

HEALTHY & EQUITABLE DEVELOPMENT PROJECT

PHASE 1 REPORT:
TRENDS AND
POSSIBILITIES IN THE
SUBURBS

Publication Date



Center for
Prevention



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INTRODUCTION

The factors that make our communities healthy and equitable are hardly a mystery. We already know that how you site, design and operate a residential or commercial development shapes how often people walk, bike, take transit, or drive, and whether that transportation experience is comfortable or harrowing. Developers' choices help determine whether people have easy access to healthy foods, jobs, affordable housing, and community facilities like parks and schools.

Research, guidebooks, checklists, and toolkits on the subject of building healthy, equitable developments are plentiful. The International City/County Management Association and the Smart Growth Network have published books with hundreds of recommended policies for building smarter, like "encourage developers to reduce off-street parking" and "create active and secure open spaces." The Urban Land Institute recently published a Building Healthy Places Toolkit with 21 recommendations like "design visible, enticing stairs to encourage everyday use" and "support onsite gardening and farming."

With all of these tools available, what prevents Minnesota communities from building healthier, more equitable developments?

To dive into this question, Blue Cross and Blue Shield's Center for Prevention partnered with the Resilient Communities Project, housed within the Center for Urban and Regional Affairs at the University of Minnesota. A multi-disciplinary team of researchers studied development in four suburban Twin Cities communities and interviewed community members, elected officials, city staff, and developers to find barriers to building better, and examples of potential Minnesota-specific solutions.

The following report represents the first phase of this study. We'll walk through how we decided the scope of the study, definitions for some key terms, and a summary of our findings. Next, we'll explore barriers and solutions identified in our interviews in more detail, pulling quotes and providing case studies that bring the issues to life. Each section contains takeaways to help you quickly identify steps your community can take to overcome barriers to healthy and equitable development. Finally, we'll ask you to reflect on what we've presented, and provide feedback on what topics to examine more deeply during the second phase of the study.

WHO WE ARE

The project team was composed of three Blue Cross Blue Shield Center for Prevention staff members and a staff member, faculty member, and graduate student from the University of Minnesota.

Peter Hendee Brown, AICP, AIA, PhD, brings a multi-disciplinary approach to his professional work in city building and to his academic career, combining experience in architecture, planning, city government administration, and real estate development. Peter is an independent development consultant to private, public,

and nonprofit clients. He currently teaches private sector real estate development at the University of Minnesota and is also an author, most recently of the book *How Developers Think* (2015).

Mike Greco, AICP, is director of the Resilient Communities Project at the University of Minnesota’s Center for Urban and Regional Affairs (CURA). He has a Master Degree in Urban Planning from the Humphrey School of Public Affairs and in Communication Studies from the University of North Carolina—Chapel Hill. Mike serves on the Dakota County Planning Commission, as well as local and national advisory committees on sustainability and community engagement.

Sam Rockwell holds a JD from Vermont Law School, where he focused on land use and environmental law. He currently works on transportation and land use issues in Minnesota as health improvement project manager for physical activity at the Blue Cross Blue Shield Center for Prevention and as a commissioner on the City of Minneapolis Planning Commission.

Lovel Trahan is a program evaluator for the Blue Cross Blue Shield Center for Prevention. He has a Masters in Public Health and a Masters in Public Policy from the University of Minnesota.

Maria Wardoku is a graduate student focusing on active living in the Master in Urban and Regional Planning program at the Humphrey School of Public Affairs. She is the research assistant for the Blue Cross Blue Shield Center for Prevention’s Healthy and Equitable Development project. Maria serves as board vice president of the Minneapolis Bicycle Coalition and works in transportation consulting.

Eric Weiss, AICP, is a community health planner working at the intersection of planning, health, and equity. He founded and operated a farmers market and community garden while working as a city planner in a suburban setting. In his own urban neighborhood, Eric worked to bring a full-service grocery store to an area of south Minneapolis that previously lacked such access. Eris is a health improvement project manager for physical activity at the Blue Cross Blue Shield Center for Prevention.

WHAT WE MEAN BY “HEALTHY AND EQUITABLE”

In the context of residential development, health can encompass a range of issues, from mental health and environmentally friendly building products to personal safety and air quality. **For the purposes of this study, we defined our health focus as active living: the elements of a development that encourage or prohibit physical activity and access to public transportation and pedestrian/bicycle infrastructure.** We limited our definition of health to active living in order to make the most of limited resources, to capitalize on the expertise of research team members, and to provide a meaningful contribution to the conversation around a contentious issue.

Equity is a similarly broad term, and there is not a high degree of consensus around its exact definition. In operationalizing the meaning of equity with respect to development, we were guided by the principles of equitable development enumerated in the Equitable Development Scorecard, a tool developed with input from a broad range of Twin Cities community organizations. Those principles include equitable community engagement, transportation, housing, land use, and economic development. We also asked interviewees to tell us about their own definitions of equitable development, and incorporated those ideas into our thinking. **We defined equitable development as that which provides affordable living options, is responsive to input from a representative range of community members, and supports active transportation.**

"[An equitable development is] a project that provides a wide range of housing options, and if there are jobs, that there are living wage jobs provided for people that live in the community. A place where everybody is welcome, regardless of anything." - Colleen Carey, President, The Cornerstone Group

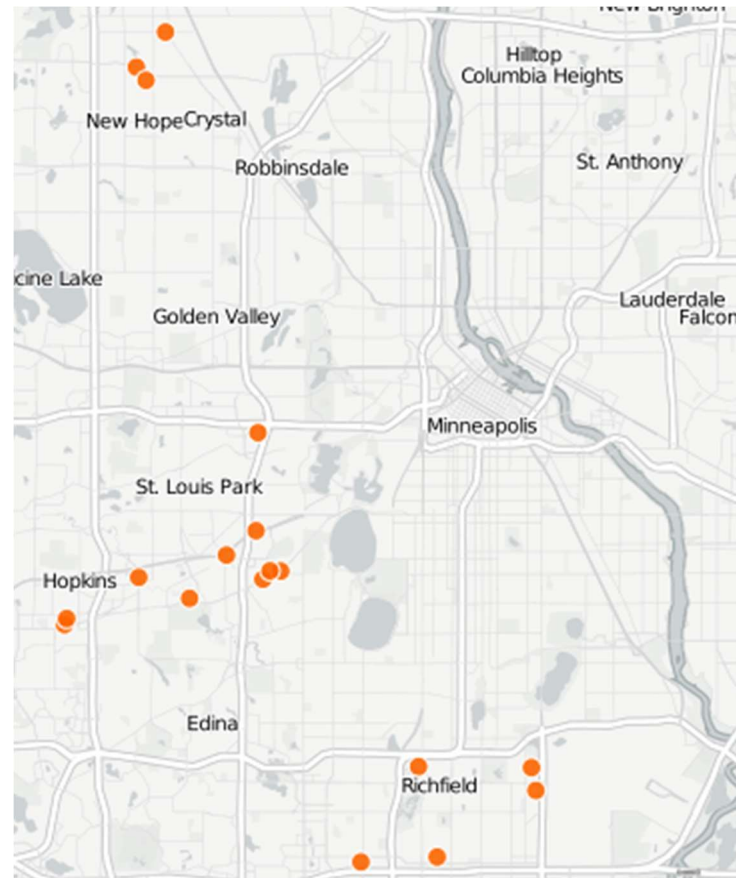
"I think if [our developments] were just healthy and equitable, that's a missed opportunity. If they're not sustainable, that makes it a lot more difficult for generations to be healthy and equitable." – Chris Velasco, Founder and Executive Director, PLACE

HOW WE CHOSE OUR STUDY AREAS AND DEVELOPMENTS

We decided to study development in first ring suburbs rather than second ring suburbs, exurbs, or the urban core for several reasons:

- They are understudied relative to the urban core
- They are a major site of demographic change, especially in terms of racial and economic diversity
- They have some of the "bones" of an active community, like urban-style street grids and access to transit

We spoke with planners in nine first ring suburbs of the Twin Cities about residential development activities in their communities. Based on city and developer websites and news articles about recent and pending developments in these cities, we categorized developments based on health and equity measures. Four cities --New Hope, St. Louis Park, Hopkins, and Richfield-- had a mix of developments within these categories. We decided to study these cities and developments in more depth because of the potential to learn the reasons behind different development outcomes within the same city.



We studied 18 developments in Richfield, St. Louis Park, Hopkins, and New Hope.

HOW WE CHOSE OUR INTERVIEWEES

To learn who is influencing development processes, we started by interviewing the city planners tasked with handling development in each city, asking for recommendations for interviewees, and then asking the next round of interviewees for recommendations, and so on. Over 60 potential interviewees were recommended through this "snowball" interview technique.

Importantly, only two people who appear to be non-white were identified through this snowball technique, revealing a lack of people of color who have influence over the development process. This demographic imbalance undoubtedly shaped the findings of this research. We found interviewees of color through news articles and other information sources outside of the snowball process and have elevated their voices in this report.

We interviewed 33 elected officials, community members, city and county staff, and developers. Interviews were recorded and were typically between one and two hours long. This report is largely derived from our interviews. You will hear directly from our interviewees in quote bubbles throughout the report.

DEFINITIONS

Bikeability

The degree to which using bicycles for transportation to and from key destinations is safe, comfortable, and convenient.

Fair share

The portion of the region's need for housing for low and moderate income families that a municipality must provide as determined by the Metropolitan Council's Allocation of Affordable Housing Need methodology.

Naturally occurring affordable housing

Housing stock that is affordable without governmental subsidy. There are no controls on the rent charged for these housing units.

Section 8

A federal voucher program available to very low-income families as well as people who are elderly or living with disabilities. Generally, the voucher covers the difference between the rent and what the family is able to pay. It is now officially known as the Housing Choice Voucher program, but our interviewees referred to it by the old name, Section 8.

Walkability

The degree to which walking to and from key destinations is safe, comfortable, and convenient.

SUMMARY OF FINDINGS

This section provides information on the broader context for our interviews and the larger dynamics that reoccurred throughout our conversations.

Following this discussion, in the next section we examine the major themes that arose from our interviews in more detail:

1. [Community engagement](#)
2. [Naturally occurring affordable housing](#)
3. [Subsidized affordable housing](#)
4. [Active Living](#)

SUBURBS, OR URBAN HOMETOWNS?

The more auto-oriented, predominantly white suburbs in our study are experiencing a time of transition as market pressures, demographics and cultural attitudes shift.¹ These suburbs are seeing higher levels of racial

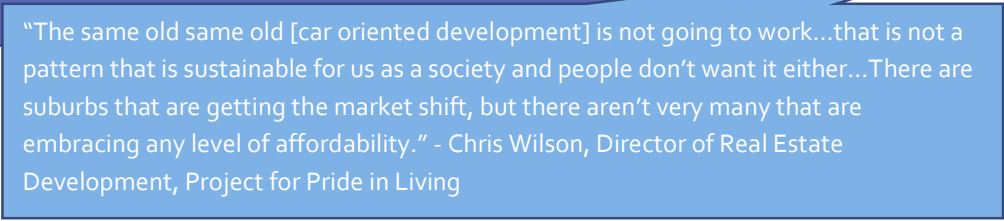
¹ For more information on the suburbanization of poverty and demographic projections, visit:
<https://metro council.org/getattachment/59e72e05-559f-4541-9162-7b7bf27fdebf.aspx>
<https://metro council.org/Planning/Projects/Thrive-2040/Choice-Place-and-Opportunity.aspx>

and economic diversity as well as the pressure to attract walkability-minded millennials and baby boomers- a sharp departure from their years of rapid development during a time of white-flight from the urban core and a culture oriented towards the personal automobile. **The tensions inherent in shifting to meet future demands while accommodating current needs and desires was the background to all of our conversations with interviewees.**

How do these tensions play out on the ground? Richfield provides a particularly telling example. When the city was deciding what slogan to put on the new Crosstown monuments welcoming travelers to Richfield, some residents advocated for Richfield's official slogan, "The Urban Hometown," while many others lobbied for "Minnesota's Oldest Suburb" as the tagline. Sean Hayford Oleary, Richfield Planning Commissioner, felt the conflict was emblematic of the competing visions residents hold for the future. "I think that there is a constituency of people that believe the highlight of Richfield was the 1950s when it was filled to the brim with families and single family homes and beautiful lawns, and then there is a group of people that see Richfield as a very well positioned area with higher density and better transit service than much of south Minneapolis that truly has the potential to be an urban village," said Hayford Oleary. "The Urban Hometown" slogan ultimately prevailed, but the larger conflict over vision is hardly resolved, both in Richfield and other first ring suburbs.



"I think that there's a tremendous opportunity for most of the first ring suburbs...A lot of them are remaking themselves." -Pat Elliot, City Councilmember, City of Richfield



"The same old same old [car oriented development] is not going to work...that is not a pattern that is sustainable for us as a society and people don't want it either...There are suburbs that are getting the market shift, but there aren't very many that are embracing any level of affordability." - Chris Wilson, Director of Real Estate Development, Project for Pride in Living

Key to the question of improving walkability and bikeability in the suburbs is the relative lack of places to bike and walk to. It's something of a chicken-and-egg dilemma: How do suburbs create the will to invest in pedestrian and bike infrastructure when residents are convinced that no one will use that infrastructure because there are limited destinations to walk to? How do suburbs create places to walk to without first providing the infrastructure to get there?

