

MEMORANDUM

To: NRP Policy Board Members and Alternates

From: Robert D. Miller, Director

Date: November 12, 2003

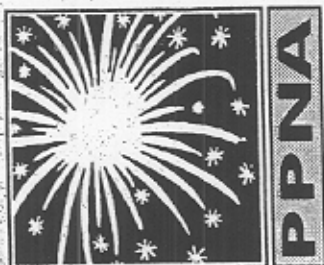
Subject: Powderhorn Park Neighborhood Phase II Advance Fund

The NRP Policy Board approved the Powderhorn Park Phase II Neighborhood Action Plan on September 23, 2002. Approval of their Phase II Plan by the City Council had been delayed while the Council deliberated on a long term funding commitment to NRP. With the now reduced funding for Phase II, funding allocations for each neighborhood are still in the process of being determined.

Attached is a request and supporting documentation from the Powderhorn Park Neighborhood Association (PPNA) for up to \$75,000 in Phase II “Early Access” funds for implementation support for their approved Phase II Neighborhood Action Plan. Since they already have a Policy Board approved Phase II Neighborhood Action Plan, they do not technically qualify for an “Early Access” request. My staff has reviewed this request with representatives from PPNA and I am recommending that we process their request through our Phase II Plan Development Advance Fund. One of the purposes of this fund is to provide support to neighborhoods while we transition into Phase II. Their request will be considered expenses against the Phase II dollars that will be allocated to Powderhorn Park.

Based on these considerations, I recommend Policy Board approval of the following resolution:

RESOLVED: That the Minneapolis Neighborhood Revitalization Policy Board hereby approves the use of up to \$75,000 from the Phase II Plan Development Advance Fund to provide support for implementation of the Powderhorn Park Phase II Neighborhood Action Plan.



Powderhorn Park Neighborhood Association

3222 Bloomington Ave. S., Minneapolis, MN 55407 • Phone 612/722-4817 Fax 612/721-5799

10/13/03

Powderhorn Park Neighborhood Association
NRP Phase II Early Access Proposal

Requested Amount: \$75,000
Funding period: October 2003-December 2004

Proposal Overview

Building on the success of NRP Phase I, where over \$1.9 million was leveraged for housing related programs, PPNA's Phase II plan allocates the majority of funds for this same purpose. In an effort to continue our work, PPNA is asking for \$75,000 of NRP Phase II Early Access funds.

Holding to the belief that providing affordable, safe and decent housing opportunities for all Powderhorn residents is necessary for the well being of the community, PPNA's Housing and Land Use Committee is moving forward with a number of programs. Currently, PPNA's Housing Programs focus on 3 primary goals:

- Increasing the number of affordable ownership and rental opportunities;
- Preserving the existing housing stock; and
- Ensuring access to housing related resources for all residents.

All activities of the Housing and Land Use Committee work to achieve these stated goals. Each year, a work plan is established that outlines specific activities and identifies expected outcomes. Beginning in November of 2003, PPNA will begin to implement the Affordable Housing and Home Improvement sections of the NRP Phase II plan, which was adopted on June 29, 2002.

Powderhorn NRP Phase II Housing Program Components

The following components of our NRP Phase II Plan will be addressed with this Early Access request:

Lake Street Initiative

Over the last 10 months, PPNA worked with over 125 residents and business owners along the Lake Street corridor from 11th-15th Avenues to identify development opportunities and establish urban design guidelines. The result is several redevelopment

scenarios for each intersection, along with stronger relationships among stakeholders in the area. The next phase of the Lake Street Initiative involves working with community partners to select a development site, secure funding and begin the construction of new housing units.

Lake Street Initiative efforts relate directly to NRP Phase II Goal 1, Objective 4, Strategy 1:

Promote mixed-use developments on commercial corridors and nodes. Develop and implement plans for new housing, including live/work units, on Lake Street and Chicago Avenues, with the goal of creating 25 new units.

PPNA's Early Access request from this line item draws down \$15,000 from 2003 and \$15,000 from 2004, for a total of \$30,000.

PPNA also plans to address our efforts to increase the number of 3 or 4 bedroom units (Affordable Housing Goal 1, Objective 3, Strategy 1) through the development of units as part of the Lake Street Initiative.

Affordable Housing Initiative

In recent years, the Powderhorn Park Neighborhood, as well as the Twin Cities in general, has seen a significant increase in the cost of housing. This increase in property values has limited the affordability of our neighborhood. To ensure the Powderhorn Neighborhood remains a place where all families can find shelter, PPNA is aggressively seeking out affordable housing strategies, funding sources and development opportunities.

