</b>	<b>379</b>	<b>2,337</b>	<b>522</b>	<b>\$126,359,700</b>	<b>\$32,726,300</b>

Another trend that will have an impact on existing housing stock over time is the rate of change from homeowner to rental property. In the 5 city group there are indicators that show this trend to be occurring, for instance, in Brooklyn Center the city lost 8.75% of its ownership units in the past decade.

**Sales Activities Single Family January - December 1996**

<b>Single Family Sales</b>				
	<b>Units Sold</b>	<b>Dollar Amount</b>	<b>Ave List Price</b>	<b>Ave Sell Price</b>
Brooklyn Center	310	\$26,397,666	\$86,211	\$85,153
Brooklyn Park	847	\$98,173,000	\$116,989	\$115,906
Crystal	283	\$25,520,179	\$91,987	\$90,177
New Hope	197	\$22,153,270	\$114,093	\$121,453
Robbinsdale	249	\$22,511,523	\$92,106	\$90,407

Sale market prices in the 5 cities are slightly higher than inner city sale prices. The average sales price however has been flat for the past 5 years and has not kept pace with inflation or sector price increases in other portions of the region. Also these residential sales, typically, are older properties in need major rehabilitation work. Current market prices in the 5 cities generally indicate a flat, non-growing property valuation trend. This reflects a growing need for home improvements and related housing enhancements to compete with the broader metropolitan housing valuation trends, which is showing a significant increase. The average sales price in 1990 for the region was \$108,988. Maintenance and reinvestment are, therefore, critical elements to improve over time the 5-city residential tax base. (Brooklyn Park and New Hope are exceptions to this trend.)

**Overall Program Feasibility**

The need for the program is clearly present. Home owners and potential buyers will use a "one-stop home ownership resource center" for a great variety of programs and services. This has been shown by GMMHC at its Northeast Home Ownership Center.

Whether or not the 5-city "resource center" can become a reality is dependent on each organization agreeing to fund a portion of the total projected operating costs of the "center". The proposal brings together several levels of government, e.g., the cities, Hennepin County and the Metropolitan Council, the private, and non-profit sectors, e.g., GMMHC and potentially the McKnight Foundation. If one or more of these potential funding resources elects not to participate, the program would have to be revamped substantially.

**Projected 3 Year Source of Funding for 5-City Homeownership Resource Center**

Revenue Sources	Year 1	Year 2	Year 3	Totals
McKnight Foundation	\$100,000	\$100,000	\$100,000	\$300,000
Metro Council	\$60,000	\$72,500	\$97,500	\$230,000
Hennepin County	\$60,000	\$72,500	\$97,500	\$230,000
Cities	\$25,000	\$30,000	\$35,000	\$90,000
GMMHC	\$10,900	\$11,525	\$15,450	\$37,875
<b>Totals</b>	<b>\$255,900</b>	<b>\$286,525</b>	<b>\$345,450</b>	<b>\$887,875</b>

North Suburban Housing Resource Center

Three Year Program Budget

		Year 1		Year 2		Year 3		Totals
<b>Administration</b>		<b>FTE</b>						
(Salaries/Taxes/Fringe)								
Program Manager	0.5	\$ 30,000	0.5	\$ 32,000	0.5	\$ 34,000	\$ 96,000	
Program Coordinator	1	\$ 45,000	1	\$ 46,500	1	\$ 48,050	\$ 139,550	
Construction Manager	2	\$ 87,500	2.5	\$ 109,375	3	\$ 131,250	\$ 328,125	
Program Associate	1	\$ 30,000	2	\$ 62,000	3	\$ 93,000	\$ 185,000	
Sub Totals	4.5	\$ 192,500	6	\$ 249,875	7.5	\$ 306,300	\$ 748,675	
<b>Professional Services</b>								
Marketing & Promotional		\$ 7,500		\$ 5,000		\$ 5,000	\$ 17,500	
Accounting/Legal/Audit		\$ 5,000		\$ 6,000		\$ 7,000	\$ 18,000	
Sub Totals		\$ 12,500		\$ 11,000		\$ 12,000	\$ 35,500	
<b>Operating Expenses</b>								
Equipment		\$ 25,000		\$ 4,000		\$ 3,000	\$ 32,000	
Dues & Subscriptions		\$ 150		\$ 200		\$ 250	\$ 600	
Insurance		\$ 500		\$ 500		\$ 500	\$ 1,500	
Postage		\$ 750		\$ 1,500		\$ 2,250	\$ 4,500	
Printing & Publication		\$ 1,000		\$ 1,750		\$ 2,250	\$ 5,000	
Office Supplies		\$ 1,000		\$ 1,200		\$ 1,400	\$ 3,600	
Telephone		\$ 9,000		\$ 2,000		\$ 2,000	\$ 13,000	
Rent		\$ 13,000		\$ 14,000		\$ 15,000	\$ 42,000	
Miscellaneous		\$ 500		\$ 500		\$ 500	\$ 1,500	
Subtotals		\$ 50,900		\$ 25,650		\$ 27,150	\$ 103,700	
<b>Totals</b>		<b>\$ 255,900</b>		<b>\$ 286,525</b>		<b>\$ 345,450</b>	<b>\$ 887,875</b>	

# GREATER MINNEAPOLIS METROPOLITAN HOUSING CORPORATION

ANNUAL REPORT 1996



"Such a sensible idea, helping people help themselves. It's really the neighborly Northeast way."



"The staff was so helpful we actually enjoyed the process."



"It seemed so complicated I was afraid to try, but the staff made it very easy."



"Very helpful."



"Lifesavers - they got the work done and helped find a way to pay for it."





## GMMHC's MISSION

In 1970, bell bottoms were in, the hit song was *Bridge Over Troubled Waters* by Simon and Garfunkel, a cup of coffee cost 20 cents and the Twins won the Western Division Title (not won again until 1987). Also in 1970, 14 major Minneapolis corporations made a commitment to improve housing by creating the Greater Minneapolis Metropolitan Housing Corporation. The purpose: improve the availability and quality of affordable housing for low and moderate income families and individuals.

The founders saw great needs and great ideas out in the neighborhoods but not enough money or expertise to transform this energy and vision into buildings that worked. GMMHC was to become the flexible partner that could make things happen.