This dilemma and the tensions between meeting current and future needs can frustrate development processes. Many proposed higher-density and mixed-use developments are targets of community opposition due to their potential impact on traffic and parking. **Density, land use patterns, and the layout of street networks in the suburbs largely do not yet support the neighborhood nodes of businesses and more frequent public transit that would increase walkability, so residents expect that new development will generate more traffic.** The residents oppose higher density and mixed-use development because of fears of further increased traffic- slowing the process of increasing density and changing land-use patterns that might ultimately ease traffic issues by allowing for better walkability and transit service.

Without sufficient concentrations of destinations within walking or biking range and without the density to support more widespread transit service, even supporters of bike lane and sidewalk installations can struggle to make the case for these investments. Nelima Sitati Munene in Brooklyn Park noted that in order for active transportation infrastructure to be a high priority in her advocacy work, she would need to see more transit connections to jobs and community spaces. She would support a sidewalk linking a neighborhood to a bus stop or

amenity, but wouldn't put energy into building a sidewalk for its own sake, given that many low-income people in her community are too tired from commuting long distances to multiple jobs to spend their remaining free time walking for recreation.

"I would advocate for sidewalks if you could hop on the bus and get to the grocery store, but there's no bus! The city is not connected. I would find it hard to prioritize [advocating for sidewalks] because even if there were sidewalks, where would the people go?... **We don't have cultural spaces, we don't have meeting places. Where would people be going?"** - Nelima Sitati Munene, Brooklyn Park Community Leader

"You can provide the infrastructure, but if it's a mile from the residential space to wherever those activities are- whether it's a grocery store or a barber or whatever- most people aren't going to walk that.... **Sidewalks are great, they're important, they're a piece of the puzzle, but I think the conversation needs to shift more to thinking about location and proximity to those uses.**" -Ryan Kelley, Senior Planner, Metropolitan Council

WHO IS AT THE TABLE MATTERS

The small cities we studied face both a challenge and an opportunity because of their size. One staff person or councilmember can have an enormous impact in a way that would not be possible in a core city. On the flip side, the departure of a staff person or councilmember can have an outside effect on development in the city, "One of the things I would say about these small cities: **if there was one person who was making a difference and that person leaves, especially if they weren't in a position of authority and so the policies themselves didn't change, or if they didn't have time to implement them, that makes things harder,**" said Karen Nikolai, Healthy Community Planning Manager at Hennepin County.

This dynamic, combined with the high degree of negotiation and informal input that go into planning new developments, means that the perspectives staff and councilmembers bring to decision making are especially critical. **Lack of experience, even more than conscious opposition, can mean that decision makers neglect issues around affordable living and active transportation,** for example. In Richfield, the presence of one planning commissioner who regularly uses transit has resulted in attention to transit users' needs that would not have otherwise taken place. In Hopkins, two city councilmembers were renters in the city for years before they became homeowners, and have used their experience to fight the notion that more apartments can only mean more low-income and transient people in the city. Diversity in decision maker perspectives can shift priorities and outcomes.

Aside from these notable exceptions, the make-up of city leadership is largely lagging behind cultural shifts and demographic changes. Councils generally tend to be made up of mostly white people with children who live in single family homes. St. Louis Park resident and Health in the Park steering committee member Sara Maaske noted that "The largest population is our single population...Right now, all of our councilmembers have families...With as much focus as the city tends to put on things for children, that's one of our smaller populations." Cities and individual leaders are working, however, to correct imbalances through initiatives such as trainings around racism and implicit bias, and through keeping in mind larger goals like providing housing for people throughout their lifecycles and attracting baby boomers and millennials who appreciate multiple transportation options.

"We are a changing community. We don't look like it in our leadership yet, and we need to. We're trying to be more thoughtful, methodical and intentional about addressing it."
Anne Mavity, St. Louis Park City Councilmember

"The perception was more apartments meant more low income, and [the public] wanted more homeowners...I was a renter in Hopkins for years, and now I'm a homeowner. You can't discount the people who live in rentals because you never know where they're going to be." -Jason Gadd, Hopkins City Councilmember

FINDINGS

1. COMMUNITY ENGAGEMENT

Is community engagement a dreaded requirement of the development process or an opportunity to design a building to better meet local needs? In practice it's usually the former but at its best it's the latter, according to most interviewees. Community engagement arose time and time again as key in shaping the equity and active living impacts of development.

This chapter details the following community engagement-related themes and ideas for how to move forward:

- **Limited community engagement means primarily white and homeowner voices get heard**
 - Youth oriented, interactive activities may be more successful in attracting the participation of families of color.
- **Who shows up shapes city and developer priorities**
 - City staff and developers should dedicate resources to reaching community members who don't respond to written notices to join meetings at city hall, potentially resulting in a better development outcome for all.
- **Community engagement often means rehashing old battles instead of moving forward**
 - City staff and elected officials should build authentic, long-term relationships rather than transactional relationships
 - City staff and developers should respond to ideas and concerns, and involve community in decision making
- **Community is engaged too late, when the only perceived course of action is opposition**
 - City staff and developers should engage community early in the development process rather than after all decisions have been made
- **Lack of resources & pathways for community engagement**
 - City staff and the philanthropic community should create and fund ongoing, staffed community partnerships that help to create a cohesive community vision and make it easier for developers to engage productively in the community.

"This is one of the problems with the way we grow communities. It's that **we're looking for scale of product and not scale of good process**. Process be damned as long as we're putting up this many housing units and this many square feet of office space and this many Kentucky Fried Chickens and this many miles of roads. That's the wrong way to approach it and I think there's all kinds of data to back that up, but it's not part of the public discourse." – Chris Velasco, Founder and Executive Director, PLACE

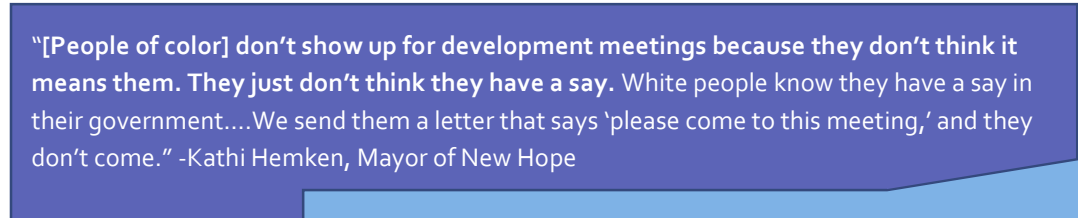
"Each community has their own culture- how they do what they do and what they care about. **Some cities have a greater ease with engaging the community and others are kind of nervous about it**. We always feel like you just need to keep practicing. It never goes perfectly but you can at least take away some important ideas for next time. **I don't think cities get far by avoiding it.**" – Gretchen Nicholls, Program Officer, Twin Cities LISC

THEME: LIMITED COMMUNITY ENGAGEMENT MEANS PRIMARILY WHITE AND HOMEOWNER VOICES GET HEARD

Cities and developers are generally not succeeding in reaching younger people, renters, low-income residents, people of color, and immigrants in the community through traditional community engagement practices. Interviewees told us that it is common practice to notify property owners within a certain distance of a new development via mail about opportunities to give feedback. Cities also commonly post meeting notices in English on their website and in a local paper.

When they do dedicate extra resources to engagement, cities and developers can feel frustrated when they do not receive a response from the community proportional to their increased effort. "I've been on the city council eight years now, and ever since I've been on it, there's been a continuing effort through the Human Rights Commission and community services and everything to try to get more involvement and exchange between the Hispanic community and the city, and it just hasn't happened," said Richfield City Councilmember Pat Elliott.

One pathway that can lead toward broader community engagement is to orient outreach processes towards youth. In New Hope, Mayor Hemken noted that the city had more success in engaging people of color through meetings related to the parks. The parks are some of the most diverse public spaces in the city, and attract immigrant children who bring their parents. "We invite the public in to help us pick out the equipment for the parks. There's where we get them. Because the kids will see the notice...and the kid wants to go," said Mayor Hemken.



"[People of color] don't show up for development meetings because they don't think it means them. They just don't think they have a say. White people know they have a say in their government....We send them a letter that says 'please come to this meeting,' and they don't come." -Kathi Hemken, Mayor of New Hope



"We want [our developments] to be really integrated communities...We really push for that the most in our community process- making sure we're not just getting to the people who always show up at community meetings, but how do we get to the folks that maybe think community meetings are not for them and really encourage them to have a voice in this project and help us shape that community.By talking to them we not only make it *feel* like their space, but we can understand their design needs so that it can *be* their space." -Alice Hiniker, PLACE

THEME: WHO SHOWS UP SHAPES CITY AND DEVELOPER PRIORITIES

Doing a limited amount of community engagement generally limits community input to those who are unhappy with the new development, skewing city and developer priorities to reflect the priorities of the white homeowners who typically respond to meeting notices. The longstanding tendency to more heavily weight the opinions of property owners, who are perceived to have greater interest and investment in the community, combines with limited community engagement to amplify the voices of the homeowners who show up to meetings. At open houses and public hearings, cities and developers respond to traffic worries, concerns about increased crime and decreased property values, and fears that tall buildings will result in shade issues and reduced privacy for homeowners. Accordingly, cities often seek to protect property owners, typically owners of single family homes, from the feared impacts of increased density.

While increased effort to engage community doesn't always result in more diverse attendance at meetings, when cities and developers are able to successfully reach beyond concerned homeowners, they receive much different feedback. For example, PLACE, a non-profit developer planning a mixed-use, mixed-income development in St. Louis Park, recently held a public meeting at Perspectives, a local human services agency for women suffering from addictions, mental illness, and poverty and their children. The attendees, a mix of the general public and Perspectives clients, brought up some of the typical concerns around traffic, but also asked questions like:

- How will this development be family friendly?
- When do we start applying for a unit?
- Could you include a health clinic on site?
- Could you heat the LRT platform within the site?
- What kind of supportive services will you have?

"Before the meeting began, [the Perspectives clients] spoke with us about what community elements are the most important to them," reported PLACE staff in an email update. "We learned that while affordability is certainly a huge factor, having a sense of a connected and trusting community is just as important." This type of feedback is very rarely a part of the development process, but results in a development that better serves a broader range of community members.

"You end up with a sort of silent majority issue where people who like the project say 'Oh, great- it's happening,' and don't show up. Then the people who show up are very upset and don't want it to happen. Once in a while you get people who are enthusiastic, and that's always comforting." -Sean Hayford O'leary, Richfield City Planning Commissioner

"If you get a lot of people that are coming out that have input, that's usually not a positive sign, because it means that between the three parties [city, community, developer], somebody's not aligned...Commercial enterprises, large apartment complexes are usually the kind of developments that instigate the consternation of the community. Usually the people that are concerned are those that have a house nearby. They're worried about traffic, they're worried about potential crime, they're worried about larger, ugly buildings." -Dale Willis, CEO Centra Homes

THEME: COMMUNITY ENGAGEMENT OFTEN MEANS REHASHING OLD BATTLES INSTEAD OF MOVING FORWARD

Interviewees reported that public meetings to discuss a particular development served as a stage to air broader concerns. St. Louis Park City Councilmember Anne Mavity noted that in public meetings around a development, attendees would frequently be having two conversations simultaneously: one about the development at hand, and one about the future of the city as a whole. A new apartment building can bring up fears of urbanization and race/class demographic change that result in public opposition to the development as a proxy for broader concerns about the direction of the city, slowing the development process and increasing risk and costs for the developer.

This type of conflict happened most frequently when the vision of the city and developer and the vision of the white homeowners who showed up to meetings were misaligned. Reoccurring conflicts revolved around questions of higher density, pedestrian and bike infrastructure, and subsidized affordable housing, with cities and

developers generally being in favor and community members being opposed. Cities and developers generally are seeking to respond to market forces which favor denser development and active transportation, as well as respond to the need for affordable housing within their communities. Many white homeowners who show up to meetings are concerned with preserving the suburban character of their neighborhoods.

The City of Hopkins has largely been able to avoid the dynamic of rehashing old battles and have been able to undertake innovative projects through building a broadly supported community vision. The council and senior staff conduct a visioning process every year, allowing them to tweak the city's vision continually and create ownership and a clear sense of direction among the council and staff. These visioning sessions create space for imagination, as staff and council are challenged to think of responses to hypothetical scenarios: one year, they were asked what they would do if they were granted \$1 million. The annual strategy sessions help Hopkins get a head start on the comprehensive planning process, when they increase staff and council attention to gathering community input.

