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StarTribune Editorial

opinion@startribune.com

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Our perspective **Elliot Park**

It has a model for the housing crisis

Loud excavation noise appropriately accompanied nearby speeches about the noise's source — a major inner-city housing development in the heart of Minneapolis. The speeches were at a groundbreaking ceremony this week for East Village, a \$25 million mixed-income apartment project across 11th Avenue from Elliot Park and the Augustana Home. East Village will provide affordable housing for very-low-income people but also market-rate housing for moderate-income people; that combination makes East Village a valuable model for addressing today's critical housing issues.

For the Elliot Park neighborhood, the project is an important boost. Despite the presence of several important institutions, including Hennepin County Medical Center, the North Central Bible College and Augustana Home, the neighborhood just south of the Metrodome is one of Minneapolis' poorest. It's also where one of the world's richest people, the late J. Paul Getty, was born. And it's where a remarkable nonprofit housing corporation has been particularly engaged in providing housing for low-income Minneapolis workers that downtown needs to function well.

That housing corporation is the Central Community Housing Trust, whose housing serves not only low-income workers, but also the homeless and other people as well. It works in five downtown neighborhoods, but more than two-thirds of the 920 housing units it owns or controls are in the Elliot Park neighborhood. The 179 apartments in East Village will boost the Housing Trust's units to 1,099.

That's impressive, but not the end; Alan Arthur, executive director, hopes to reach 1,500 units within five years. Mostly the trust saves and improves old apartment buildings, often those headed for demolition.

East Village will have 38 units of low-income affordable housing but also 141 units with market rates designed for moderate incomes. It's arguably the first and certainly the biggest market-rate apartment project in the Elliot Park neighborhood in 75 years. One ceremony speaker, Joan Campbell, City Council majority leader, said she hopes to live there when she retires. Another speaker, Metropolitan Council Chairman Ted Mondale, said East Village housing will contribute to the urban infrastructure that Minneapolis needs to remain competitive in the world economy.

The project also will improve the neighborhood's appearance, not only above ground but by providing 340 underground parking spots (including 100 for Augustana workers). Both the Metropolitan Council and Augustana, as well as the Elliot Park Neighborhood association, helped with project financing, as did other organizations and government agencies.

The Central Community Housing Trust and the partners it has had in its 14-year history have helped return hope to many people's lives. East Village can help do the same for the neighborhood. As Mondale said, "This event signifies the community is going to make it." That's a welcome prospect for struggling Elliot Park neighborhood — and for this city.

REPORTS

Elliot Park to see development

MIXED-INCOME HOUSING PLANNED

South of Interstate 94 and downtown Minneapolis, Elliot Park, one of the city's oldest residential neighborhoods, is dotted with dilapidated buildings and crumbling parking lots. However, this historic neighborhood is on the brink of revival.

The Central Community Housing Trust (CCHT), of Minneapolis, ceremonially broke ground this month on a \$25 million project that calls for two mixed-income apartment buildings and 6,000 square feet of retail space.

Twenty percent of the apartments will have two, three or four bedrooms and be affordable to households with incomes at 50 percent or below the metropolitan median household income, which is \$63,600 for a family of four. The other units will have one or two bedrooms and be available at market rates, says Kirk Moorhead, assistant program manager for CCHT. Rents will range from \$455 to \$1,000 per month.

The housing will meet current neighborhood needs, as 35 percent of Elliot Park residents were living below the poverty line according to the 1990 census. The area's median household income in 1997 was \$11,646, according to a survey conducted by the Minneapolis Community

Development Agency (MCDA).

The project's commercial portion will include a Dairy Queen, a convenience store and a coffee shop. CCHT officials decline to name the convenience store but say it will be independent. Chris Eilers, president of Ceefay Franchising, says Dunn Bros. Coffee will open a shop on site.

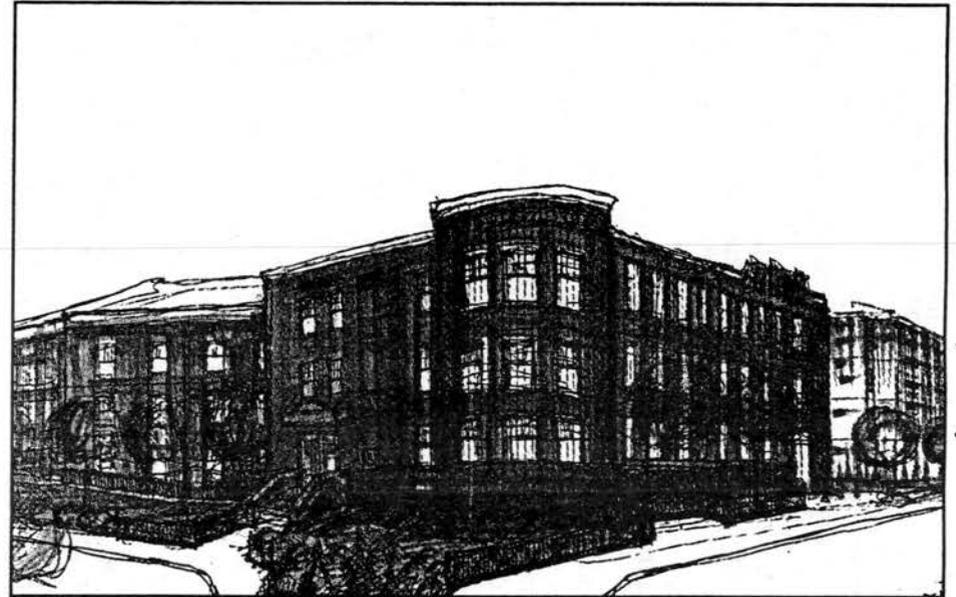
The complex also will include 340 underground parking spaces. One hundred spaces will be leased to Augustana Care Corp., which is located across the street, and the rest will be reserved for the apartment residents and storefront employees.

CCHT officials say the project will serve as an anchor for future development of the eastern end of downtown.

The group has a vested interest in affordable housing and Elliot Park as it owns 670 affordable housing units in the neighborhood.

"We've been in existence since 1986 and the Elliot Park neighborhood is one of our service areas," says Peggy Metzger, vice president of public relations and fund development. "This project represents a capstone of several years of commitment and involvement in the neighborhood." The CCHT office is four blocks from the East Village site.

The project began as a result of round-table discussions started five years ago by



RENDERING COURTESY OF MILLER, HANSON, WESTERBECK AND BERGER INC.

East Village will provide mixed-income housing in two red-brick buildings in Minneapolis' historic Elliot Park neighborhood.

Tim Tucker, chief executive officer of Augustana Care Corp, Metzger says.

Completion of the project, which covers one city block, is slated for 15 to 18 months after a September start date, Metzger says.

Elliot Park Neighborhood, the Minnesota Housing Finance Agency, the MCDA and Augustana Care Corp. supplied the bulk of the development's financing. The Metropolitan Council Liveable Communi-

ties Program awarded \$550,000 to the project and tax increment financing generated about \$3 million. The East Village also received financing from a combination of unnamed private and public sources.

Miller, Hanson, Westerbeck and Berger Inc., Minneapolis, designed the red-brick complex that will complement existing structures of historical significance. BDC Management, Minneapolis, will manage the property.

-Ben Senger