Sometimes GMMHC provides seed money to get projects started; sometimes GMMHC is the developer either alone or with other partners. Most recently, GMMHC has initiated and now operates an information and service program for a redeveloping neighborhood.

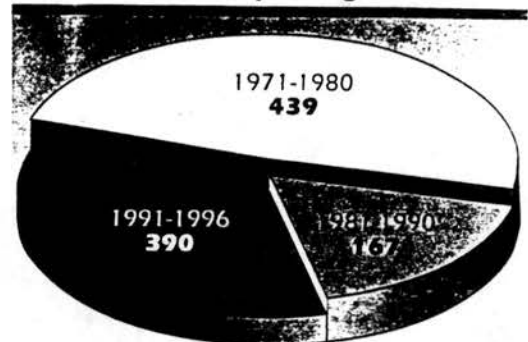
GMMHC achieves its goals through working in partnership with the Minneapolis Community Development Agency, the Minnesota Housing Finance Agency, the Family Housing Fund, nonprofit housing and community development corporations, concerned neighborhood groups and many local lenders.

## Type of Housing Assisted with Predevelopment Loans, by Unit



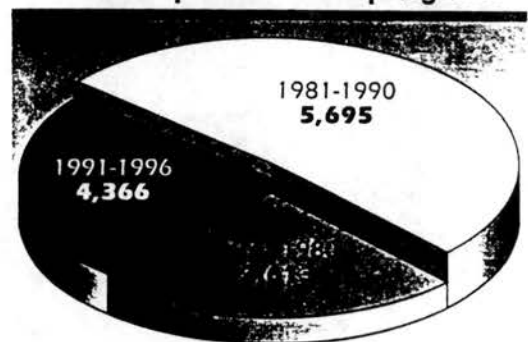
1971 — 1996 TOTAL = 13,670 Units

## Homeownership Program



TOTAL 1971 — 1996: 996 Units

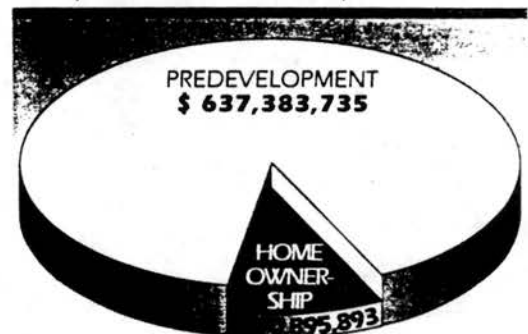
## Predevelopment loan program



TOTAL 1971 — 1996: 12,674

## Total development costs of units built and assisted

completed & funded/in process



TOTAL 1971 — 1996: \$ 708,279,628

# MEETING SPECIAL NEEDS

Lack of suitable housing can cripple a family or an individual's ability to function effectively. Good housing is often the stable center people need to make or maintain important changes in their lives. The creativity shown by the nonprofit housing developers and service providers is awe inspiring.

The special physical and social support needs of everyone from emancipated teenagers to frail seniors have been addressed. Housing and services have been combined creatively to serve persons



**2103 Second Avenue South**  
(housing for the homeless)  
Alliance Housing  
Whittier neighborhood, Minneapolis



**Chicago Avenue Apartments**  
(housing for 60 families)  
Central Community Housing Trust  
Elliot Park neighborhood,  
Minneapolis



**Shared Living Residence**  
(community & independence for 10 frail seniors)  
Powderhorn  
Community  
Council  
Powderhorn Park  
neighborhood,  
Minneapolis



with physical and mental disabilities, the homeless, single parents working towards self-sufficiency, individuals recovering from chemical dependency and chronic alcoholics in need of caring shelter.

GMMHC's Predevelopment Revolving Loan Fund provides no interest loans to move projects from a good idea to a funded development ready to start construction. This seed money pays for earnest money for purchase agreements, architects, surveyors and engineers, consultants to assist with loan applications, lender fees, land holding



**Calhoun Project** (artist studios)  
Artspace Projects  
Lyndale neighborhood,  
Minneapolis



**Board & Lodging**  
(11 units of housing with 24 hour support  
for low income singles)  
Anoka County Community  
Action Program, Columbia Heights



# BUILDING HOMEOWNERSHIP



2729 3rd Street North



1201 Newton Ave. North



720 Adams Street N.E.



**Anishnabe Wakiagun**  
The People's Home  
(40 unit residence for  
chronic alcoholics)  
American Indian Housing Corporation  
with *Project for Pride in Living*  
Phillips neighborhood, Minneapolis



**Hyde Park SRO**  
(10 units housing for low  
income singles)  
Anoka County Community  
Action Program  
Fridley



**Alliance Center**  
(100 units of sober housing and 24  
transitional units for individuals)  
Alliance Housing and Central  
Community Housing Trust  
Elliot Park neighborhood,  
Minneapolis



**Youth Housing**  
(30 units for homeless youth  
aged 16-21)  
Central Community Housing Trust  
Elliot Park neighborhood,  
Minneapolis

costs - whatever is needed. These high risk, unsecured loans are to be repaid at project closing. Over \$14 million has been lent to assist in the development of 12,765 housing units. Less than 14 of 1% has never been repaid.

These loans have also been available to projects located in suburban areas - where much of the future affordable housing is being planned.

During 1996, 203 units started construction, with a total development cost of nearly \$15 million. Seed money of \$835,000 was borrowed by the developers of these projects. Projects totalling 1,268 units received loan commitments of over \$2 million during 1996. The total development cost of these new projects is over \$110 million.

GMMHC has built and sold 909 new or rehabilitated single family houses over the past 26 years. The new buyers bring fresh energy to their blocks, schools and churches while their homes support increased values and encourage other private investment.

The new buyers come in all variety of families: most have children, many are single parents, almost all are first-time homebuyers. Some moved in from the suburbs, many have lived nearby and found the delights of new construction close to their neighborhood network.

During 1996, 52 homes with a development cost of \$ 5,940,000 were completed and sold.

87 are under construction or in the bid process.