"The City is continuing to work off of visions that have been set in motion over the last 10 to 20 years.... What I tell neighbors [at development meetings] is...understand that we're having two conversations. One is, what is the development vision for our community in general-and we're not all going to be in lock step agreement on that- and the next one is specific to this site and this particular proposal...**But what happens every time a development proposal comes forward is that we're having this large development vision conversation and sort of re-living it each time, which is a little bit challenging.**" – Anne Mavity, St. Louis Park City Councilmember

"One of the things that helps us accomplish some of those [active transportation and affordable/market rate housing goals] and maybe more quickly than others, is our ability to have a shared vision...**That shared vision is driven forward because every year we sit down as a council and staff department heads and do a visioning process and strategic planning process....**So that when we have development opportunities...instead of each time trying to figure out that vision, we're just working on meeting those benchmarks." – Jason Gadd, Hopkins City Councilmember

THEME: COMMUNITY IS ENGAGED TOO LATE, WHEN THE ONLY PERCEIVED OPTION IS OPPOSITION

A key component of community engagement is knowing when to include the community. Community members need to be involved when they still have the ability to make a difference in the design of the development. Otherwise, their only perceived course of action may be to oppose the development completely, resulting in adversarial meetings. By contrast, engagement in envisioning the future of a site before and during the design phase energizes the community and helps to bring a greater variety of perspectives to the process. Staunch opponents may remain firmly entrenched in their positions, but with deeper, earlier engagement, other community members will have the opportunity to come out with ideas for improvement.

Responding to and incorporating community comments in these early meetings is essential for building trust with and ultimately support from the community. When development plans don't change at all after a public meeting,

community members feel that their time and energy was wasted. This is especially true for racially and economically marginalized community members, who may already feel overlooked in public processes.

One strategy for pursuing community engagement early in the development process, and even before any development has been proposed, is to employ Twin Cities Local Initiatives Support Committee's Corridor Development Initiative (CDI). Because development is a complicated process to understand, LISC has created a series of workshops that build on each other. They allow participants to engage in a more relaxed way, so that the issues don't feel so urgent. "A lot of times development comes to a community at the 11th hour and there's often a lot of frustration that there's nothing you can do, so we'll just block it. It's not a negotiated step: decisions have been made so now it's either thumbs up or thumbs down. Communities have become very good at obstructing," said Gretchen Nicholls, Program Officer at Twin Cities LISC. "This [CDI] process has been very powerful in making people understand why things are happening and what it will take to get to the things that people want to do."

"Usually people don't chime in on a development until its already 10 miles down the road...Most developers check off their list for what they need to do for the city, and then they talk to residents. And it's usually in a confrontational city council meeting." - Sarah Maaske, Health in the Park Steering Committee Member, St. Louis Park

"The problem in Brooklyn Park and Brooklyn Center is that the community engagement process is very transactional.... The city has chosen to engage people when they want to and how they want to, and also choose what they would like to put forward for the community engagement process. To me that is not community engagement, that's more like community dictation to make us feel better about ourselves... Community engagement has to be authentic...So far what's going on in Brooklyn Park and Brooklyn Center is community input, because community really doesn't have any impact on the outcome of the decision. Real community engagement is bringing in community from the beginning, including them all the way, and involving them in the decision making process- and that still does not happen." - Nelima Sitati Munene, Brooklyn Park Community Leader

"I've attended city conferences where I've heard some of the issues other cities have with development. They'll have someone coming up with the site plan for their new development at council, and the council chamber is full of people. We never see anybody.... We try to do a lot of that communication ahead of time so that we don't get that mad rush at the end." - Jason Gadd, Hopkins City Councilmember

THEME: LACK OF RESOURCES & PATHWAYS FOR COMMUNITY ENGAGEMENT

Interviewees frequently cited limited city staff capacity as a reason for lower levels of community engagement. In some suburbs, community engagement is not seen as a central staff role. Deep community engagement that reaches beyond those who typically show up requires significant time and effort, and is most often done by mission driven developers who seek to make a social impact.

Even when city or developer staff time is devoted to community engagement, it can be difficult to define and reach the community to be engaged. Neighborhood and community groups are more scarce in suburban communities than urban, making it difficult for developers to know where to start with community engagement. With the exception of St. Louis Park, many Twin Cities suburbs do not have neighborhood organizations. Advocacy groups tend to be smaller or non-existent.

As we explore in more detail in the case study below, community partnerships like Hopkin’s Blake Road Corridor Collaborative have proven helpful in deeply engaging community and in providing a link between developers and community members. This cross-sector partnership between stakeholders in the Blake Road area has helped to create a cohesive vision for development among community members and also has served as a community point of contact for a new affordable housing development in the neighborhood, allowing the developer and community to regularly exchange information.

“The hard part with suburbs is there’s often limited staff capacity- they have a lot on their plates. So carving out time to do a deep dive into engagement is tricky. A lot of the constraints are around resources.” – Gretchen Nicholls, Program Manager, Twin Cities LISC

“I think there are two ways community engagement is good for developers: one, I think our projects are better when the community has helped to shape them, and secondly I think it makes it less risky for us in that it’s not so scary to go through a public approval process because you know you have the public on your side. It’s a hard thing to do, it takes a lot of energy and a willingness to let things go and see what happens. Some developers aren’t able to do that....no matter what you do, having a community understand your thought process is better.” -Colleen Carey, The Cornerstone Group

CASE STUDY: BUILDING AUTHENTIC COMMUNITY ENGAGEMENT THROUGH THE BLAKE ROAD CORRIDOR COLLABORATIVE IN HOPKINS, MN

The Basics The Blake Road Corridor Collaborative is a partnership of businesses, residents, non-profits, schools and local government focused on improving quality of life in the Blake Road area of Hopkins, MN.



<p>The Context</p>	<p>In the mid-2000s, the area around the Blake Road corridor was worrisome for the city. Lower-income families were locating in the area because the housing stock was aging and affordable, but there were few activities available for kids in the area, and Blake Road was auto-oriented and dangerous.</p> <p>“Cottageville Park was really an eyesore, with a lot of drug traffic. So the police chief said we have to rally around this area,” said Gretchen Nicholls, Program Officer at Twin Cities LISC.</p>
<p>The Response</p>	<p>In 2005, the police chief brought together stakeholders, including residents, property owners, non-profit leaders, business owners, faith community members, school officials, and local government officials. They conducted surveys and gathered data to better understand the area, and then raised money to support police patrols, youth programming, and a community assessment conducted by the Wilder Foundation. In 2009, Twin Cities LISC came in as a key investor to build organizing capacity. The City of Hopkins also provided funding early on.</p>
<p>The Result</p>	<p>The city and community’s investment of time, effort and money into the Blake Road Corridor Collaborative has paid dividends for the development processes in the area and for the city as a whole.</p> <p>The Collaborative helped to attract support from Twin Cities LISC to Hopkins, the only suburban community that LISC is focused on intensively. “Hopkins was selected because, at the point when LISC was developing our Developing Sustainable Communities initiative, the city was creating this Blake Road Corridor Collaborative. They had created a table of key stakeholders that could work together, and the Blake Road community was essentially a low-income community in the suburban context. It just ended up being a really good fit for our ability to explore the suburban context for the supports we provide....we brought a lot of grants and resources to help staff the Blake Road Corridor Collaborative and some project-specific grants, essentially to provide the capacity for them to organize and work with the community,” said Gretchen Nicholls.</p> <p>The creation of the Blake Road Corridor Collaborative is just one example of the collaborative spirit in Hopkins. “Creating partnerships is really a philosophy of Hopkins. The partnerships become stronger when a development or opportunity comes up,” said Jason Gadd, Hopkins City Councilmember.</p> <p>When Project for Pride in Living (PPL) proposed an affordable housing development by Cottageville Park, PPL staff communicated regularly with the director of the Collaborative, providing updates and responding to community concerns. PPL staff have also attended the Collaborative’s meetings.</p> <p>When several sites in the neighborhood came onto the radar as possible development sites, the Collaborative and the City of Hopkins partnered with LISC to do deep community education and visioning work. Using LISC’s Corridor Development Initiative process, the partnership held a series of four conversations about development in the community, including a developer panel, community visioning session, and interactive block exercise where participants could try out their ideas and learn how feasible they were from a financial standpoint. That process produced a community development guidelines document that now guides development in the neighborhood.</p> <p>What elements are key to the Collaborative’s success? “All the partners around the table are very eager and willing partners, which is a big necessity...I think it also really requires a dedicated staff person...it couldn’t happen just based on volunteer efforts, to continuously coordinate all of the activities and meetings that need to happen,” said Ann Buech, Blake Road</p>

Corridor Collaborative Coordinator. "It's also using creativity and flexibility to respond to community interests. There might be a big push to talk about light rail, but if community members feel that there may be more pressing needs, you can't really ask community members to set those aside to focus on your issue. If there was a similar group starting in another community they'd have to have an openness to responding to whatever topics arise."

Applying the Collaborative's model has proved to be a challenge from a funding perspective, however. **"That small investment of a community organizer can go so far. Our philanthropic community hasn't fully grappled with how important that resource can be,** especially if you get a really good organizer who can really mobilize partnerships and build a community base of active residents," said Gretchen Nicholls. "The work that Ann Buech has been doing in Hopkins has been so phenomenal, and it has made such a dramatic transformation in that community. It hasn't taken that much money- it's like \$30,000 to \$50,000 per year, but it's just immensely valuable. I wish we could help others see that as well. We tried to make the case to McKnight and other groups that this is really the best money you'll spend. But it's a little too amorphous, it's not like counting housing units. It has qualitative and not quantitative aspects to it."

TAKEAWAYS & INTERVIEWEE SUGGESTIONS

- The keys to effective community engagement around development:
 - City staff and elected officials should build authentic, long-term relationships rather than transactional relationships
 - City staff and developers should engage community early in the development process rather than after all decisions have been made
 - City staff and developers should respond to ideas and concerns, and involve community in decision making
- City staff and the philanthropic community should create and fund ongoing, staffed community partnerships that help to create a cohesive community vision and make it easier for developers to engage productively in the community.
- City staff and developers should dedicate resources to reaching community members who don't respond to written notices to join meetings at city hall, potentially resulting in a better development outcome for all.

2. NATURALLY OCCURRING/INFORMAL AFFORDABLE HOUSING

A common theme across interviews was the notion that some suburbs already have enough affordable housing because according to Metropolitan Council standards, they have more than enough “naturally occurring” affordable housing, which is the term used for unsubsidized private housing that is lower-cost because it is older and sometimes poorly maintained.

Some reasoned that, to diversify the housing stock, cities should seek out other forms of development like luxury apartments before accepting subsidized affordable housing projects, while cities with low levels of affordable housing should do their “fair share” by doing their part to build affordable housing to meet the region’s housing needs. Others were interested in improving the conditions of the naturally occurring affordable housing, but struggled with how to improve conditions without raising rents and displacing current residents.

This chapter details the following naturally occurring affordable housing-related themes and ideas for how to move forward:

- [Focusing on distributing low-income people of color throughout the region](#)
 - Reframe the conversation around affordable housing to focus on supporting low-income residents’ access to jobs and services.
- [Lack of tools for preserving naturally occurring affordable housing](#)
 - Community building in advance of an ownership change is key to ensuring a strong city and community response to the threat of resident displacement. Cities can support and lead efforts to connect the broader community with people living in naturally occurring affordable housing.
 - Cities can act as an advocate for residents, fund social services to respond to the crisis, and mobilize community stakeholders to provide resources for residents.
 - New owners can consider relaxing income and criminal background screening standards for existing residents.
 - Cities can support subsidized affordable housing projects within their cities to provide options for low-income residents when formerly affordable housing is upgraded.
 - The new, nation-leading [Naturally Occurring Affordable Housing \(NOAH\) Impact Fund](#) provides a solution for preserving 10 to 20 percent of affordable apartment buildings in the region.

“We have a couple of cities that we’ve brought [affordable housing] projects to, and they’ve said ‘come back to us in a couple years, we want to try and see if we can get a market rate project in this location’... We’ve had a couple just say no, and they are in areas where they have quite a bit of affordable today, but not a lot of quality affordable.” -Mike Waldo, CFO, RonClark Construction

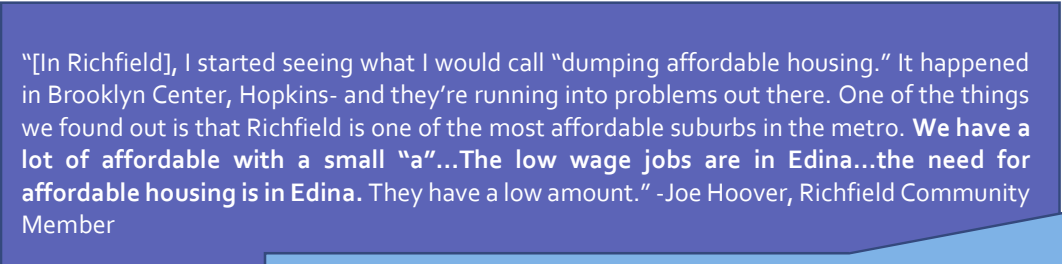
“Most of our rental housing is affordable, so we’re always looking at bringing in housing product that we don’t necessarily have a lot of. For us, the luxury market was a good fit. We have a lot of subsidized housing in proximity to [the new luxury Moline development]...it’s a good way of deconcentrating low-income units and diversifying a little bit. We have other affordable developments that we’re working on that we hope to have online at the same time.” -Kersten Elverum, City of Hopkins Director of Planning & Economic Development

THEME: FOCUSING ON DISTRIBUTING LOW-INCOME PEOPLE OF COLOR THROUGHOUT THE REGION

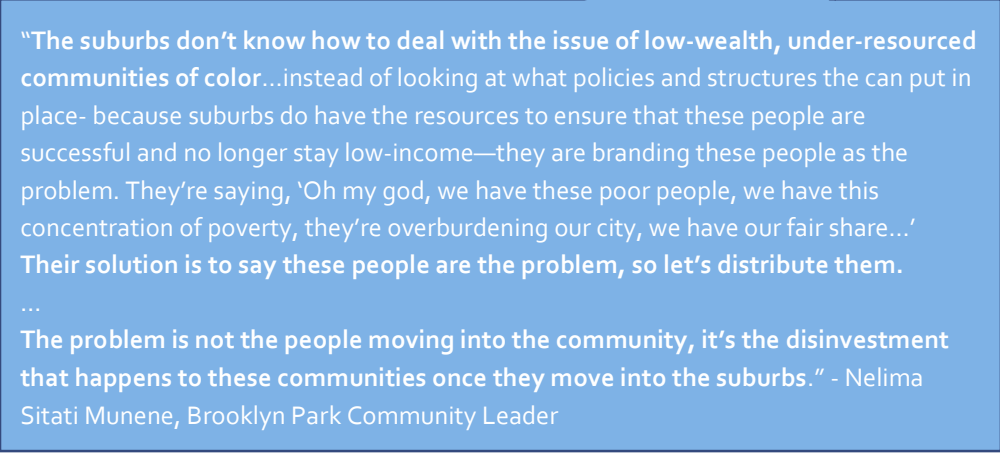
Community members and city officials in some blue-collar suburbs felt that their city had more than its fair share of affordable housing. Interviewees frequently referenced University of Minnesota professor Myron Orfield's research about the ill effects of concentrations of poverty in order to support their case against increased affordable housing. In some cases, community members have been able to stop the development of new affordable housing projects.

