

Memorandum

Date: April 21, 2010
To: Policy Board Members and Alternates
From: Robert D. Miller, Director
Subject: Waite Park Neighborhood Action Plan Modification Request

The Waite Park Community Council (WPCC) requests approval for a plan modification that updates its approved Phase II Neighborhood Action Plan. The request affects two housing strategies with a minor language revision and a reallocation of funds between the existing approved strategies.

At the time the Phase II Plan was approved by the Policy Board in 2007, the first-priority home improvement program was planned to address emergency home repairs and City code-ordered work. However, most of code-ordered work was completed before the Waite Park neighborhood was ready to implement the home improvement programs. The second-priority home improvement program was planned as a general, revolving loan program. The language modification request will expand the emergency home repair and City code-ordered work to permit grants, as well as loans. The reallocation of funds will move dollars from the emergency home repairs and City code-ordered work strategy to the general, revolving loan strategy.

My review of the attached proposed plan modification finds that:

1. The modification requests a minor language revision to Housing Strategy 2.1.1.A., “Establish a revolving loans (*insert*) or grant program dedicated to emergency and City code-ordered work.”
2. The modification requests reallocation of \$144,000, which is more than \$25,000 and more than 25% of the total NRP plan allocation therefore requiring Policy Board approval, between existing strategies, as follows:
 - From Housing Strategy 2.1.1.A, “Establish a revolving loans or grants program dedicated to emergency and City code-ordered work,” reduce funds from \$199,529 to \$55,529;
 - To Housing Strategy 2.1.1.B, “Establish a revolving loan program for general home improvement,” increase funds from \$66,510 to \$210,510.
3. WPCC followed the process required by the NRP policy, “Changing Approved Neighborhood Action Plans and Early Access Requests (amended November 19, 2007).”

Policy Board Members and Alternates

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4. The reallocation is needed to provide additional funding for implementation of the WPCC Phase II Neighborhood Action Plan revolving loan home improvement program.
5. The WPCC Board and neighborhood approved the plan modification at its March 3, 2010, Annual Town Meeting.
6. The modification is both reasonable and appropriate.
7. The modification does not change the amount of NRP dollars committed to the neighborhood for its Phase II Neighborhood Action Plan.

Based on my review of this plan modification request, I recommend that the Policy Board adopt the following resolution:

RESOLVED, That the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board ("Board") has received and reviewed Plan Modification #1 to the Windom Park Neighborhood's Phase II Neighborhood Action Plan; and

BE IT FURTHER RESOLVED, That the Board supports the minor language change and approves the reallocation of \$144,000, as requested.

Plan Modification

FOR NRP OFFICE USE ONLY

NS review by: Peg Mountin date: 4-5-10

Team Leader Review by: _____ date: _____

NRP/CP review by: _____ date: _____

(revised spreadsheet attached)

Phase 1 Modification #: _____

Phase 2 Modification #: 1

fn: NRP Plan Mod Form rev.: 11-19-07

Neighborhood:

Waite Park

I. Approval Process Checklist

On the checklist below please indicate the type of modification you are requesting (Section IV, on the following page, will help you calculate the total NRP dollars affected by this Plan Modification). This will determine the approval process the neighborhood must follow. See NRP's Policy on "Changing Approved Neighborhood Action Plans and Early Access Requests - Amended – 11/19/2007" for more information.