Community development corporations and nonprofit housing developers also build and rehabilitate houses for purchase. Houses might be in strategic locations or designed to meet special needs. GMMHC provides no interest loans from the Revolving Loan Fund to pay for pre-development costs such as building purchase or design/engineering costs.

What can be done with vacant lots and boarded houses in neighborhoods shaken by suburban flight, declining confidence and other urban ills?



2724 N 4th Street



634 Harry Davis Lane



4011 Emerson Ave. North



3045 Portland



Neighborhood celebrating the Resource Center at the Northeast Neighborhood Parade.

*If you don't have relatives who are bankers, carpenters, appraisers, plumbers, electricians, roofers and red-tape cutters, you should call the Northeast Housing Resource Center. We have already seen what a difference this knowledge makes for people trying to figure out what to do with their house, or how to buy one.*  
 Michael Rainville, Chair, St. Anthony West Development Organization

The Northeast Housing Resource Center is one-stop-shopping for housing information tailored to the individual circumstances of the family and the property. It is problem solving that is effective and personal. It saves everyone time by consolidating information AND applications for all of the dozens of mortgage and home improvement programs in one place. It also goes the extra step and provides construction consultants to estimate work that needs to be done, give opinions on whether a new bathroom is really a good idea over the garage (and whether city code allows it). All at no cost to the neighborhood resident. The Center also purchases and rehabilitates problem or substandard homes for resale to new homeowners.

GMMHC created the Resource Center to increase home ownership, home improvements and redevelopment in an area that is still viable, but showing signs of vulnerability. GMMHC found the perfect partner in the St. Anthony West Neighborhood Organization who invited GMMHC to locate the Center in their neighborhood and also provided initial support.

What have **833** people been doing at the Resource Center since it opened in July, 1995?

**50** people have received information on which of the many mortgage programs works for them.

**28** people took the first step by attending a home ownership training session.

**4** people learned how to refinance their contracts-for-deed or high interest mortgages.

**73** people have taken their home improvement dreams and learned the best way to pay for them.

**214** people have gotten expert help on their renovation plans from the construction consultants

**8** people needed help with energy assistance.

**229** St. Anthony West residents applied for special NRP-funded loans;

**60** have already received them.

**15** people had problems too complex to fit into one category, but were helped anyway.

**3** houses were purchased for rehabilitation and sale to new homeowners.

**6** people received help to prevent a mortgage foreclosure.



A resourceful St. Anthony West family survives major renovation with assistance from the Resource Center.



## THE GREATER MINNEAPOLIS METROPOLITAN HOUSING CORPORATION

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### GMMHC STAFF

Carolyn E. Olson  
President

Nancy K. Pinzka  
Office Manager

Daniel E. Elsen  
VP/Construction Manager

Susan Pipkorn  
Staff Accountant

Rosemary G. Fagrelus  
Program Manager

Ernest Rhoney  
Program Associate

Duane M. Fisher  
Executive Vice President

Antoinette Tucker  
Accounting Assistant

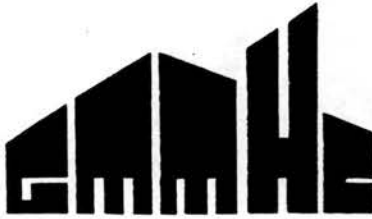
Marci L. Koshiol  
Program Coordinator

### The Greater Minneapolis Metropolitan Housing Corporation

514 Nicollet Mall, Suite 500  
Minneapolis, Minnesota 55402

612 339-0601





THE GREATER MINNEAPOLIS  
METROPOLITAN HOUSING CORPORATION

514 Nicollet Mall, Suite 500  
514 Nicollet Mall  
Minneapolis, Minnesota 55402  
(612) 339-0601  
FAX: 339-0608

November 4, 1996

Ms. Barbara Hayden, Administrative Manager  
Office of Planning and Development  
Development Planning Unit  
Hennepin County  
10709 Wayzata Blvd., Suite 260  
Minnetonka, MN 55305

Dear Barb:

This is a follow-up to our previous conversations regarding the expansion of our Housing Reinvestment Program (Housing Resource Center), to suburban Hennepin County.

In July of 1995 our corporation began this program and opened a Housing Resource Center at 909 Main Street Northeast, which serves the entire 13 neighborhood area of Northeast Minneapolis. The program was created to increase home ownership, home improvements and redevelopment in an area that is still viable, but showing signs of vulnerability.

Services and information the Center provides include construction consultations, flexible loan products from lenders, MCDA, MHFA and other programs, pre-purchase consulting, home ownership training, city building code and building permit information, energy information, mortgage foreclosure prevention program, downpayment, closing cost loans and grants, assistance with contractors and bidding process. These services are provided at no cost to the public.

The Center also administers the Neighborhood Reinvestment Program (NRP) loans and grants for the northeast neighborhoods of St. Anthony West, Columbia Park, Waite Park and St. Anthony East. Here we receive an administrative fee from the neighborhood organization to provide the services.

The first year of this "one stop approach" has been extremely successful. The Center is open approximately 20 hours per week and has served 651 persons as of August 31st. The following services were provided:

RECEIVED NOV 05 1996

<b># OF PERSONS</b>	<b>TYPE OF ASSISTANCE</b>
73	home buyers with mortgage products
10	assistance on refinance/contracts for deed
160	construction consultations for homeowners
91	home improvement and rehab assistance to homeowners
44	potential buyers in home ownership training
39	energy assistance/mortgage foreclosure prevention/other
234	NRP application and loans

The St. Anthony West Neighborhood Organization, with their NRP dollars, wanted to improve substandard properties in their neighborhood and committed gap funding to make this possible. We have now purchased four homes ( 3 duplexes, and one single family home) which are being rehabbed and sold to home owners.

The Resource Center in Northeast Minneapolis has been extremely successful, and we have found that with a little technical help, many people will take on the responsibility of improving their properties. Also, neighbors notice and come into the office looking for help to improve their properties as well. It seems like a program most communities can benefit from.