In Richfield, for example, multiple interviewees felt that because of its large amount of naturally occurring affordable housing, Richfield shouldn't focus on building more affordable housing. Doing so, they said, would amount to taking the heat off Edina and would contribute to concentrating low-income people of color in their suburbs. A group of residents organized in opposition to Ron Clark's proposed Pillsbury Commons affordable housing development, calling it "Servants Quarters for the 21st Century."² Joe Hoover, a leader of the group, expressed concerns about affordable housing being dumped on Richfield and advocated for mixed-income housing instead, to promote neighborhood stability

Other interviewees urged cities not to fixate on distributing low-income people of color, but instead develop strategies for helping low-income people in their community access jobs and resources. Nelima Sitati Munene, a community leader in Brooklyn Park, believes that suburban cities are in a position to support low-income residents in moving out of poverty, and should devote their energies to that cause rather than fighting over whether everyone is doing their fair share to provide affordable housing.



"[In Richfield], I started seeing what I would call "dumping affordable housing." It happened in Brooklyn Center, Hopkins- and they're running into problems out there. One of the things we found out is that Richfield is one of the most affordable suburbs in the metro. **We have a lot of affordable with a small "a"...**The low wage jobs are in Edina...the need for affordable housing is in Edina. They have a low amount." -Joe Hoover, Richfield Community Member



"The suburbs don't know how to deal with the issue of low-wealth, under-resourced communities of color...instead of looking at what policies and structures they can put in place- because suburbs do have the resources to ensure that these people are successful and no longer stay low-income—they are branding these people as the problem. They're saying, 'Oh my god, we have these poor people, we have this concentration of poverty, they're overburdening our city, we have our fair share...' Their solution is to say these people are the problem, so let's distribute them.
...
The problem is not the people moving into the community, it's the disinvestment that happens to these communities once they move into the suburbs." - Nelima Sitati Munene, Brooklyn Park Community Leader

² <http://pillsburycommons.76street.org/>

THEME: LACK OF TOOLS FOR PRESERVING NATURALLY OCCURRING AFFORDABLE HOUSING

Interviewees reported that most of the multifamily housing in their suburbs was built around the 1950s and 1960s, and is in need of maintenance. Some cities espouse a desire to maintain and preserve this housing, but say they lack the tools and resources to do so. The actors who do have the resources are private developers who see an opportunity to profit by upgrading the housing and charging higher rents. That solves the investment and maintenance problem, but creates a displacement problem that puts vulnerable low-income residents at risk.


A primary concern around naturally occurring affordable housing is its potential to be sold and upgraded at any time. Richfield City Councilmember Pat Elliott has spoken to many residents living in informal affordable housing who have a fixed income, and are unable to pay \$50 or \$100 more for rent per month when their apartments turnover to new ownership. "When they talk about fixed income, it is *fixed*. There's no flexibility," said Councilmember Elliott. From a health and equity perspective, preserving naturally occurring affordable housing near transit is of particular concern. For developers, access to good transit is an amenity, making apartment buildings near transit more attractive for the renovation and upgrading that results in higher rents.

At the time of our interviews, no city had found a way to preserve its naturally occurring affordable housing, but the playing field has since shifted. News recently broke of a new regional pool of money intended to help buyers preserve affordable housing called the [Naturally Occurring Affordable Housing \(NOAH\) Impact Fund](#). The new fund is expected to launch in 2017 with an offering of \$25 million in equity and will seek to enable the preservation of 10 to 20 percent of affordable apartment buildings through the provision of low-interest loans and tax benefits to developers.

"There's a reason apartments are cheaper: they are not well maintained. **[If you think your suburb has enough naturally occurring affordable housing,] you're just saying basically you don't care about the conditions under which people are living...**If no public investment went into it, it's not affordable because it can turn at any moment." -Nelima Sitati Munene
Brooklyn Park Community Leader

"There's a definite need for housing that people can afford...There was an apartment building that was really lower rent.. and that building was purchased about a year ago...They raised the rents, they're redoing the outsides of the building. Obviously, free enterprise is here and they have a right to make a purchase, but **what's happening is there are some folks who live there who now have to find another place to live. They can't afford to live there anymore. So I don't know what we do about that, or if we need to do anything about that.**" - Claudia Johnston-Madison, St. Louis Park Planning Commissioner.

CASE STUDY: MANAGING THE AFFORDABLE UPGRADE TRANSITION AT MEADOWBROOK MANOR, ST. LOUIS PARK

<p>The Basics</p>	<p>Meadowbrook Manor consists of 551 units of “naturally occurring” affordable housing built in 1953 by Ben and Helen Bigos. The apartments are mostly small 1- and 2-bedrooms. Many residents are low-income and approximately 40% are immigrants. Meadowbrook Manor is within the walkshed of the proposed Southwest Light Rail Louisiana Station.</p> 
<p>The Context</p>	<p>Ben and Helen Bigos owned Meadowbrook Manor from 1953 to January 2016. During that time, Helen allowed residents some flexibility, sometimes allowing late payments without penalty.</p> <p>In the 1980s and early 1990s, Meadowbrook Manor was perceived as an unsafe, high-crime development. A new property manager came onboard, convinced the owner to dedicate two apartments as community space, and worked with the city, Park Nicollet Foundation, the schools and other partners to develop the Meadowbrook Collaborative in 1993. The Collaborative opened a center on-site to connect residents to services, including tutoring for students. For years, community members have volunteered there and built relationships with residents.</p> <p>“We very much feel that these are our people, our neighbors... The larger community very much supports retaining the affordability of that development...Our community values this. This is an asset to our community. This is not something we tolerate; this is something we want,” said Anne Mavity, St. Louis Park City Councilmember.</p> <p>In January 2016, Helen sold the building to her son Ted. The new owner decided to upgrade the apartments and raise rents.</p>
<p>The Response</p>	<p>When news of the ownership change and possible resident displacement spread, community members and residents were concerned and demanded action.</p> <p>The city responded. “We took a much more aggressive advocacy role with the private owner to try to keep those units affordable,” said Councilmember Mavity. The city took a mitigation approach and brought together people like the police chief, elected officials, and others who cared about the residents at Meadowbrook and were in a position to do something. With the support of partners, the city used its own resources to translate information on housing resources and made sure flyers were hand delivered to get information out to the residents.</p> <p>City officials met with the new owner to encourage him not to automatically evict residents based on income eligibility and criminal background. They pushed for him to delay any evictions of families with children until the end of the school year. The city attempted to balance the desire to keep the units affordable with the desire to improve the condition of the property. “We wanted</p>

	good property management in there too...it's a balance between wanting the private owner to be responsible and frankly, spiff it up-it's a tired looking property and it needs investment- without [the rents] going up," said Councilmember Mavity.
The Result	<p>The advocacy effort resulted in changed income screening requirements for current residents, accommodations for families with school-age children, and an agreement to continue accepting Housing Choice Vouchers. The Meadowbrook Collaborative will keep its home onsite. Beyond the advocacy effort, the city took the additional step of providing \$15,000 to the St. Louis Park Emergency Program (STEP) for emergency rental assistance.</p> <p>Still, many families have been forced to leave, and the approximately 350 households that received new lease agreements are seeing rent increases of \$100-125 per month.</p>

TAKEAWAYS & INTERVIEWEE SUGGESTIONS

- Suburban cities and community organizations should anticipate the conversion of informal affordable housing to market rate housing, especially in areas well-served by transit, and take proactive steps to protect and support vulnerable residents.
 - Cities can support subsidized affordable housing projects within their cities to provide options for low-income residents when formerly affordable housing is upgraded.
 - Cities can consider the possibility of zoning for affordable housing.
 - Cities can focus on connecting low-income or unemployed residents to jobs within the city and supporting any education or training needed to help residents compete for jobs.
- As the Meadowbrook example shows, community building in advance of an ownership change is key to ensuring a strong city and community response to the threat of resident displacement.
 - Cities can support and lead efforts to connect the broader community with people living in naturally occurring affordable housing.
- While cities may have little formal power in cases of private transactions like the sale of Meadowbrook Manor, cities can act as an advocate for residents, fund social services to respond to the crisis, and mobilize community stakeholders to provide resources for residents.
 - New owners can consider relaxing income and criminal background screening standards for existing residents.
 - Developers can apply for financing from the [Naturally Occurring Affordable Housing \(NOAH\) Impact Fund](#).

3. SUBSIDIZED AFFORDABLE HOUSING

The Twin Cities suburbs we studied face dilemmas and debates around affordable housing that mirror those faced by communities nation-wide. They struggle with how much is needed and how much they should provide relative to other communities. Some interviewees thought of subsidized affordable housing as a key component of advancing equity in suburban residential development, especially in light of the vulnerability of naturally occurring affordable housing to rent increases. Others felt that adding new subsidized affordable units in areas with naturally occurring affordable housing would result in concentrations of poverty that would be detrimental to their communities. Even when cities want subsidized affordable housing, **developers come up against funding limitations** that make it difficult to benefit from economies of scale. They also struggle to provide the mixed-income housing that cities and residents desire due to a lack of financing tools.

Others took the view that the focus on affordable housing missed the mark, asserting that the actual issue at hand was affordable living, of which affordable housing is only one piece. Siloed funding and development processes are resulting in the production of affordable housing that passes on increased transportation, energy and other expenses to other government agencies, the public, and residents of affordable housing.

This chapter details the following affordable housing-related themes and ideas for how to move forward:

- **Thinking in terms of affordable housing rather than affordable living**
 - Breaking down silos at the state level as well as within individual development processes can produce efficiencies which save government, community, and resident resources.
- **Lack of capital**
 - Cities can do their part to support the financial viability of affordable housing projects through providing tax-increment financing, supporting developer applications for low-income housing tax credits, taking care of environmental clean-up costs, providing land at a discounted price, and zoning for affordable housing.
- **Lack of financing tools for mixed-income housing**
 - Cities can adopt inclusionary housing policies that require a portion of units in new market-rate housing developments to be affordable. This is most likely to be successful if there is a robust housing market in the city.
 - Governmental bodies and foundations can support efforts to develop new financing tools in order to encourage mixed-income housing.
- **Community opposition**
 - Much opposition to affordable housing stems from fear of the unknown. Humanizing affordable housing residents and correcting misperceptions is key to overcoming opposition.