| | Type of Modification (check all that apply) | 21 Day Notice | Neigh. Board Vote | Broad-based Support | NRP Legal Review | Final Approval |
|----------|--|--------------------------|-------------------|---------------------|------------------|--|
| X | Makes a minor language revision to an existing plan strategy or rolls an existing Phase I strategy to the approved Phase II plan-- no funding reallocation | To those affected | Yes | No | No | NRP Director |
| | Reallocates \$25,000 or less between existing plan strategies | To those affected | Yes | No | No | NRP Director |
| X | Reallocates more than \$25,000 (<u>or up to 25% of the total NRP plan allocation</u>) between existing plan strategies | Broad notice | Yes | Yes | No | NRP Director, (he may request PB) |
| | Reallocates more than \$25,000 and more than 25% (<u>and up to 40%</u>) of the total NRP plan allocation between existing strategies | Broad notice | Yes | Yes | No | PB |
| | Reallocates 40% or more of the total NRP plan allocation between existing strategies | Broad notice | Yes | Yes | No | PB & CC |
| | Reallocates 40% or more of the total NRP plan allocation (<u>within 12 months</u>) between existing strategies | Broad notice | Yes | Yes | No | PB |
| | Creates a new strategy within the total existing NRP plan allocation (<u>regardless of the \$ amount</u>) | Broad notice | Yes | Yes | Yes | PB & CC |
| | Requests an increase in funding to the total existing NRP plan allocation | Broad notice | Yes | Yes | No | PB & CC |

II. Proposed Modification (Briefly describe the modification, indicating any required plan text changes -- if necessary, attach additional documentation):

Reallocate \$144,000:

From Phase II Plan, Housing Strategy, 2.1.A, Emergency/Code Program
 To Phase II Plan, Housing Strategy, 2.1.1.b, Home Improvement Program

Minor language change to Housing Strategy, 2.1.1.A, Emergency/Code Program to include the option for grants, as well as loans.

III. Rationale for Modification *(Briefly describe why the neighborhood is requesting the proposed modification):*

At the time that the Phase II Plan was developed, the issue of Code compliance was identified as the most appropriate use of housing funds. Since that time, most of the code compliance problems have been addressed. The program in strategy 2.1.1.A will be primarily used for emergency repairs. The program in strategy 2.1.1.B will fund the neighborhood's revolving loan program.

IV. Proposed Reallocation of NRP Funds *(List below any increases/decreases in NRP funds for plan strategies that will result through a reallocation of funds under this modification. Please consult with your NRP neighborhood specialist to complete this section):*

| Plan Location | | | Goal, Objective, Strategy | Year | Current NRP Allocation | Proposed Change | | Proposed New NRP Allocation |
|--|---------|------|-----------------------------------|------|------------------------|-----------------|-----------|-----------------------------|
| Phase | Section | Page | | | | + | - | |
| II | Housing | 6 | 2.1.1.A. Emergency/Code Program | | \$199,529 | | \$144,000 | \$55,529 |
| II | Housing | 7 | 2.1.1.B. Home Improvement Program | | \$66,510 | \$144,000 | | \$210,510 |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| * Total NRP Funds affected by request | | | | | | \$144,000 | \$144,000 | |

Total NRP Funds under "Proposed Change: (+)" should equal Total NRP Funds under "Proposed Change: (-)"

V. Neighborhood Board Approval (Indicate when the neighborhood board took action on this proposed modification and attach a copy of the approved resolution, meeting minutes, or neighborhood transmittal letter):

Neighborhood Board Approval:

Date:

VI. Demonstration of Broad Neighborhood Support (If required by NRP's policy on "Changing Approved Neighborhood Action Plans and Early Access Requests" indicate by checking at least one of the boxes below how and when broad based neighborhood support was achieved. Attach appropriate documentation such as approved resolutions, sign-in sheets, meeting notices, copy of survey/interview, survey results, etc.):

- Neighborhood-Wide General Attendance Meeting** (with twenty-one day notice)

Date:

- Three or More Focus Groups** (representative of neighborhood population)

Dates:

- Survey/Questionnaire** (with at least 20% response from all neighborhood households)

Date:

- Random Interview/Survey** (of at least 350 neigh. households, with a 75% response rate)

APPROVALS

NEIGHBORHOOD

Signed: see attached letter Date: March 16, 2010

Title: Jeffrey Martin, President, Waite Park community Council

NEIGHBORHOOD REVITALIZATION PROGRAM

Consistent with the Neighborhood Revitalization Program policy on "Changing Approved Neighborhood Action Plan and Early Access Requests" (as amended November 19, 2007), approval is granted for the specific changes included in your request.