For example, the PPNA Housing Committee recently celebrated the successful completion of rental housing affordable to families at or below 30% of median income. The \$80,000 in NRP investment leverage over \$920,000 for the construction of 6 large family town home units.

To allow for the continuation of these efforts, Affordable Housing Goal 1, Objective 1, Strategy 1 proves funds for staff support:

Using a variety of strategies, promote long-term affordability and ensure the availability of affordable housing in Powderhorn Park. Provide staffing support to identify other sources of long-term affordable housing funding, potential collaborations and affordable housing development opportunities. The staff person shall work with other organizations working in affordable housing to develop housing for lower income families and provide support to the Housing and Land Use Committee.

PPNA's Early Access request from this line item draws down \$15,000 from 2003 and \$15,000 from 2004, for a total of \$30,000.

Housing Preservation Program

To ensure safe and decent housing opportunities for all Powderhorn Park Neighborhood residents, PPNA works to provide residents and property owners with information and the financial tools necessary to keep their housing in good condition.

Providing a variety of options for accessing funds for home improvement has proven to be a critical factor for maintaining the aging housing stock in the neighborhood. Working in partnership with Southside Neighborhood Housing Services, PPNA provided access to MPHA, Neighborhood Reinvestment and CDBG programs with flexible underwriting guidelines and

interest rates as low as 0%. During 2002 and the first quarter of 2003, over \$250,000 in rehabilitation funds were provided to Powderhorn residents through our partnership.

Home Improvement Goal 2, Objective 1, Strategy 1 provides funds for staff support to continue developing partnerships with lenders and other housing organizations:

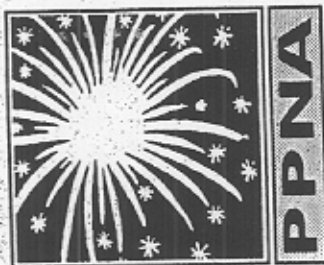
Provide staff support to administer housing programs and provide information and advocacy referral for all residents ensuring that underrepresented community members have equal access to PPNA and other community programs. Provide the capacity to maintain a full time housing organizer.

PPNA's Early Access request from this line item draws down \$5,000 from 2003 and \$10,000 from 2004, for a total of \$15,000.

Other activities of the Housing Preservation Program will include expanding outreach efforts to immigrant communities and other underrepresented groups (Home Improvement Goal 2, Objective 2), as well as working with community partners to develop and implement sustainable home improvement programs that have flexible underwriting guidelines (Home Improvement Goal 1, Objective 1, Strategies 1 and 2).

Summary

Overall, Powderhorn's NRP Phase II Housing Program components work to increase the number of affordable housing opportunities, strengthen the neighborhood's housing stock and ensure access to resources for neighborhood residents. NRP Early Access funds will allow PPNA to continue to move forward.



Powderhorn Park Neighborhood Association

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10/28/03

Robert Miller
NRP Executive Director
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Minneapolis, MN 55401

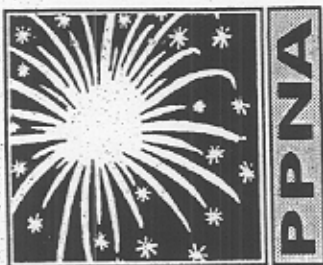
Dear Mr. Miller,

The NRP phase II Early Access Proposal submitted on 10/13/03, was approved by the PPNA Board of Directors at it's regularly scheduled meeting on 10/09/03.

If you have further questions, please feel free to contact me at 722-4817.

Sincerely,

David Rubedor
PPNA Executive Director



Powderhorn Park Neighborhood Association

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10/13/03

Robert Miller
NRP Executive Director
105 5th Avenue South Suite 425
Minneapolis, MN 55401

Dear Bob,

Per your suggestion, enclosed please find a request for \$75,000 in NRP Phase II Early Access funds. The proposal outlines a number of programs and activities that PPNA has identified to address the community's affordable housing and home improvement needs.

As you know, PPNA has been anticipating access to NRP Phase II funds for some time now. Granting the Early Access request would allow PPNA the opportunity to move forward with the implementation of the Affordable Housing and Home Improvement sections of Powderhorn Park's NRP Phase II plan, adopted on June 29, 2002, without further capacity reductions.

If at all possible, PPNA would like the NRP Policy Board to review our request at it's October 20, 2003 meeting. Please let me know if you have any questions regarding the proposal.

Thank you for your consideration,

David Rubedor
PPNA Executive Director

Cc: Barb Lickness