"If you have the desire to provide housing for everybody, or at least for a reasonable range of your citizens, then you're going to find a way to do it." Chris Wilson, Project for Pride in Living

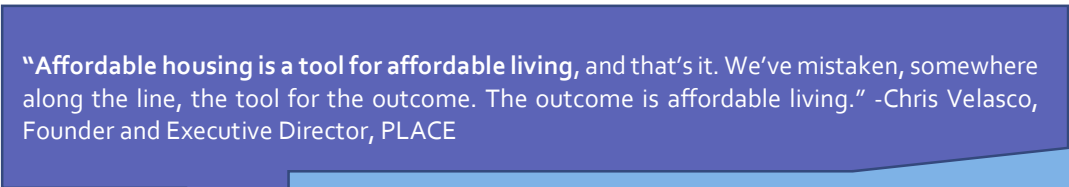
"I think equitable development is the ability to put a development in that a community needs, and then to be able to make it affordable to the people that live there...It should be located in a specific area where they can access the opportunities to better educate themselves, to find jobs if they don't have jobs, or to more easily get to their jobs without breaking their budget." -Elise Durbin, Transit Oriented Development Program Manager, Hennepin County

THEME: THINKING IN TERMS OF AFFORDABLE HOUSING, NOT AFFORDABLE LIVING

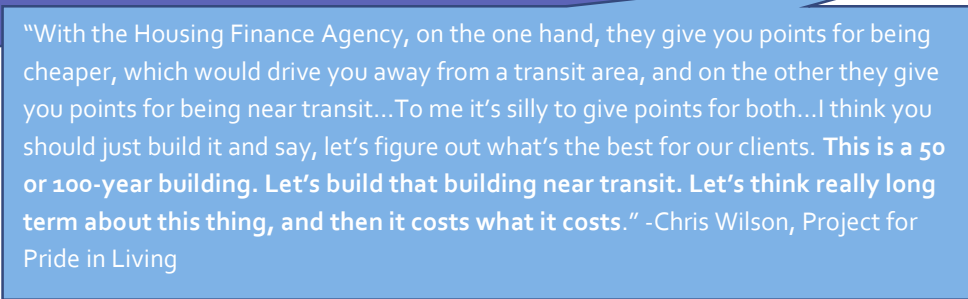
In the quest to provide more housing with rents that are affordable to low-income people, the purpose of affordable housing-making an affordable life possible- is sometimes lost. Interviewees reported that Minnesota Housing Finance Agency's focus on producing the most units per dollar is leading to worse outcomes for state and local government budgets and residents' pocketbooks. According to interviewees, it's generally cheaper to build a development on a green field than to do infill development and risk environmental clean-up costs, but a green field development is likely to be less walkable and offer less access to transit. Forced car dependence strains residents' finances and contributes to negative health outcomes that can be costly. Similarly, cheaper building materials may drive down initial costs, but typically result in higher energy use for heating and cooling. These costs may be borne by renters, or by government agencies.

The health, environmental, and energy costs of building as cheaply as possible are shifted to residents, neighbors, and agencies that assist with health care and energy bills. While interviewees were sensitive to the need to stretch the limited funding available for affordable housing as far as possible, they felt that an overemphasis on building cheaply ultimately resulted in higher overall costs to society.

Working in interdisciplinary teams can help to break down the siloed thinking and funding strategies that create inefficiencies and drive up the cost of a project. PLACE, a non-profit developer of mixed-income housing, uses a process of integrated project delivery to keep costs low across the entire project. Unlike in the more traditional design, bid, build process, in integrated project delivery, all the key players come together in the beginning of the process to build trust and set agreed upon values and goals. PLACE is a proponent of interdisciplinary processes and would like to see silo busting happen at the state level. "If you took that same integrated project delivery approach with the siloed-off government departments that aren't talking to each other the way that they should be, there could be a lot of potential to pool their resources together... Everybody's looking at the pool of resources and thinking about how to maximize it instead of just protecting their one chunk," said PLACE staff member Alice Hiniker.



"Affordable housing is a tool for affordable living, and that's it. We've mistaken, somewhere along the line, the tool for the outcome. The outcome is affordable living." -Chris Velasco, Founder and Executive Director, PLACE



"With the Housing Finance Agency, on the one hand, they give you points for being cheaper, which would drive you away from a transit area, and on the other they give you points for being near transit...To me it's silly to give points for both...I think you should just build it and say, let's figure out what's the best for our clients. **This is a 50 or 100-year building. Let's build that building near transit. Let's think really long term about this thing, and then it costs what it costs.**" -Chris Wilson, Project for Pride in Living

THEME: LACK OF CAPITAL

The widely recognized lack of funding for affordable housing is related to the emphasis on producing affordable housing rather than affordable living. "What is missing in the equation is the amount of capital. I could build ten more buildings every year if I had the opportunity. That is the choke point...there's just not much government

money, which is why the finance agency is so sensitive to cost,” said Chris Wilson, Director of Real Estate Development at Project for Pride in Living.

Lack of funding also prevents nonprofit builders from benefiting from economies of scale; having to do one project at a time drives up costs. For-profit builders can leverage their market-rate projects to achieve lower construction costs, but are not in the business of providing social services, so may produce housing that is overall less beneficial to a community than housing built and operated by a mission-driven nonprofit.

Cities can do their part to support the financial viability of affordable housing projects through providing tax-increment financing, supporting developer applications for low-income housing tax credits, taking care of environmental clean-up costs, and providing land at a discounted price. The City of New Hope supported the Compass Pointe affordable housing development using all of these strategies, as we explore in the case study below. Cities can also consider zoning for affordable housing, reducing uncertainty for both the community and potential developers, and thus driving down costs.

“We’ve been falling behind year after year on affordable housing. [Increased funding for Low Income Housing Tax Credits] would change the equation dramatically. Part of access and equity and cost comes down to the amount. **Scale is a factor. If you’re able to do more, typically you’re able to do it more cost effectively.**” -Chris Velasco, PLACE

“As a for-sale builder, we build cheaper than a lot of the non-profits ...One of these [affordable] buildings will be \$9 million, but we’re doing \$15-20 million of other volume. We just approach things like this: How do you value-engineer it? How do you deliver a high quality product, but not break the bank doing it? Because ultimately, if our costs are too high we don’t make any money...[Non-profits] expertise is taking care of people, not building. They’re having to hire another contractor who is going to charge them as much as they can. Because we’re the developer and the builder, we’re limited to a certain percentage.” Mike Waldo, CFO, RonClark Construction

THEME: LACK OF FINANCING TOOLS FOR MIXED-INCOME HOUSING

Many community members, city staff and officials, and developers expressed a preference for mixed-income housing over one-hundred percent affordable housing. Chief among the concerns motivating a desire for mixed-income housing were worries over concentrating poverty and the anticipated negative social and economic impacts. Some felt that those living in affordable housing developments would be stigmatized, whereas residents of mixed-income housing would not face the same stigma.

Developers expressed frustration with the difficulty of financing mixed-income housing. The affordable housing industries and the market rate industries are very different from each other, and it is difficult to find the right mix of funding to support a mixed-income development. Because of financing limitations, developers are forced to build all units in a mixed-income building to either the luxury standard or the affordable standard, a challenging situation.

One step cities can take to encourage mixed-income housing is to implement an inclusionary housing policy. Both St. Louis Park and Richfield have inclusionary housing policies requiring developers of market-rate housing to include affordable units. St. Louis Park's inclusionary housing policy requires 10% of units to be affordable at 60% of the area median income or 8% of units to be affordable at 50% of the area median income when a development receives tax increment financing. Cities can have different experiences with inclusionary housing policies depending on their rate of growth and level of developer interest. Pat Elliott, a Richfield City Councilmember, noted that enforcing inclusionary housing policies can be difficult once the development is in process, especially when cities need to attract development.

Another way forward is to develop alternative financing sources and mechanisms. Twin Cities LISC is developing a mezzanine loan to bridge the affordable and market-rate finance systems. Colleen Carey of the Cornerstone Group recommends the creation of a regional development innovation fund that could help developers test new ideas and prove their viability, allowing them to attract more traditional financing to future projects. Governmental bodies and foundations can consider supporting these efforts in order to encourage mixed-income housing.

"The developer will come in and say, 'we presented 164 units with 20% affordable units, but your comprehensive plan or zoning won't allow the density we need, so we've got to cut the number of units back. If we cut that back, we can't do the affordable units because then we can't get a return on investment'.... That's where the tension always comes up- **Everybody has the same aspirations, and the best hopes and intentions, but economics and the realities of development gets in the way sometimes.**"

-Pat Elliott, Richfield City Councilmember

"A lot of people say they do mixed-income housing, but what they mean is they have a range of low incomes. I think that rich people and poor people- or at least moderate income people and poor people- should all live together in the same good neighborhoods. We shouldn't have poor neighborhoods where poor people live, with schools that aren't as good and parks that aren't as good and roads that aren't as good. I'm trying to figure out a way to do true mixed income development, and I want to figure out a way to do development of buildings and places so that it contributes to people's health and wellness."

-Colleen Carey, President, The Cornerstone Group

THEME: COMMUNITY OPPOSITION

Community opposition to affordable housing developments surfaced as a major barrier to equitable development. Interviewees almost universally noted that fear of "those people" lies at the root of much community opposition, and that it is important for cities and developers to humanize the residents of affordable housing as much as possible. Community members typically believe that affordable housing residents will all have extremely low incomes and are surprised to learn that, in some cases, the average family in their community would qualify for affordable housing.



Several interviewees noted that building affordable housing sometimes requires that politicians get out ahead of their constituency and take a political risk. Interviewees noted that once the housing was built, opposition died away and complaints from community members were rare.

Community engagement was such a pervasive theme throughout our interviews that we devoted an entire chapter to it. Read [the community engagement chapter](#) for multiple ideas for tackling community opposition to affordable housing, such as engaging community early and often and supporting long-term, authentic engagement rather than transactional engagement. For an in-depth look at how a developer and city worked to overcome community opposition to affordable housing, read the case study below.

[People aren't supportive of affordable housing because] we still look at low-income people as riff-raff... We don't look at those kinds of people as really people- that might be overstating it. **There's an attitude about people of color and people with low-incomes. We think that they're dangerous...** when you add that low-income is equated with people of color... when someone talks about affordable, low-cost housing, a big red sign goes up. [People say] 'this is terrible! This will destroy our community!'" -Camillo DeSantis, Richfield community member and affordable housing supporter.

I think we have a misperception about what affordable housing is, which I think is one of the biggest barriers. **When you say affordable housing, people think Section 8 housing.** That's where their head goes immediately... They do not want Section 8 housing... You have to explain that, 'no, someone making my income would probably benefit from affordable housing'... We live in the suburbs and they don't want us to become urbanized. They say there will be more crime, more transience ... I think we need to work on how we talk about affordable housing. Once you say those words, people don't hear anything you say after... Can we call it something else? **What can we call it that doesn't have a stigma associated with it?"** -Sarah Maaske, Health in the Park Steering Committee Member, St. Louis Park

CASE STUDY: OVERCOMING OPPOSITION TO SUBSIDIZED AFFORDABLE HOUSING IN NEW HOPE, MN

<p>The Basics</p>	<p>Compass Pointe is a 68-unit subsidized affordable housing project located in the northeast corner of New Hope, just across the street from Brooklyn Park. It includes units reserved for formerly homeless tenants. RonClark Construction and Design opened the building in August 2015.</p> <div style="display: flex; justify-content: space-around;">   </div>
<p>The Context</p>	<p>RonClark Construction and Design is a for-profit developer that entered the affordable housing market in 2011 with the construction of affordable apartments and townhomes in Savage, MN. Mike Waldo, Chief Financial Officer at RonClark, once lived in subsidized affordable housing and feels a strong personal connection to RonClark’s affordable developments.</p> <p>For several years before purchasing the land, RonClark was eyeing the site, which once was home to a gas station and a four-plex apartment building. “What was there was pretty low level housing and the people managing it were not doing a good job. It was basically despicable with a lot of police calls,” said New Hope Mayor Kathi Hemken.</p> <p>RonClark wanted to buy the land, but the owner of one of the parcels wouldn’t sell. When the owner ended up in tax forfeiture, the city bought the parcel. RonClark bought that parcel and four other parcels of land, some of them owned by the city, to assemble the Compass Pointe site.</p> <p>The city promised to take care of any brownfields clean-up costs on the site of the old gas station, and RonClark was responsible for demolishing the four-plex and handling asbestos from the demolition. The city also provided around \$700,000 in tax increment financing (TIF).</p> <p>When the neighbors caught wind of the affordable housing development planned for the site, they raised an uproar which was covered by local media outlets. “Whenever you build multifamily housing, the first thing people get in their minds is that it’s going to be 100% Section 8 housing...The second concern is ‘I don’t want those people moving into my neighborhood, which tells me you don’t know the people who are moving in. I’m sure they think we’re flying them in from Chicago or someplace,’” said Mayor Hemken.</p>
<p>The Response</p>	<p>Mike Waldo, Chief Financial Officer at RonClark, took New Hope city council members on a tour of three similar developments. “They were supportive before, but then after that, it was like, ‘How soon can we get this in the ground? Let’s go!’”</p> <p>The city and the developer worked together to assuage neighbor concerns. RonClark altered its plans in response to neighbor concerns about the height of the building, cutting 12 units from the</p>

	<p>top floor of the neighborhood-facing side of the building. While this change cost RonClark some money, it did allow them to achieve the goal of one underground parking stall for every unit.</p> <p>RonClark distributed pamphlets that called Compass Pointe “workforce housing” and stressed that the people living there would be workers like teachers, firefighters, and paramedics. The city and developer held multiple open houses and public meetings, and knocked on doors to gather feedback and answer questions.</p>
<p>The Result</p>	<p>In the end, RonClark and the city were able to overcome resident opposition and Compass Pointe was built. “The building seems to be functioning very well... I think it’s an excellent addition to the community. It’s pretty classy housing without real high rents,” said Mayor Hemken.</p> <p>“With Compass Pointe, I think that was a great example of a development that occurred in the midst of contention, that wound up being super beneficial for the city. Obviously with a waiting list of 700 the demand is there... That’s one of those [developments] where we were kind of holding our breath and hoping everything was going to work out, and it did,” said Jeff Sargent, New Hope Director of Community Development.</p> <p>“All the people, when they first heard about it, said they were selling their houses. Not a single house has gone on the market,” said Mayor Hemken. Where once she heard a lot of talk about “those people,” she now hears community members calling Compass Pointe residents by name. Mayor Hemken encouraged the church across the street from the development to adopt the Compass Pointe residents, inviting them to events like trick-or-treating at Halloween. The city and developer have also brought community members into the building to meet the residents.</p> <p>However, signs of the early neighbor opposition remain: Compass Pointe is isolated from the single family homes that border it to the south by a seven-foot tall wall that the city was forced to construct in response to neighbor demands.</p>

TAKEAWAYS & INTERVIEWEE SUGGESTIONS

- Much opposition to affordable housing stems from fear of the unknown. Humanizing affordable housing residents and correcting misperceptions is key to overcoming opposition. After affordable housing is built, opposition typically dies away and complaints from community members are rare.
- A significant increase in available Low Income Housing Tax Credit (LIHTC) funding could lead to decreased initial costs for affordable housing developments, decreased costs to society and residents over the long term, and an increase in the number of units built.
- Breaking down silos at the state level as well as within individual development processes can produce efficiencies which save government, community, and resident resources.
- Cities can do their part to support the financial viability of affordable housing projects through providing tax-increment financing, supporting developer applications for low-income housing tax credits, taking care of environmental clean-up costs, providing land at a discounted price, and zoning for affordable housing.
- Cities can implement inclusionary housing policies that require a portion of units in new market-rate housing developments to be affordable. This is most likely to be successful if there is a robust housing market in the city.
- Governmental bodies and foundations can support efforts to develop new financing tools in order to encourage mixed-income housing.