Signed: _____ Date: _____
NRP DIRECTOR

Signature by the NRP Director, after all necessary approvals have been given, constitutes formal approval of your plan modification request.

APPROVED BY: NRP POLICY BOARD Date: _____

MPLS. CITY COUNCIL Date: _____

WAITE PARK NEIGHBORHOOD PHASE II ACTION PLAN

| ACTIVITY | 2004/07-EARLY ACCESS | | ACTION PLAN | | NRP | PROGRAM INCOME | PHASE I ROLLOVER | CHANGES |
|---|----------------------|-------------|----------------|-----------|----------------|----------------|------------------|---------|
| | NRP HOUSING | NRP OTHER | NRP HOUSING | NRP OTHER | PHASE II TOTAL | | | |
| COMMUNITY AND EDUCATION (page 5) | | | | | | | | |
| 1.1.A. Expand Services in Neighborhood Schools | | | | 40,260 | 40,260 | | | |
| 1.1.B. Waite Park Recreation Center Equip. and Supplies | | | | 38,257 | 38,257 | | | |
| 1.1.C. Community Education | | | | 10,000 | 10,000 | | | |
| 1.1.D. Waite Park Community Garden | | | | 5,500 | 5,500 | | | |
| HOUSING (page 6) | | | | | | | | |
| 1.1.A. Emergency/Code Revolving Loan Program | | | 55,529 | | 55,529 | | | 1 |
| 1.1.B. Home Improvement Revolving Loan Program | | | 210,510 | | 210,510 | | | 1 |
| SAFETY (page 7) | | | | | | | | |
| 1.1.A. Mini-Grants for Block Clubs/Residential Security | | | 10,000 | 10,000 | 20,000 | | | |
| 1.1.B. COPSIRF | | see * below | | | - | | | |
| ADMINISTRATION (page 8) | | | | | | | | |
| 1.1.A. Phase II Plan Development | | 10,000 | | | 10,000 | | | |
| 1.2.A. Community Information | | | | 57,068 | 57,068 | | | |
| TOTAL | 0 | 10,000 | 276,039 | 161,085 | 447,124 | 0.00 | 0.00 | |
| APPROVED EARLY ACCESS - PLAN DEVELOPMENT | 10,000 | | | | 10,000 | | | |
| ACTION PLAN REQUEST | 10,000 | | 437,124 | | 447,124 | | | |
| APPROVED COPSI RESERVE FUND * | 7,321.88 | | | | 7,321.88 | | | |
| ADMINISTRATIVE FUNDS IN PLAN | 10,000 | | 57,068 | | 67,068 | 15.00% | | |
| ADMIN FUNDS FOR HOUSING | | | | | 48,712 | | | |
| TOTAL HOUSING ALLOCATION | | | | | 324,751 | 72.63% | | |
| 2007 APPROPRIATION NEEDED | | | 156,493 | | 156,493 | | | |
| 2008 APPROPRIATION NEEDED | | | 96,785 | | 96,785 | | | |
| 2009 APPROPRIATION NEEDED | | | 94,421 | | 94,421 | | | |
| AMOUNT AVAILABLE IN 1ST 3 YEARS ** | 10,000 | | 347,699 | | 357,699 | | | |

* - The Holland, Windom Park, Nicollet Island/East Bank, Northeast Park, Audubon Park, Bottineau, Waite Park and St. Anthony East Community Oriented Public Safety Initiative (Safety 1.1.B.) was funded through the NRP Community Oriented Public Safety Initiatives Reserve Fund (COPSIRF) for a total of \$58,575; Waite Park's portion of the allocation is \$7,321.88. Final expenditures for this initiative are \$49,925.84; Waite Park's share of these expenditures is \$6,240.73. Since the allocation is from the Community Oriented Public Safety Initiatives Reserve Fund, the allocation is not included in the total Action Plan Request calculated above, nor does it count against the neighborhood's Phase II allocation.