We are following up on the potential to expand this program to serve inner-ring suburban communities as well, and we have hired the firm of Community Resource Partnerships, Inc. to perform the following scope of services, as we consider a Suburban Resource Center. These services will be provided in cooperation with us and the Hennepin County staff:

- Collect all relevant housing demographic and physical property data for the cities of Brooklyn Park, Brooklyn Center, Robbinsdale, New Hope and Crystal.
- Prepare a Multi-Jurisdictional Home Ownership Center presentation to share with elected officials, city managers and appropriate staff of said cities.
- Arrange for initial meetings with appropriate elected officials, city managers, and staff to present the concept of a Multi-Jurisdictional Home Ownership Center.
- Identify all organizations working on housing issues in the respective communities; meet with responsible parties and share the GMMHC home ownership concept and identify ways that could lead to synergistic and collaborative results.
- Identify potential sites for the location of a home ownership center.
- Work with staff members of said cities, the county and GMMHC to identify all related issues, develop an operating budget, and identify possible funding sources for both operating and project gap financing for said program.
- Prepare a report for GMMHC that summarizes all data, critical issues and operating suggestions, including "how to" staff the Home Ownership Center and related programs.

I am requesting Hennepin County to share the cost of this study in the amount of \$7,400. I would also like the opportunity to make a presentation before the appropriate County staff and Commissioners to review the program and its potential for increasing home ownership and improving the housing stock of our communities.

Thanks for your interest, Barb, and if you have any questions, please call me at 339-8703.

Attached for your information is an article by Leonard Inskip on the Northeast Resource Center, a copy of our Mission, Purpose and History Statement, and our 1995 Annual Report.

Sincerely,

A handwritten signature in cursive script, appearing to read "Carolyn", followed by a long horizontal flourish.

Carolyn E. Olson  
President



4401 Xylon Avenue North  
New Hope, Minnesota 55428-4898

City Hall: 612-531-5100  
Police: 612-531-5170  
Public Works: 612-533-4823  
TDD: 612-531-5109

City Hall Fax: 612-531-5136  
Police Fax: 612-531-5174  
Public Works Fax: 612-533-7650  
Fire Dep't. Fax: 612-531-5175

August 14, 1997

Mr. Thomas McElveen  
Deputy Director, Housing Development and Implementation  
Metropolitan Council  
Mears Park Centre  
230 East Fifth Street  
St. Paul, MN 55101-1634

Subject: North Suburban Housing Resource Center

Dear Mr. McElveen:

The City of New Hope joins with the City of Crystal in the submission of its Livable Community Demonstration Account application to establish a Home Ownership Resource Center as per the Greater Minneapolis Metropolitan Housing Corporation proposal.

New Hope submits this supporting letter conditioned upon final City Council approval and with the understanding that all projected funding must be secured from various sources, e.g., Hennepin County, the McKnight Foundation, the Metropolitan Council, etc. Our City reserves the right to withdraw this support, or require that the proposal be significantly revised if all projected funding is not attained or if the City is not satisfied with the final design of GMMHC's Resource Center workplan.

Thank you for considering this request.

Sincerely,

Daniel J. Donahue  
City Manager

cc: City Council  
Kirk McDonald, Management Assistant/Community Development Coordinator  
Stephanie Olson, Community Development Specialist



4401 Xylon Avenue North  
New Hope, Minnesota 55428-4898

City Hall: 612-531-5100  
Police: 612-531-5170  
Public Works: 612-533-4823  
TDD: 612-531-5109

City Hall Fax: 612-531-5136  
Police Fax: 612-531-5174  
Public Works Fax: 612-533-7650  
Fire Dep't. Fax: 612-531-5175

November 25, 1997

Ms. Carolyn E. Olson, President  
Greater Minneapolis Metropolitan Housing Corporation  
514 Nicolett Mall, Suite 500  
Minneapolis, MN 55402

Subject: GMMHC "Homeownership Resource Center"

Dear Ms. Olson:

At the November 24 New Hope Economic Development Authority meeting, the EDA directed City staff to work together with the GMMHC and the 5-city group on the proposed "Homeownership Resource Center." The EDA approved the project on a one-year trial basis and has agreed to commit \$5,000 in funding toward the project for 1998. Funding for subsequent years would be considered as part of the regular budget approval process.

Please keep the City informed as to the progress of this proposal. Stephanie Olson has left the employment of the City, so until we have a replacement, please direct your correspondence to Dan Donahue, City Manager, or me.

Sincerely,

Kirk McDonald  
Management Assistant/  
Community Development Coordinator

cc: Dan Donahue, City Manager  
Valerie Leone, City Clerk (Improvement Project No. 624)



**REQUEST FOR ACTION**

Originating Department City Manager  By: Kirk McDonald Management Assistant	Approved for Agenda  11-10-97  By: <i>[Signature]</i>	Agenda Section EDA  Item No. 6
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**DISCUSSION REGARDING AND AUTHORIZATION TO PARTICIPATE IN SUBURBAN REMODELING PLANBOOK PROJECT**

A number of inner-ring suburban communities have been meeting over the past several months to discuss the development of a remodeling planbook for use by residents of our communities to encourage the remodeling and expansion of their homes. This concept is very similar to the Remodeling Fair held annually for the past five years. A completed planbook with remodeling and expansion ideas for several different styles of homes (rambler and cape cod) will be made available to each city participating in the project. A request for proposals has been sent and the group is currently reviewing the proposals from qualified persons to prepare the planbook. Each city interested in participating in the project is being requested to make a maximum financial commitment of \$5,000 to the project. (The total cost of the project would be divided evenly among the participating cities.) Please refer to the attachments for further information. New Hope staff are requesting to participate in the project and there are adequate funds in the EDA budget to cover the cost of this project.

Staff requests authorization to participate in the Suburban Remodeling Planbook Project at a maximum cost of \$5,000.

MOTION BY Cassen SECOND BY Norby  
 TO: Authorized funding up to \$5,000.

Review: Administration: \_\_\_\_\_ Finance: \_\_\_\_\_

**CITIES OF  
BLOOMINGTON, BROOKLYN PARK,  
COLUMBIA HEIGHTS, COON RAPIDS  
CRYSTAL, FRIDLEY, GOLDEN VALLEY,  
MOUNDS VIEW, NEW BRIGHTON,  
NEW HOPE, RICHFIELD, ROBBINSDALE,  
ROSEVILLE, ST. LOUIS PARK, SHOREVIEW,  
WHITE BEAR LAKE**

**REQUEST FOR QUALIFICATIONS FOR A REMODELING  
PLANBOOK FOR POST WWII HOUSES**

**I. Introduction**

The above communities are interested in retaining a consultant to assist in the preparation of a Planbook which will provide feasible and creative ideas for upgrading their Post WWII housing stock.