4. ACTIVE LIVING

Most interviewees reported a widespread cultural shift in the suburbs towards an increased desire for walkability and bikeability. Cities and developers are working to attract millennials and baby boomers by catering to this desire, but face an uphill battle in building for the future while meeting the needs of current residents, for whom the notion of a car-free life is often impractical.

This chapter details the following active living-related themes and ideas for how to move forward:

- [Parking and traffic issues continue to dominate the development conversation](#)
 - When faced with car-related barriers to development, developers should show concerned elected officials, staff and community members real life examples of how parking and traffic have been minimized at similar developments.
- [Silent majority, vocal minority dynamic means more public pushback on bike and pedestrian infrastructure](#)
 - Cities should use demonstrations and temporary installations to help community members understand how biking and walking infrastructure will work, and to gather a broader array of perspectives beyond just those of adjacent property owners.
- [Difficulty in determining who pays for and maintains sidewalks impedes sidewalk installation](#)
 - One approach to the tricky issue of sidewalk costs and maintenance is for cities to follow St. Louis Park's lead, making sidewalks part of the city budget and maintaining at least a network of sidewalks that provide connectivity to key destinations.
- [Active living amenities are inequitably distributed](#)
 - Elected officials can work towards equity in pedestrian and bike infrastructure by creating comprehensive plans for bike/walk networks throughout their communities, rather than only building such infrastructure when new development occurs.

"It's not like everybody has to agree all at once. Cities need to identify some places where they are going to make those kinds of investments to make walkable places, and recognize that there are all sorts of places that are not going to be that in the next ten years." – Colleen Carey, President, The Cornerstone Group

"We're in a transition of wanting people to not use cars, and so are working on reduced parking at development sites, more transit availability, sidewalks, the other infrastructure to not have to use a car. Yet, we're not quite there. We're at this point where you still need a car because there's not enough service to get around or enough density of uses for people to not have to drive....I think that's why we have a lot of friction with communities about more dense developments and more mixed use developments. It's because **we're kind of at that tipping point.**" -Ryan Kelley, Senior Planner, Metropolitan Council

THEME: PARKING AND TRAFFIC ISSUES CONTINUE TO DOMINATE CONVERSATION

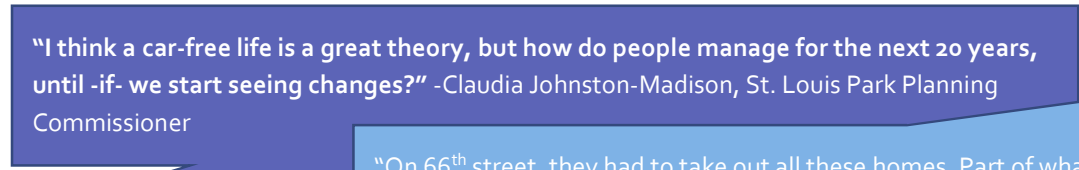
The real and perceived need for large amounts of parking for suburban residential developments continues to dominate the conversation around new developments, limiting progress on active living and affordability.

Developers are forced to build more parking than they would like to by cities and banks, driving up rents.

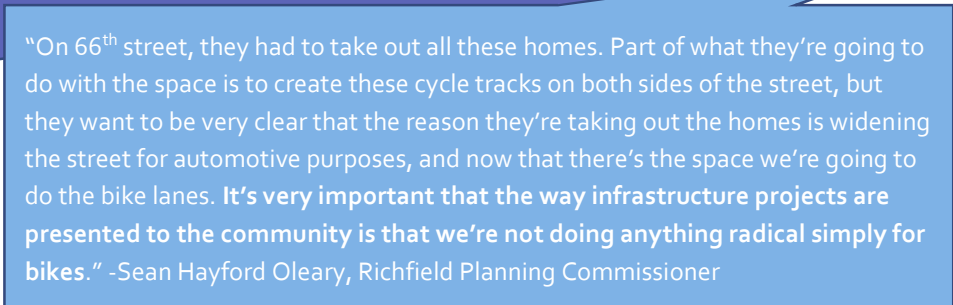
Resistance to losing street parking crops up whenever cities propose sidewalks and bike lanes in place of parking.

Concerns over parking and traffic can be somewhat contradictory, with members of the public and elected officials demanding both that developments cater to cars by providing ample parking and that developments limit their impact on traffic. In St. Louis Park, concerns over traffic and parking have presented huge barriers to the PLACE development, which plans to offer fewer parking spaces and more access to car/bike sharing and transit for its mix of market-rate and affordable apartments. Residents are concerned that PLACE will have insufficient parking, leading to residents and visitors parking on nearby residential streets, while at the same time are worried that PLACE will add too many cars to the streets.

No developer or city seems to have found a perfect solution, but Ron Clark's efforts with the Compass Pointe development in New Hope can serve as a starting point. When Ron Clark wanted to put in fewer parking spaces than required by the city, the developer took city council members on a tour of similar developments to show them how many parking spaces were truly needed. The city agreed to a lower parking requirement, and the developer set aside land on the site that can be turned from grass to pavement if additional parking is needed.



"I think a car-free life is a great theory, but how do people manage for the next 20 years, until -if- we start seeing changes?" -Claudia Johnston-Madison, St. Louis Park Planning Commissioner



"On 66th street, they had to take out all these homes. Part of what they're going to do with the space is to create these cycle tracks on both sides of the street, but they want to be very clear that the reason they're taking out the homes is widening the street for automotive purposes, and now that there's the space we're going to do the bike lanes. It's very important that the way infrastructure projects are presented to the community is that we're not doing anything radical simply for bikes." -Sean Hayford O'leary, Richfield Planning Commissioner

THEME: SILENT MAJORITY, VOCAL MINORITY DYNAMIC MEANS MORE PUBLIC PUSHBACK ON BIKE AND PEDESTRIAN INFRASTRUCTURE

Interviewees reported a silent majority, vocal minority dynamic around issues of installing pedestrian and bicycle infrastructure like sidewalks and bike lanes. The vocal minority-typically adjacent property owners-most frequently voices concerns and fears that include increased crime because more people will be traveling by foot or bike on their street, a perception that the city is taking their property, maintenance, parking loss, and that money will be wasted on infrastructure that won't be used.

Several factors contribute to the silent majority, vocal minority dynamic. For sidewalks especially, cities often fail to meaningfully engage community members other than those whose property is directly impacted by the infrastructure installation. Traditional community input opportunities like open houses at city hall or commission hearings typically attract an older, white demographic that may be generally less supportive of these kinds of

changes; most interviewees felt that younger residents and young families generally tend to be more supportive of bike and pedestrian infrastructure. People with low-incomes, people living with disabilities, children, and others who may have less access to cars make up a key constituency on this issue, but can be hard to organize due to language barriers, lack of familiarity with government processes, lack of time and energy, and other factors.

Perhaps the largest driving force behind the dynamic is that most people are supportive but not passionate; the issue isn't a high enough priority to inspire action.

One way around these barriers is to show rather than tell, as the City of Hopkins did for its planned Artery project, which is aimed at creating a "pedestrian seductive" corridor downtown complete with a separated two-way cycle track, 20-foot sidewalks and community spaces, in the words of Kersten Elverum, the city's Director of Planning & Economic Development. The city held a temporary demonstration of the proposed changes with art, music and food. **"About 2,000 people came to this event, and it was really amazing to see; we were reaching older people, people with disabilities, every ethnic group that we have living in Hopkins...none of our public engagement projects has ever had that kind of reach before,"** said Elverum. "It gave us all the political support to move into the final design, it got the community excited, and we got really good feedback...I've become a real convert for doing demonstrations whenever you have any kind of significant project that you want to get feedback on."

"If we're truly putting sidewalks out there as a community benefit that's not just for the people living in that neighborhood, then we really need to treat it that way. When you start doing informational meetings, you need to invite the community, not just the people who live in proximity." - Sarah Maaske, Health in the Park Steering Committee Member, St. Louis Park

"We have a 15 foot set back, but people who live in houses think that it's actually theirs, and they mow it and plant gardens on it, so to put in a sidewalk in front of their house, in their minds we're taking away ten feet of their property." -Kathi Hemken, Mayor of New Hope

THEME: DIFFICULTY IN DETERMINING WHO PAYS FOR AND MAINTAINS SIDEWALKS IMPEDES SIDEWALK INSTALLATION

Sidewalks occupy a gray area between public and private space that makes maintenance and finance difficult for suburbs to figure out. In first ring suburbs, many of which were built without sidewalks on residential streets, building a sidewalk means making changes to a space that homeowners perceive as their property. Without a network of sidewalks, it can seem unfair to create a sidewalk and assess the cost to the homeowners along the sidewalk (who may not want the sidewalk in the first place), and it can also seem unfair to pass the cost onto taxpayers as a whole by paying for it with the city budget (when the sidewalk seems to only serve a small percentage of the residents).

Maintenance also presents a barrier to building support for sidewalks because of the costs it imposes on either the city or the property owner. If maintenance is the responsibility of the property owners, they may see the sidewalk as a financial or physical burden. Some argue against sidewalks because of the difficulty older residents may have in shoveling snow, while others argue that seniors' health and quality of life would improve if they were able to walk on safe, clear sidewalks year-round.

St. Louis Park has come closer than most to solving the riddle of sidewalk costs and maintenance. The city created a plan for a network of sidewalks, and decided to make the sidewalks a city cost. "One thing we did was recognizing that streets and sidewalks are not for the benefit of the homeowner which they are in front of... **So we took the assessment off of the individual and made this a city cost, a city investment,**" said Anne Mavity, St. Louis Park City Councilmember. The city took a middle-of-the-road approach to maintenance: "Depending on the sidewalk and what it connects to, some are managed by the city and others the homeowner has to take care of. I heard from people: 'I'm a senior, I'm in my 80s and you're going to put a sidewalk in front of my house and I have to scoop it.' I feel like the city has done a fairly good job of listening and hearing that, and there are programs that people can sign up for to have someone come and do their snow removal," said Sara Maaske, Health in the Park Steering Committee Member.

St. Louis Park's efforts are examined in more detail in the case study at the end of this chapter.

"You've got Minneapolis with sidewalks on both sides of almost every single street, and then you have new suburbs- Apple Valley, Lakeville even- that have sidewalks on at least one side of every residential street but often on both sides of the street. Nobody thinks the sidewalks are particularly bad; they like having them. **But you have this in-between area where for some reason they were just never built, and it can be very hard to convince people that it's worth building them now.** -Sean Hayford O'Leary, Richfield Planning Commissioner

"It's really difficult for us to figure out who pays, so I'm guessing sidewalks all over the city are not going to happen...A lot of this comes down to money and who's paying...when we look at our streets and what it costs to keep our streets up, the thought of putting in sidewalks just doesn't fit in the budget. And **getting the residents to pay for something they don't want in the first place doesn't fit in the budget.**" -Kathi Hemken, Mayor of New Hope

THEME: INEQUITABLE DISTRIBUTION OF ACTIVE LIVING AMENITIES

A pattern emerged in the course of our interviews: people living in new developments appear likely to have better access to active living amenities than those in older housing. Why? As established in the previous two themes, there are multiple barriers to installing sidewalks on residential streets in the suburbs. There are few-if any- barriers to installing sidewalks when a new development is built, because the costs can easily be assigned to another actor- the developer. Additionally, because of a market shift towards walkability and bikeability, developers are incentivized to provide active living amenities like sidewalks and in-door bike parking.

When combined with the findings in previous chapters that cities tend to prefer that new developments are market rate rather than subsidized, the implication for equity here is that those living in older, "naturally occurring" affordable housing may live in neighborhoods without pedestrians and bike infrastructure, while those who can afford to pay higher rents have access to these amenities. New affordable housing may not have amenities like exercise rooms because of the pressure to keep costs low and the high demand for affordable housing. "Lack of an exercise room won't keep anybody from renting," said Chris Wilson, Director of Real Estate Development at Project for Pride in Living. "It will just keep them from exercising."