** - On March 22, 2004, the NRP Policy Board adopted a policy that requires each neighborhood to limit its Phase II Neighborhood Action Plan obligations to no more than 70% of of their neighborhood allocation during the first three years following approval of its action plan. On April 28, 2008, the Policy Board approved the reallocation of unspent NRP funds to Phase II Neighborhood Action Plans, increasing the amount of funds available to neighborhoods during the first three years following action plan adoption to 74.15%. On October 27, 2008, the Policy Board revised its 2004 policy to allow access to neighborhoods to have access to 80% of their neighborhood allocation during the first three years following approval of its action plan.

CHANGES:

- PENDING:** On April 21, 2010, the NRP Director requested Policy Board approval for a modification to reallocate \$144,000 from Emergency/Code Revolving Loan Program (Housing 1.1.A.) to Home Improvement Revolving Loan Program (Housing 1.1.B.). The modification also revises the wording of Emergency/Code Revolving Loan Program (Housing 1.1.A.) to include the option for grants.

WAITE PARK NEIGHBORHOOD PHASE II ACTION PLAN

| ACTIVITY | COMMENTS | CONTRACT ADMINISTRATOR |
|---|---|------------------------|
| COMMUNITY AND EDUCATION (page 5) | | |
| 1.1.A. Expand Services in Neighborhood Schools | | MPS |
| 1.1.B. Waite Park Recreation Center Equip. and Supplies | | MPRB |
| 1.1.C. Community Education | \$5,500 for sports/arts prog.; \$4,500 for after-school prog. | MPS |
| 1.1.D. Waite Park Community Garden | | DFD |
| HOUSING (page 6) | | |
| 1.1.A. Emergency/Code Revolving Loan Program | | DFD |
| 1.1.B. Home Improvement Revolving Loan Program | | DFD |
| SAFETY (page 7) | | |
| 1.1.A. Mini-Grants for Block Clubs/Residential Security | \$10,000 for block clubs; \$10,000 for security grants | DFD |
| 1.1.B. COPSIRF | | Police Dept. |
| ADMINISTRATION (page 8) | | |
| 1.1.A. Phase II Plan Development | | NRP |
| 1.2.A. Community Information | | NRP |

Waite Park Neighborhood Phase II Action Plan (Waite Park 2.xls)

Date Created: August 31, 2007

Last Revision: April 13, 2010

Prepared By: Robert Cooper, Finance, 673-5239



WAITE PARK COMMUNITY COUNCIL

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www.waiparkneighborhood.org

teparkcc.org

March 16, 2010

Robert Miller
Director, NRP
425 Crown Roller Mill
105 Fifth Avenue South
Minneapolis, MN 55401

Dear Mr. Miller,

On March 3, 2010, at the Waite Park Annual Town Meeting, a Plan Modification was presented and approved to reallocate \$144,000 from Phase II Housing Strategy 2.1.1.A Emergency/Code Program to Phase II Housing Strategy 2.1.1.B Home Improvement Program. The Waite Park Community Council will be working with the Northeast Housing Resource Center to administer these funds.

A minor language modification was also approved to include the option for grants in Housing Strategy 2.1.1.A Emergency/Code Program.

A copy of the minutes from our WPCC Annual Town Meeting with more specific items and motions accompanies this letter.

Sincerely,

Jeffrey Martin
President
Waite Park Community Council

Cc: Denise Eloundou, GMHC

Waite Park Community Council Annual Town Meeting
Minutes of Meeting – March 3, 2010

Call-to-Order 7:01 P.M.

Introductions

Attending: Mary Famham, Jeffrey Martin, Lorraine Dodd, Barry Hicketier, Alita Bergan, Rosie Heille, Gary Amsten, Mitch Puff, Tia Karelson, Amy Softich, Anthony Beard

Agenda, Minutes and Financial Report Approved (see attached).

Public Officials & Guest Speakers:

Shannon McDonough – Aide to councilperson Reich: Police Chief Dolan's reappointment goes before the full council on 3113. Councilperson Reich supports Chief Dolan's reappointment. Snow plow budgeting and other budget issues being address. Expecting roughly \$30 million less in LGA.