**II. Background**

A substantial portion of the current housing stock within the region was built in the inner ring suburbs during the two decades following World War II. Much of this housing was built using "production line" methods—the same few styles and floor plans repeating themselves thousands of times over the landscape. Although some of this housing has been modified to meet the needs of changing demographics and lifestyles, most of the housing has not. Today this housing is marketed primarily to first time home buyers whose stay is shortened by a lack of adequate space and other housing amenities which are available at the growing edges of the region. Many inner ring cities which were booming with growth in the 1950's now struggle with an aging housing stock ("Housing over 30") and an increasingly transient population who move to outer ring suburbs because their housing needs cannot be met in the inner rings. Inner ring communities offer advantages to residents as well. Often these communities are more compact, are easily served by transit, have the potential to meet the needs of people as they seek community in their lives.



There are many reasons to address the aging housing stock of the first ring:

- **Community Stability.** Often when a community's housing stock is perceived inadequate, housing is marketed to first time home buyers who leave the community as soon as their income or family size increase. If "move-up" housing is not available within the community, families leave to meet their housing needs in other suburbs, often the outer ring. This puts an increased demand on housing on the fringe thus encouraging sprawl.
- **Future Trends.** According to demographic trends, the number of first time home buyers will be decreasing in the future. This will encourage a trend toward rental as homeowners cannot find buyers when they choose to move on.
- **Excessive concentrations of unpopular housing stock** has the potential to concentrate low income people into "ghetto-like" areas. Communities are more successful when a range of housing is available.
- **Life-cycle housing.** Many residents desire to remain in their communities, but cannot find adequate housing to meet changing needs. Diversified housing is desirable because people are able to stay within their neighborhoods and communities through all periods of their lives, lending stability and vitality to communities.
- **Remaining Competitive.** Inner-ring communities compete with outer-ring suburbs for households. Because there is a shortage of vacant developable land within the inner-ring communities, remodeling and rehabilitation becomes an important way to encourage reinvestment, diversify and improve the housing and to maximize property and neighborhood values. All communities within a region must stay competitive if a region is to remain strong and competitive within the world markets.

The inner ring suburbs identified above are choosing to collaborate and have formed a consortium to address the problems and potential opportunities associated with the aging post WWII housing stock. The consortium, by providing and identifying technical, educational, and financial services, hopes to provide an incentive for homeowners to move into or to remain in the inner-ring cities, rather than building or moving out to the developing suburbs. One of the technical tools the consortium wishes to provide is a Planbook which offers creative and reasonable solutions for upgrading and overcoming the shortcomings of the post WWII housing stock. The consortium recognizes that the greatest potential for improving housing stock remains with individual homeowners' private reinvestments. The purpose of the Planbook is to provide ideas, inspiration, tools, encouragement, and support to these homeowners. The Planbook is also intended to serve as a market tool to promote the advantages of living within the inner-ring cities and to inspire homeowners to remodel their homes and stay.

### III. Anticipated Planbook Development Services

The specific services which would be asked of the selected firm could include, but not be limited to, the following:

- Planbook features:
  - Identify and explain the structure and architectural features of the chosen housing styles including floor layouts and functional considerations. This would include an analysis of the strengths, weaknesses, problems, and history of the chosen post-war era housing styles.
  - ✕ Identify and explain the changing housing trends, how these respond to market and lifestyle changes and why this is relevant to this post-war era housing.
  - Develop a variety of design alternatives or schemes for each housing type which will offer to residents options for addressing current problems and meeting their changing needs. These schemes should meet the following objectives:
    1. Preserve or enhance the architectural character of the house.
    2. Be compatible with the block and neighborhood in which the house is located.
    3. Be flexible enough to adapt to various individual needs and preferences including the needs of families and the elderly.
    4. Offer the ability to phase remodeling over time.
    5. Offer information about how to remove functionally obsolete features and replace these with more contemporary ones.
    6. Provide a realistic range of financial and functional alternatives and the cost implications for each.
  - Include graphic images, photographs, plans to make the book understandable to homeowners,
  - Planbook layout should be adaptable to various other media forms, such cable TV or the internet.
- Incorporate incentives and resources which have been identified by various participating communities which are available to help the homeowner including "This Old House".
- Provide written guidelines which would enhance the appearance of housing, including landscaping, fencing, accessory buildings.
- Identify and include advantages of living within participating inner-ring cities.

### IV. Optional Additional Services

- Work with various cities to evaluate and make suggestions for streamlining local zoning controls which inhibit remodeling additions/expansions
- Prepare brochures and other marketing pieces which can be used in media presentations.
- Identify marketing and implementation strategies.

#### V. Desired Qualifications

The consortium of inner ring suburbs desires to retain a firm or partnership which has proven experience and tested ability in the following areas:

- Ability to produce a Planbook.
- Ability to identify and document in graphics and written form the features of post-WWII era housing.
- Ability to create a variety of remodeling options for post WWII era housing which is sensitive to the architectural style of the house and surrounding neighborhood.
- Ability to communicate graphically and in writing to an unsophisticated audience.
- Ability to develop and maintain a good rapport with a variety of city staff from various cities.
- Ability to organize ideas and communicate these efficiently.
- Experience with completing schedules on time.
- Competitive Fees
- Understanding of marketing techniques which promote the finished book to its desired audience.

#### VI. Submission of Information

Each qualified firm is requested to submit ten copies of its response to this Request for Qualifications. The response should provide sufficient detail to allow the consortium to assess the consultant's experience, ability, and cost effectiveness in carrying out the services requested. The consultant's proposal should be submitted to:

Judie Erickson, Community Development Department  
City of St. Louis Park  
5005 Minnetonka Boulevard  
St. Louis Park, MN. 55416, Phone 924-2574

Responses must be submitted not later than 4:00 p.m. on Friday, September 30, 1997.