One way for cities to combat the disparity in access to active living amenities is to create a city-wide plan that ensures access to the sidewalk and bike trail network throughout the city, rather than constructing infrastructure

piece-meal as plots are redeveloped. St. Louis Park’s efforts to create such a plan, detailed in the case study for this chapter, point to a potential way forward.

“We don’t have a lot of sidewalks in the community...In places where we’ve talked about putting in sidewalks, we’ve gotten horrible pushback...Whenever these developments go in, we require that they do have to put in sidewalks and maintain those sidewalks.” -Karen Barton, Richfield Community Development Manager

“When the sidewalks are put in when the development happens, it makes sense...at that stage, it’s just as easy to put in a sidewalk as to put in grass.” - Kathi Hemken, Mayor of New Hope

CASE STUDY: CONNECTING ST. LOUIS PARK

The Basics The City of St. Louis Park is building a network of sidewalks and trails throughout the community over a 10-year period, following their “Connect the Park” plan.



The Context Like many first ring suburbs, St. Louis Park was founded in the late 1800s and experienced intense growth in the years following World War II. This pattern of development led to a largely auto-oriented transportation system within the city, with a disjointed and incomplete sidewalk network. By the 1990s, the city had begun to put in place a new vision centered around walkability, density, and transit. Out of this visioning process came the Excelsior & Grand mixed-use development, frequently described by interviewees as a game changer sparking a shift in development not only in St. Louis Park but Twin Cities suburbs in general. As the approach to development shifted, the city needed to develop infrastructure to support the vision of a walkable community.

The Response With the support of Active Living Hennepin County and Blue Cross Blue Shield of Minnesota, the City of St. Louis Park worked in collaboration with community members to create a plan for sidewalks and trails in 2007. The plan identified gaps in the pedestrian and bicycle networks and prioritized recommended improvements. In 2013, the city council approved the “Connect the Park” plan, which guides implementation of improvements over a ten-year period and aims at creating a network of bikeways every ½ mile, and a network of sidewalks every ¼ mile.

The plan has been controversial: **“It was just stunning to me how much people hate sidewalks.** They don’t want them if they don’t already have them in front of their house...it’s an ugly, ugly

conversation,” said Sara Maaske, Health in Park Steering Committee Member. Opponents worry about increased crime, decreased property values, costs and maintenance, and effects on gardens and trees.

The city took steps to alleviate these concerns, deciding not to assess property owners for sidewalk installation and creating a hierarchy within the sidewalk system, with some routes designated as community sidewalks and plowed by the city. Project Engineer Jack Sullivan has played a key role in the implementation of the plan. “He is the best emissary for the city that I could imagine,” said Councilmember Anne Mavity. “He is calm, he directs the contractors to mitigate the impact on homes to the maximum extent possible.” As a result, **the homeowners get what they want- sidewalks weave around their trees- and the city gets what it wants -a complete network of sidewalks.**

The Result

While some planned sidewalks are now off the table because of community opposition, the Connect the Park plan continues to move forward. Opposition typically dies down significantly after installation.

“I had to take the hit, two years ago, when they did my ward first,” said Councilmember Mavity. “We had a vote on putting a sidewalk on 39th Street, which is the major thoroughfare connecting 39th & France in Minneapolis to Excelsior & Grand, and it had no sidewalk. And two days after I voted for the sidewalk, there were signs up and down the block for my opponent. Now you walk there, and it’s absolutely blended into the neighborhood. It’s been done very well and it’s used constantly. **So I argue that the market would indicate that the vision we have is a very attractive one. It’s a hard adjustment for some folks who have lived there for a long time.**”

“Everybody loves biking and walking facilities until they’re in front of their house,” said Planning & Zoning Supervisor Sean Walther. **“Each project is its own little battle, but I think once they’ve been installed, they’re well accepted.”**

TAKEAWAYS & INTERVIEWEE SUGGESTIONS

- When faced with car-related barriers to development, developers should show concerned elected officials, staff and community members real life examples of how parking and traffic have been minimized at similar developments.
- Cities should use demonstrations and temporary installations to help community members understand how biking and walking infrastructure will work, and to gather a broader array of perspectives beyond just those of adjacent property owners.
- One approach to the tricky issue of sidewalk costs and maintenance is for cities to follow St. Louis Park’s lead, making sidewalks part of the city budget and maintaining at least a network of sidewalks that provide connectivity to key destinations.
- Elected officials can work towards equity in pedestrian and bike infrastructure by creating comprehensive plans for bike/walk networks throughout their communities, rather than only building such infrastructure when new development occurs.
- When community engagement is limited primarily to adjacent property owners, elected officials may have to take a political risk to achieve the kind of density and infrastructure required to make the transition to a walkable community. In most cases, opposition dies down considerably after developments and infrastructure are in place.

FUTURE RESEARCH DIRECTIONS

REQUEST FOR FEEDBACK

NOTES- WILL NOT BE IN FINAL DOCUMENT

INTRO NOTES

. Smaller cities and staffs can be nimbler and put all their focus on one or two new developments, leading to a deeper relationship with developers. and the small number of developments can lead to focused opposition.

Notes:

PAT ELLIOT

The gentrifying city is pushing people out, and the 2nd ring suburbs have a traffic pattern that prohibits transit/affordability.

Chris Wilson

- There are a couple of suburbs that are more up for new ideas. Those who do the same old same old are going to die. It's unsustainable and people don't want it either- millennials and older people. If you look at market trends, there's way too many suburban single family homes. People want to be able to walk to places. People are health conscious, but they can't bike or walk anywhere, so they have treadmills instead of walking around their community. Gas is cheap so that keeps the system working for now. If transportation became more sustainable suburbs might be able to continue as they are. Progressive places are moving towards walking and transit. Some suburban cities like Burnsville are trying to make little downtowns. There are suburbs that are getting the market shift, but most not getting the affordability piece. Suburbs have come around to rentals. In general there's not much being produced on the for-sale size.

"To me there's

"The same old same old [car oriented development] is not going to work...that is not a pattern that is sustainable for us as a society and people don't want it either...There are suburbs that are getting the market shift, but there aren't very many that are embracing any level of affordability. "

"I think there is a mental shift that is now reaching the suburbs.

SARA MAASKE

- Developments are never easy in SLP, especially MFH. SFH owners think we shouldn't be doing as much as we're doing. She doesn't agree with that. SLP is a landlocked city and we want to attract people to

come there. The kinds of people who are moving into suburbs want to have a more urban feel- be able to walk and bike. The current residents have trouble seeing beyond today.

- If you look at the comp plan from 10 years ago, it's very clear that the city was moving into higher density. People just don't know about these plans. She didn't know about them until she started digging. Each neighborhood has a plan. When she first moved there she was in the category of people who didn't pay attention. The average Joe is not that aware until they're taken by surprise.
- People have concerns about traffic on Wooddale and 36th. Because highway 7 is closed and highway 100 is under construction, there is a lot of traffic on 36th street. Her frustration is that PLACE is very intentionally appealing to people who don't have a car- right on regional trail, bike sharing, light rail- so many elements to make it easy to be car free. Those concerns about traffic- people are stuck in the present and losing the vision of what the future might look like.

SEAN H O

- City council all live in single family homes.
- One person on planning commission is a regular transit user so she's mindful of ped/transit concerns. There's not opposition to bike/ped/transit, it's just that the others on the commission aren't always mindful of those concerns.

JASON GADD

- He and a fellow councilmember were both renters- you can't discount people who are renters. Once renters move in they feel connected to the city.

SECTION 1:

There's been a continuing effort through the human rights commission, community services, etc to get more engagement with the Hispanic community and it hasn't worked. Person running for city council, Maria, would be good for that. Assumption Catholic Church wants to build a charter school in Richfield and they want support from the community. He wants to see reciprocity from the Hispanic community- they need to engage with the rest of the city if they want the city to support them. You understand why fear would keep Hispanic community in hiding until they know they're safe from deportation. It's frustrating because they have so much to add to the community but fear keeps them undercover. The Human Rights Commission has work sessions with the community on landlord/tenant law, tries to give them the information they need to get resources, help from the city. You try to open up without being overbearing. We try to get them involved in youth sports so that you can start integrating the kids and bring families together. Materials are translated into Spanish and there are a number of bilingual people at city hall, there's a dual language school.

- Participation is good. You never get a lot, but it creates a buffer so that the city staff and council can say- the majority of responses we got said this. There may only be 30 responses, but it still provides cover.
- He could have explained the financing, explained that its dedicated to people who put on a uniform and protect your community-people that won't ever be able to afford a condo on the river but are certainly hired to decent housing in a nice neighborhood. He should have got out in front and told people things up front- how it's going to be maintained.

Jason Gadd

- The Cottageville Park process has been an example of community engagement- multiple open houses, meetings in different locations- taking it to where the people are. There were a lot of sessions with hands on modeling for the park. That helped the city come up with the final design. This year they're adding a Pavillion and fire pit- that's what the community wanted. If you reach out and do intense community engagement, you want to be able to show them that their input was used and valued, otherwise the next time they won't feel their opinion matters.

KATHI HEMKEN

- The last thing the staff wants to do is come to a public meeting at night on their own time just to be yelled at by the public. Staff from community development, city manager, public works, parks and rec does come to the meetings. Staff realizes that if questions are asked and answered early, the development will be successful. Community engagement is her job and the job of the city council members. The rest of the council members all have day jobs so it's hard for them to get out in the community. She's retired so she spends a lot of time on community engagement. Her home phone number is readily available. When she gets a nasty email she encourages the person to call her or she goes to meet with them at their house. Usually the thing they're complaining about isn't the real problem and you've got to get to what that something else is.
- For good community engagement you need a mayor and council that's really involved. Kathi was a community activist first and brings the connections to city hall. The staff runs the city, that's not her job. Her job is to listen and bring things back.
-

authentic v. transactional

Impacts on equity and health in development

ANN BUECH

- There have been good opportunities to align city, community member visions. Like any city there is an array of interests and concerns, but the more conversations they can have the better. For development projects, in general, the earlier community members can be involved, the better. Community engagement is different from community input. More community engagement is better. In general the process in the past was more about community input and now it's moving more towards engagement as people recognize the value of it. For community engagement, it's important to build long term relationships, not transactional relationships. Activities like the garden, bike classes help to develop long term relationships. BRCC pursues a variety of community building activities. Developments will be more successful with community engagement. She doesn't see how a developer not based in a community could come in and do authentic engagement without a group like hers. Developers should be made aware when groups like hers exist and should engage with them, look at the documents they've produced.

JASON GADD

- Oxford had a lot of public input meetings. Initially with Oxford there were some parking concerns. City worked with developer to make sure neighborhood wasn't cut off from Cottageville park. Initially developer had a plan to do a playground on their development, but after a conversation with them they

decided to rely on the park. Developers like working with Hopkins because we like to partner with them. Items like Oxford, Cottageville park wouldn't have happened without the city building partnerships.

Importance of forming/supporting community groups like BRCC and HIP

SARA MAASKE

. Usually meetings are very heated, and the people who turn up have a beef with the project. People who are neutral or supportive don't show up.

"Typically developers go through their process with council and get all of their approvals, and the public conversation doesn't happen until it's at a council meeting. And then if there's changes that need to happen, they have meetings after that, but it's not in the pre-design phase. They've already got the design in place and they're going to make minor changes to it...

She's always afraid she's going to miss it. You have to really be paying attention.

Usually people don't chime in on developments until its already 10 miles down the road. PLACE has taken an approach of doing all the community engagement before anything formal is proposed.

This hasn't been nasty. It's been positive because PLACE is demonstrating that they are really listening. Out of the community engagement process there have been measurable changes-Building placement changes, elevation changes, road going into the development, changes to walking path from lightrail to development.

NOTES FOR Section 2 NATURALLY OCCURRING AFFORDABLE HOUSING

Sources for case study:

<http://sailor.mnsun.com/2016/06/23/column-st-louis-park-makes-efforts-to-help-meadowbrook-manor-residents/>

<http://www.startribune.com/hundreds-of-families-could-be-forced-out-of-meadowbrook-manor-in-st-louis-park/373305651/>

<http://slpecho.com/news/2016/04/23/tenants-face-lease-changes-renovations/>

Anne Mavity interview

NELIMA:

- Apartments close to the transit line in BP are not going to be affordable if there are no public policies in place to protect them. Brooklyn Center lost over a hundred units of affordable housing last year, and the city did nothing. 98% of people living there were African immigrants. Suburbs are losing affordable housing. Those apartments are in such danger of turning any day. Hennepin County staff person expects to see a Crossroads (Richfield dvl) every month, and eventually every week.

- There's not one suburb that has met its commitment to affordable housing. People are cost burdened. People are spending over 50% of their paycheck on housing. How is that affordable? The percentage matters more when you're low income. If I'm spending 50% of my paycheck on housing, absolutely nothing can go wrong that month. There's no wiggle room.