Doran Clark – NCEC (Neighborhood Community Engagement Organization): Gave an overview of the NCEC workplan (see attached). Finalizing organization's operation structure and developing guidelines for future neighborhood program & communicating plans to neighborhoods.

Holly Holt, Realtor – Neighborhood real estate update: Sales increased 18% in 2009 vs. 2008. Inventories are dropping. Prices were 15% lower than prior year in Minneapolis, but only down 10% in Northeast. In Northeast roughly 113 of sales have been short sales or lender facilitated sales. Average price per square foot is around \$111. Seven of the 39 homes currently on the market in Northeast are foreclosures. Data from MinneapolisRealtor.com.

Cheryl Hoban, Loan Finance Officer – Housing credit and mortgage programs: Several programs available, FHA, federal rebates for new and existing home buyers, etc.

Annual Town Meeting Portion (all attending neighborhood members participate)

Nomination and Election of Board Members to Fill Expired Board Terms:

Declaration of Vacancies (8): Don Risk, Rosemarie Heille, Nic Weiderhold, Mary Farnham, Lorraine Dodd, Mitch Puff, Gary Ameston, Leah Huyser

Nominated: Mary Farnham, Lorraine Dodd, Mitch Puff, Leah Huyser, Gary Amsten, Eric Gilbertson, Connie Stauffer, Gabe Nelson

Since only one person was nominated for each **open** position, motion was made and approved to elect by acclimation. All open spots are filled.

Nomination and Election of Officers:

Nominations for President: Jeffrey Martin

Nominations for Vice-President: Amy Softich

Since only one person was nominated for each open position, motion was made and approved to elect by acclimation.

Motion: To thank and commend Don Risk and Rosemarie Heille for their excellent service to the Waite Park Community Council and to the residents of **Waite** Park Neighborhood, and to **thank** Mary Farnham for her exceptional service as vice president the last two years. – Approved

Presentation of WPC Council Annual Budget and NRP Phase II Housing Program (see attached budget):

Guest Speaker: Denise Eloundou, Northeast Housing Resource Center:

NRP Phase II Housing Strategy Moved and Approved as Follows:

Motion: Strategy A - Deferred emergency loans totaling \$55,000 will be made to eligible single family and other owner occupied residents based on need using 50% of median HUD income. Individual loans will be capped at \$7,500.. Loans may be approved for emergencies such as furnace repair or replacement, roof repairs or replacement, etc. City inspector ordered work is the other eligible purpose.

Motion: To exclude tree removal from Strategy A. – Motion dies for lack of second.

*Motion: To include in Strategy A: "Upon sale of house an additional recoupment fee of 10% of the loan will be required to be paid back to cover cost of loan administration. – **Approved.***

*Motion: Strategy B - Revolving Home Improvement Loans. Reallocate \$144,000 for a total of \$191,000 from Strategy A to Strategy B. Loans will be capped at \$10,000 at a 4% interest rate. Loans **will** have a 10 year term, with no payment for early payoff. No income limits, 110% loan to value and 55% debt to income ration required to qualify. Work must meet NRP criteria to qualify. Loans will be awarded on a lottery basis. Non-qualifiers can appeal to WPCC.*

2010 Budget:

Waite Park 2010 Budget was presented and moved for approval (see attached). – Budget approved as submitted.

WPCC Portion of Meeting

WPCC 2010 Budget adopted.

WPCC Annual Calendar was presented and approved (see attached).

Committee Reports:

Parks & Rec (Larry Umphrey): .

Community Ed (Shanna Bergman): .

Garden (Rosie)

Northeast Chamber (Barry): .

PEN (Alita): .

Alternative Transportation (Amy): .

Waite Park Voice (Anthony): .

Correspondence (Gary): .

NRP/CPED: (Gary): .

Old Business:

New Business:

8:58 Adjourned.