#### VII. Selection of Firm

Based upon the submissions made, the consortium will evaluate the responses received. Up to three candidate firms may then be selected for further interviews or discussions. The consortium may then either prepare a formal Request For Proposals (RFP) for those selected firms to respond to, or it may be in a position to negotiate a specific scope of work with a single selected firm.



*Classic Homes with Character and Charm*

Subcommittees  
 - Printing & Publishing  
 - Marketing

A Proposal for

MANE-APA  
 Jennifer-MHFA

# *A Not Yet Named Remodeling Planbook*

*submitted to a consortium of the cities of*

BLOOMINGTON  
 COLUMBIA HEIGHTS  
 CRYSTAL  
 GOLDEN VALLEY  
 MOUNDS VIEW  
 RICHFIELD  
 ROSEVILLE  
 SHOREVIEW

BROOKLYN PARK  
 COON RAPIDS  
 FRIDLEY  
 MAPLEWOOD  
 NEW BRIGHTON  
 ROBBINSDALE  
 ST. LOUIS PARK  
 WHITE BEAR LAKE

*submitted to:*

Judie Erickson, Community Development Department  
 City of St. Louis Park  
 5005 Minnetonka Boulevard  
 St. Louis Park, Minnesota 55416



Classic Homes with Character and Charm

27 October 1997

Judie Erickson  
Community Development Department  
City of St. Louis Park  
5005 Minnetonka Boulevard  
St. Louis Park, Minnesota 55416

Dear Judie Erickson & Other Consortium Members:

Enclosed is our proposal for "A Not Yet Named Remodeling Planbook." You will find our proposal for the "core" contract, a list of services additional to the core contract, and a list of issues and concerns to propel us into contract negotiations.

The core contract covers two house types: 1.) the two-bedroom rambler type house with a detached garage and 2.) the story-and-a-half house type (often called a "cape cod") with a detached garage.

We are anxious to include a third house type to the study. We believe a third house type would 1.) greatly expand the range of issues we could cover in the planbook and 2.) make the book relevant for a much greater number of homeowners in the consortium cities.

We have yet to discover any sort of systematic study of housing types in these cities. We consulted with the Michael Koop at the State Historic Preservation Office (SHPO), Judith Martin and even Myron Orfield but no one is aware of any systematic typological surveys.

So we tried an unsystematic typological survey. We spent much of yesterday (Sunday) driving around the consortium cities studying house types. The house type we believe would be best included as the third type in this study would be the rambler with a one-stall attached garage. These houses are widely scattered geographically within the cities and are a perfect vehicle for the kitchen/family room addition project (the "bump on the back") that in my experience is *the most commonly requested remodeling project* for houses of this era.

Adding a third house type would potentially add two months to the overall project schedule. And while we're on schedule, I will be on paternity leave for most of

November, and assuming we still need to negotiate a contract, it is unlikely that we could begin actual work measuring the house types and interviewing the owners until January. Very little happens in the residential market between Thanksgiving and New Year's.

You will note that in the "core" contract we have included a kick-off event, a grand unveiling of the planbook after it's printed. Our experience on the Longfellow Planbook taught us that this kick-off event is critical: it's the "news hook" that many in the media used to report the book's release. It gives the media an event to attend. And it gave homeowners a feeling that they are participating in something momentous when they finally got their copy of the book.

Listed in the "services additional to the core contract" you will find the proposal written by Richard MacLaughlin at the Town Planning Collaborative for work to knit these house-scale remodeling projects into the larger scale of the City fabric.

Something listed in your "planbook features" that we feel very strongly about is providing actual cost estimates for each of the remodeling projects. We absolutely don't want to print these numbers in the actual text of the book for the following reasons:

- 1.) Construction cost is a free-market phenomena. I had my house painted last summer and from a tight specification received bids (all from reputable painters I'd worked with before) of \$3500, \$7500 and \$15,000. On smaller projects this spread of cost estimates is not unusual. It's almost pointless to try to predict what a project *should* cost.
- 2.) Bids are typically only good for 30 days from the date of estimate. Which means that any cost information included in the book will be outdated before the book can even be printed and reach the reader. To print cost information in the book will instantly date it and decrease its potential shelf life, greatly weakening the long-term value of your investment in our work. You must remember laughing out loud at the absurd prices printed in old catalogues.
- 3.) Listing prices in the book opens you to liability problems. Say we list a kitchen remodeling at \$25,000. A homeowner buys the book, decides to build the renovation, but purchases \$20,000 worth top-of-the-line Viking appliances. Their final construction cost is \$50,000 and they decide to sue you because of the implicit contract that the project would only cost \$25,000. Stranger things have happened.
- 4.) If we try to solve the "single price" problem by including a range of prices (say 'this kitchen remodeling could cost from \$25-\$50,000') then my experience is that people will *only* remember the lower number and see it as a guarantee. Money and cost brings out the worst in people.

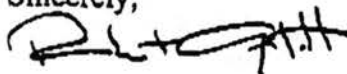
At the same time we recognize that the first question most homeowners are going to ask is "how much will it cost?" What we propose is to have a builder prepare an actual cost estimate for each project, a one-page listing of parameters and assumptions as to what's going into the project (i.e. listings of materials, allowances for lighting, for appliances, etc.). This way the price is accurate for a single builder at a single point in time for a defined scope of work. These estimates could be printed in a

separate packet and included with other supporting information when someone purchased the book.

Preparing accurate cost estimates, however, takes a lot of time, effort and energy, and we have included an item for this approach under additional services. The estimates would be prepared by Paul Brugger, who has years of experience.

We look forward to further discussing all the issues in this proposal with you this coming Friday 31,

Sincerely,



Robert Gerloff, AIA

Kristi Johnson

Peter J. Musty



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**SUBURBAN PLANBOOK PROPOSAL**

1997	STARTUP TASKS:	10/27/97
August	discuss lessons of Longfellow planbook w/consortium	
September	prepare & submit qualifications	
October	attend qualifications interview	
November	prepare & submit proposal	
	attend proposal meeting	
	negotiate fee and contract	
November	benchmark #1: sign contract	\$10,000.00
December	study housing in the consortium cities	
	meeting #1: define what house types to study	
	consortium to select specific houses & owners	
	coordinate software & tools internally	
	research the history of postwar housing in the cities	
	cartoon the book and what information will go into it	
	design preliminary book format	
1998	HOUSE TYPE ONE TASKS:	
January	conduct "case study" interviews w/homeowners	
February	research specific house & neighborhood	
	measure existing house & enter into ArchiCAD	
	meeting #2: discuss what designs to do for the type	
	brainstorm multiple design variations	
	meeting #3: informal schematic design mtg w/consultants	
	winnow schematics down to 3 variations + site	
	enter designs into ArchiCAD	
	create final drawings & sketches	
	(3 watercolors per house type plus plans, sketches, etc.)	
	write essay that ties it all together	
	design rough draft of pages & write extra text	
	meeting #3: present rough draft to consortium	
	administration, billings, payments	
	benchmark #2: first design complete	\$12,500.00



	<b>HOUSE TYPE TWO TASKS:</b>	
March	(services the same as with other house types)	
April	benchmark #3: second design complete	\$12,500.00
	<b>CLOSURE TASKS:</b>	
(May)	work with consortium on "yellow pages" content	
(June)	write introduction, acknowledgements and index	
	write "how to use this book"	
	copy edit & proof all text	
	meeting to discuss book design options	
	refine overall layout & design	
	coordinate production of book	
	meeting #x: turn over final book design to consortium	
	(book is on a disk ready to print)	
	(consortium to have book printed)	
	unveil the book at an event coordinated by Kristi	
	benchmark #4: project completion	\$12,500.00
	<b>CORE CONTRACT TOTAL:</b>	<b>\$47,500.00</b>

SERVICES ADDITIONAL TO THE CORE CONTRACT:

two months	add a third house type (services the same as with other house types)	\$12,500.00	yes
	Town Planning Collaborative:		
study length	16 interviews with City staffs, round-table & research	\$5,800.00	
	writing, diagrams and editing of community perspective	\$1,850.00	
	glossary, standardized nomenclature	\$1,400.00	
	landscaping techniques	\$1,200.00	
	total	\$10,250.00	no
one month	prepare a marketing plan how to price, distribute, press releases, etc. by Kristi Johnson	\$2,500.00	?
two months	write and design a marketing brochure to entice people to purchase & use the book by Kristi Johnson & Kristi Anderson	\$5,000.00	no
unknown	create a web page this would need further estimating	unknown	
one month	create additional watercolor images price per image by Peter Musty	\$200.00	
one month	writing articles for placement in community papers price per article by Kristi Johnson	\$1,000.00	no
one month	real cost estimates price per house type by Paul Brugger	\$1,000.00	yes



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### The Town Planning Collaborative's Proposal:

The plan book will contain a section to demonstrate how improvement of homes in first tier suburbs becomes part of a larger strategy to improve the quality of life in the sponsoring communities. The end product will be one to three pages of text and diagrams that crystallize and summarize research and interviews with the planning, economic development and community development staff of sponsoring communities. The summary will describe in very basic, objective terms for the plan book reader how investment in redevelopment or expansion of individual house is a sound investment in one's own home as well as the community's overall value.

Richard MacLaughlin's work program:

1. Interviews with planning, economic development and community development staff about how this plan book fits into a grand strategy of City improvements. Sixteen interviews with individual cities and one round-table discussion (in order to keep current residents and attract new residents).
2. Key interview questions:
  - how would you like "sense of community" to be defined and communicated to the plan book's readers. (what are the characteristics that define a neighborhood and the public realm in the first tier suburbs?)
  - what are the unique and attractive characteristics of the City (current and pending projects ) that add value to living in your City?
  - what amenities are (will be ) accessible to residents of these houses that add perceptible value to their real estate investment in their house?
  - what is the relationship of the City to opportunities (such as employment, shopping, entertainment, etc.) in the larger metropolitan area, that could be attributed to the home and community's value?
  - what is the City willing to do to assist individual homeowners in upgrading their properties in ways suggested by this plan book?
3. After compiling interview and research notes, Richard will write a one to three page essay, with accompanying diagrams to be placed in the plan book.
4. Additional work would include:
  - compilation of a glossary of standardized nomenclature, and review of plan book text for consistency of nomenclature usage.
  - discussion and diagrams that speak about landscaping techniques that emphasize private space and public space.



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### Suburban Planbook Contract Issues:

1. The overall contract will be with Robert Gerloff Residential Architects with Kristi Johnson and Peter Musty as co-signators.
2. Scope of Services is defined in the proposal.
3. Product: We will give the consortium an iomega zip drive cartridge with the book fully designed in Quark and ready to be printed by the printer of their choice. All images included in the book will be scanned in by us.
4. Schedule and payment schedule are defined in the proposal. The schedule begins only once the contract is signed and the first payment received.
7. The consortium retains full copyright over the work, though we are free to use any material included for marketing or promotional purposes.
8. We would like 5 free copies of the printed book for each of us plus an extra 10 free copies for promotion purposes for a total of 25 copies.
9. We retain ownership of the original watercolors. They will be scanned electronically and photographed and the consortium will have full use of these images for marketing and publicity purposes.
10. The Consortium's responsibilities are to:
  - appoint a liason empowered to make decisions on their behalf;
  - make prompt and timely decisions;
  - make benchmark payments within 10 days of receipt of invoice;
  - be prepared for phone calls and follow-up once the book comes out.
12. Any items that would normally be considered reimbursable expenses (copies, mileage, etc.) is considered included in the contract.
13. If the contract is terminated, we are to be paid based on a percentage of work completed to the date of termination.
14. Arbitration clause.

**REMODELING PLANBOOK**  
**7/31/97**

**Attending:** St. Louis Park  
Roseville  
Fridley  
Richfield  
Golden Valley  
Columbia Heights  
Bloomington

**GOALS:**

1. Motivate people to remodel.
2. Encourage people to stay or move-in.
3. Encourage reinvestment in first-ring suburbs.
4. Ideas and plans.
5. Practical ways to use small lots; recreate house to have the amenities that new homes have.
6. Identify strengths and weaknesses of houses and what can change.
7. What is feasible to remodel.
8. Exterior/outside as it relates to neighborhood.
9. Fences; styles and maintenance.
10. How do you adapt landscaping of 1950's and 1960's era housing.
11. Accessory structures.
12. Character of house.
13. Promote developed community advantages.
14. "Incentives" and resources.
15. Educate current owners the value that they have.

**Remodeling Planbook  
7/31/97  
Page 2**

16. Create a positive record of progress and improvement; something special is going on.
17. Lifecycle; how can they adapt to changes in owners lives; master bedroom on first floor versus:
  - adding a second story on ramblers.
  - accessory apartments
18. Create a forum for housing renovation in cities.
19. Create a coalition of common interests; bankers, school districts, remodeling contractors, material suppliers, financial agencies, some realtors, HRA's, MISCHE inspectors.
20. Provide ample choices and designs.
21. Non-monetary items and their value; safety, neighborhood, confidence, or emotional attachments.
22. Provide space for City specialization.
23. Quality remodeling.

**OUTCOMES:**

1. Realtors reduce commissions.
2. Realtors "believe" in first-ring suburbs.
3. Property values for first-ring suburbs are higher than metro average.
4. Increased building permits for remodeling versus total residential base.
5. Number of copies; 5,000 copies and number of people exposed to it; 25,000 at remodeling fair.

**MARKETING:**

1. Use newspapers to market planbook in "special section".

**Remodeling Planbook**  
**7/31/97**  
**Page 3**

2. "Houses over 30".
3. Redistribute at housing fairs.
4. Circuit of coordinated housing fairs:
  - Richfield; 1/24/98
  - Roseville; 2/28/98
  - St. Louis Park/Golden Valley/Minnetonka/Hopkins; 2/22/98
  - Crystal/New Hope; ?
  - Fridley; 4/98
5. Susanka Mulfinger firm willing to share plans.
6. Before and after pictures of existing projects.
7. Build on concepts each year.
8. Customize each book for each city.
9. Cable TV/video.
10. Newsletters.

**MISCELLANEOUS:**

**What's the Core?**

- What kind of homes
- Drawings and photos
- Role of professionals
- How do I get a good deal; assessing and tax info. & This Old House
- Landscaping home

**What's the Specialized Info?**

- Team
- Architect and writer

**Who's In?**

## Suburban Remodeling Planbook

1. **Planbook Objective** - To provide ideas and plans for remodeling and improving suburban homes. The planbook should have the end result of providing remodeling plans as well as inspiration for owners to improve their current home to meet their changing needs, and to preserve, maintain and protect older suburban neighborhoods and cities.
2. **Preserving the Home's Character** - The planbook should assist homeowners with identifying elements of their homes which create architectural character, style and interest. The planbook can also help to preserve the elements which make up the character of a home and enhance the home's aesthetic and monetary value.
3. **How to Use the Remodeling Planbook** - Should include a brief explanation of how the planbook works and how the plans can be reproduced or copied without violating copyright protection.
4. **Remodeling Plans** - To include a brief description of the elements and style that make up a typical suburban type home.
  - a) **The Rambler** -. Most rambler are one-story homes with a simple low-pitched roof line and a large picture window on the front elevation. The majority of rambler were built from the late 1940's through the late 1960's, however rambler are still being built today. 1990's rambler will have large garages in the front instead of the picture windows and a front dormer or gable over the front entry.
    - i) Original Floor Plan and Perspective
    - ii) Adding a Front Porch
      - a) Plan
      - b) Perspective
    - iii) Adding an Attached Garage
      - a) Plan
      - b) Perspective
    - iv) Interior Remodeling - Kitchen and Formal Dining
      - a) Plan
      - b) Perspective
  - b) **The Split-Entry**
  - c) **The One and a Half Story Bungalow**
  - d) **The Ranch**
  - e) **The Split or Multi-Level**
  - f) **The Cape Cod**
5. **Building Code Information** - The plans in the book should have been reviewed and approved in concept by the inspections divisions of all participating cities. A brief discussion should be included within this section to assist owners with plan review and the inspections process.
6. **Resources** - Listings of public sector agencies, utility companies and any other entities which may assistance in home repair, improvement and remodeling. In addition, reference books, magazines and periodicals which may offer assistance or insight should be listed.





FRIDLEY MUNICIPAL CENTER • 6431 UNIVERSITY AVE. N.E. FRIDLEY, MN 55432 • (612) 571-3450 • FAX (612) 571-1287

September 19, 1997

Kirk McDonald  
City of New Hope  
4401 Xylon Avenue North  
New Hope, MN 55428

Dear Mr. McDonald:

Over the past several weeks, Community Development Directors from first-tier and second-tier communities have been meeting about the possibility of producing a remodeling planbook. Up to this point, there has been strong participation from a key group of communities. Some of you may have been unable to attend the meetings because of other commitments. ***A survey is included in this letter to officially indicate whether your community would be interested in participating.***

A Request for Qualifications is now being prepared to be distributed to a variety of parties who would be interested in producing the planbook. Once a proposed author/producer of the book has been selected, the cost of the project will be identified. However, prior to that time, it is imperative to know who is willing to participate. Each participating community should plan for a financial commitment of up to \$5,000 maximum.

Please complete the attached survey and return it to Judy Erickson at the City of St. Louis Park by fax or mail as soon as it is convenient. If you have any questions, please feel free to Judy at 924-2574.

Sincerely,

Barbara Dacy, AICP  
Community Development Director

BD/dw

C-97-187

**SURVEY TO COMMUNITIES INTERESTED  
IN PARTICIPATING IN REGIONAL  
REMODELING PLANBOOK**

\_\_\_\_\_ **Yes**, the City of \_\_\_\_\_ wants to participate in the production of a regional remodeling planbook. I understand that a financial commitment of up to \$5,000 may be requested to produce the planbook.

\_\_\_\_\_ **No**, the City of \_\_\_\_\_ is not interested in participating in this effort.

X **Other** The City of New Hope wants to participate in the production of a regional remodeling planbook, but cannot make a financial commitment until we have more information.

Please return to Judy Erickson by FAX: 924-2663

*Faxed  
10/11/97*