PAT ELLIOT:

- the concern is the displacement. It's a micro-application of Concierge/Crossroads apartment complex. The last three or four years, we've had a couple of 50s/60s apartment buildings that are 1 bedroom apartments with families living in them. Richfield has wanted to convert them into 2-3 bedroom units but can't afford it. It has to be private funding. How do you do that sort of renovation and keep the units affordable if you're not a non-profit or have significant federal funds. We've seen that renovation can be done with private money, but it results in displacement from higher rents. It's hard when people come tell him their stories of displacement. A lot of us think that left to our own means, we could take care of ourselves. But if you have a history of disability, of needing help to get by you don't have the confidence to land on your feet. There was a 58-year-old lady who had some cognitive disabilities. When people are on SSDI or some kind of a pension, it is fixed income. If the rent goes up \$50-100 dollars a month they can't come up with that money. Nobody asked the city for anything-Concierge did a private purchase and upgrade. They did what we've been trying to figure out how to do. Their problem was they didn't bring the residents along with them. Richfield set up a program, and at the last count there were 35 section 8 vouchers and all but two have been accommodated. A significant number of people on disability have been accommodated. But that's reactive, not proactive. No non-profit has access to the kind of capital needed to keep a large apartment building affordable. There's a small non-profit developing building 5 affordable townhomes on the back of the Concierge. It's nice but it's a drop in the ocean given how many people have need. Richfield is landlocked so you have to tear things down to build things. There's also a zoning and density problem- developers need a return on their dollar. It's an ongoing battle.
- Community response to Concierge: Eventhough this is a blue collar community, there are a lot of people who go to work and struggle with the bills but cannot conceptually understand that the difference of \$50-75/month is the difference between having a house or not. They don't understand that the people who were nailed by concierge don't have options because of challenges like disability, mental illness. We get somewhat insulated- I've got my own problems, I feel sorry for you, but I have to take care of my own family. We've become more like that over the last 15-20 years. Everybody hunkers down and does their own thing. There's tons of empathy but a belief that it's not my responsibility, that's why we have government, etc.

COLLEEN CAREY

- Naturally occurring affordable housing- Richfield has enough but there's no guarantee that it stays that way. Naturally occurring and subsidized affordable housing are not equivalent in terms of permanence. It would be nice if there was a way to get in there and preserve it.

CLAUDIA JOHNSTON-MADISON

- Recently a small apartment building was bought by a developer and they raised the rent. This is free enterprise and developers have a right to do it, but now there are people who can't afford the rent anymore and need someplace else to live. I don't know what we do about that or if we do anything about that. That's a philosophical debate- you can see it at the state legislature. I think its healthy for our society to have those debates.

ANNE MAVITY

- SLP has a lot of naturally occurring affordable housing-more than ½ the housing stock according to Met Council standards. Property value pressures are in play. Her neighborhood by the lakes is becoming increasingly less affordable.

SEAN H O

- One of his concerns is that any government-supported affordable housing doesn't serve undocumented people who can't provide proof of income. They get left out of the picture when we see informal affordable housing being replaced with subsidized housing. The rest of the community likes to see buildings in better repair. Crossroads at Penn is an example- that was informal affordable housing, developer came in and evicted everybody, put some polish on it and jacked up the rent. A lot of people who could make the new rent weren't able to because of the new income and credit score requirements. The city didn't have any official negotiating power but tried to do what they could. Tried to find other housing for people, especially section 8. They really leaned on the developer- no utility shut offs over the holidays, allowing people to stay longer, especially school age kids. They did as much as they could do with political pressure. He's unhappy but it's ultimately the developer's choice. He doesn't know that more subsidized affordable housing is the goal, because there is so much affordable housing already.

SARA MAASKE

- SLP doing better than most for affordable housing but not as much as we could be. There are people who would argue that we already have a lot of naturally occurring affordable housing. She finds it difficult to imagine owning a house in SLP. They don't have mid-range prices. The ones that are more affordable are dumpy.

Nelima

- The suburbs don't know how to deal with the issue of low-wealth, under-resourced communities of color. Instead of looking at what kind of policies and structures can we put in place to ensure these people are successful and don't stay low-income, they're branding them as the problem. They're saying we already have our fair share and others need to build more. They're not looking internally at what they can do. We have vacant housing in Brooklyn Park. The issue is that people are not connected to the jobs to buy the vacant housing. We gave Target a \$20 million tax abatement to move in and create jobs, so a good policy would be to say, how can we connect our people to these jobs. Their solution has been to say that these people are the problem so let's distribute them.
- "In Brooklyn Park, we can compare within the last 10 years how much has been invested in the 610 corridor, public investment by the city, county, and state, with how much has been invested in the area south of 85th, which is mainly where the pockets of people of color are. [A city official] said 'oh, we put in \$100,000 for a sidewalk!' I was like, exactly, \$100,000. In the meantime, Target has gotten a \$20 million tax abatement....it's disproportionate."

Joe Hoover

- the problem is really at the regional level- high income cities like Edina need to take their fair share and the met council needs to actually enforce that, and there should be financing options for mixed-income housing

SEAN H O

- Pillsbury- Neighbor concerns- explicit were concentration of affordable housing, feeling that Richfield is taking more than its fair share of affordable housing (motivated by Myron Orfield's research). Underlying- NIMBYism, racial concerns, concern about any kind of high density development. Community outreach definitely not as collaborative as Lyndale Gardens. They were more concerned with what can we fit here, what's profitable. All the usual community approvals happened, and HRA was involved as well (they owned the site). He believes there was general support from the council and the HRA initially. The councilmember was conservative- Sean's not sure whether he was originally for it. The final council vote was split. The official reason given for denial was financing concerns about city's liability, but he has no doubt that it was the neighbor opposition that changed things

MIKE WALDO

- City support is key for LIHTC funding- they're either on board or they're not. "We have a couple of cities that we've brought [affordable housing] projects to, and they've said 'come back to us in a couple years, we want to try and see if we can get a market rate project in this location...we've had a couple just say no, and they are in areas where they have quite a bit of affordable today but not a lot of quality affordable.'" we already have a lot of naturally occurring affordable housing.

CHRIS WILSON

- Hopkins said we've got a lot of affordable housing already, so we're not really looking for more, but we've got some problem properties that attract a lot of police attention.

KAREN BARTON

- Currently have 93% affordable housing in community, but always looking to replace old buildings with new.

KERSTEN ELVERUM

- Luxury development- Hopkins already has a lot of affordable housing and is trying to bring in what they don't have. Affordable housing didn't make sense because there's a lot of affordable housing near the site. They want to deconcentrate low income units.

BRYAN LLOYD Roseville

- Because of Roseville being the age it is, they have smaller homes, ok condition- rather than create affordable new homes, city has been encouraging the development of new move up homes to free up older, smaller houses-

SCOTT HICKOCK Fridley

- . Really have a lot of affordable housing in Fridley according to Met Council reqs for affordability.

KATE ATCHISON Richfield

- Richfield has a lot of "naturally-occurring" affordable housing (based on age/size of units), so we are looking for more market-rate rental and senior housing.

- A challenge we (and many other communities) experience is how to deal with our aging rental properties. The majority of rental units in Richfield were built in the 1960s, and are all aging at the same rate. There aren't any good financing tools to help update them, and if they change owners the rents will go up.

NOTES SECTION 3

The main thing that needs to change to for us to do the kind of healthy, affordable development we want to do is attitudes. If the suburbs have the desire, all the other stuff will fall into place. The other thing that would need to happen is for the Met Council to put the screws to communities that aren't doing healthy, affordable development. Punish bad behavior, reward good behavior. -Chris Wilson

"If you have the desire to provide housing for everybody, or at least for a reasonable range of your citizens, then you're going to find a way to do it.

"[An 80% market-rate, 20% affordable mix]

"I think equitable development is the ability to put something in, in a community that needs it, and then to be able to make it affordable to the people that live there...It should be located in a specific area where they can access the opportunities to better educate themselves, to find jobs if they don't have jobs, or to more easily get to their jobs without breaking their budget. Some of the more affordable housing, for a long time, was on the outskirts of town, but you would pay just as much money to drive in or to pay for parking." -Elise Durbin, Transit Oriented Development Program Manager, Hennepin County

-community response and mitigation strategies

PAT ELLIOT

- When you require some percent affordable units, you're not aiming for them all to be efficiencies. You want 2 and 3 bedroom units that are affordable for families. And those are the profit hogs for the developer.

Met Council gives municipalities too many ways of measuring affordable housing- it meets the cities' needs, not the needs of the people who need affordable housing. Met Council is being really careful about trying to enforce anything - they're not a favored political entity and they are in danger of being disbanded.

CHRIS VELASCO

Anywhere there is a single purpose to something, it could be done better if we break down silos and think more comprehensively. Example- Chris had a conversation with MHFA about doing more environmentally sustainable housing, and they said if it costs more, we won't support it. He said "Here's the thing: you are the state. This year, you spent a record amount of money paying low-income people's energy bills. And now you won't allow me to do a development that will lower their energy bills. You look like you're doing a better job because you're passing the expense onto the agency that pays energy bills." This is the silo problem. If we brought the agencies together, we could do better as a state, not just as a department

MHFA very interested in making units low cost so that they can get more of them. MHFA would meet their goals better if they expanded their requirements. Affordable housing is a tool for affordable living. We've mistaken the tool for the outcome. How effective a tool is affordable housing for affordable living? Because real estate is

expensive in the core cities, affordable housing goes out to the periphery, and then people are forced to drive. There might not be a grocery store in their neighborhood so they don't have access to healthy food. There's a tension with locating where land is more affordable, and then having higher food and transportation costs for residents. You build less sustainably to save money, and then residents have higher energy and water bills. PLACE is about affordable living.

- There's a bill to increase the LIHTC funding by 50%. We've been falling behind year after year on affordable housing. That would change the equation dramatically. Part of access and equity and cost comes down to the amount. Scale is a factor. If you're able to do more, typically you're able to do it more cost effectively. If there are 95 market rate units and 5 affordable units, those 5 units don't effect market rate prices at all. If 60% of units are affordable, that makes a bigger impact. How high the market rates can go is driven by the availability of the lower end of the market place. It pulls the cost of the market rates downward and makes everything more affordable. We need more resources to do that.

MIKE WALDO

Mike Waldo, Chief Financial Officer at RonClark Construction, took New Hope city council members on a tour of three similar developments. "They went from really strongly supporting it to being advocates over night when they saw what they were actually going to get delivered to their community, and the quality of the construction and the product. They were supportive before, but then after that, it was like 'how soon can we get this in the ground? Let's go!'"

KATHI HEMKEN

- The development fits in very well. When the development opened there were 70 people applying for 68 units, which tells you something. The developer got a federal subsidy to put in some very nice high end things that they would have been able to do without the subsidy. The property management is key of a development like this. All the people moving in have been checked out. She asked the church across the street in Brooklyn Park to adopt the apartment complex (residents have gone trick-or-treating there).
- "There were 700 people applying for those 68 units. That tells you something."
- Community engagement: the neighbors had a holy conniption. What was there was pretty low level housing, the people managing it were not doing a good job, a lot of police calls. It was despicable. When the neighbors first heard about the project they all threatened to sell their homes, but not one did. People renting houses were opposed to renters.
- They had a couple of public meetings at the site. They have public hearings so that they squelch rumors. She conducts the meetings such that everyone can ask their questions and get answers. They had an open house before anybody moved in and knocked on doors to invite community members so they could see the quality of the building. Once people moved in, they invited the community back in to meet people. The white people, Somalis, etc were sitting in their own circles. So they made people stand and introduced people to each other.
- Whenever you build a multi-family unit, they first thing people think is that it will be 100% section 8 housing- city doesn't have any control over that. The second thing is- "I don't want those people moving into my community." I'm sure they think we're flying them in from Chicago. When people use that term she stops and corrects them. She says they're people like you. New Hope Human Rights Commission is doing an initiative on getting to know your neighbors- it actually cuts down on police calls when they do that. The diverse community needs to understand the "nice little white guys" and vice versa. The first meeting for the development people were using the term "those people" and people don't do that

anymore now that they know them. Compass Pointe has a seven foot wall that separates them from the neighbors, but city was forced to do that because people were just hysterical. She doesn't know how else to fix that problem and doesn't think they ever will. The fence really segregates them from the neighbors.

- Breaking down barriers and addressing questions straight on made a big difference. There's community spirit there that wasn't there before. It's really about communication- everybody wants food, good schools, safety. They all want the same thing and we're trying hard to get that through to them.
-

CHRIS WILSON

- The project came to him as a problem, and that's not unusual at all. Cities use PPL to take care of problem sites- did the same thing in New Hope. Neighbors welcome it in that case.
-] . Contradiction: MHFA gives you points for being cheaper, which drives you away from transit, and points for being near transit, which makes the project more expensive. Chris thinks they shouldn't consider up front cost so much and should build near transit- they should be able to do what's best for their clients over the long term, and it'll cost what it's gonna cost. It'll save in the long term to do transit oriented development not located on a greenfield.
- He looks for places where people can walk and take transit, because PPL's population has less money. It's even more important to his population than other populations because of cost of driving. Everything they're doing in the cities is transit oriented. Try to work with suburbs on having a robust public transit option, having a walkable spot.
- What's missing in the equation is the amount of capital. That is the choke point. That's why MHFA is so sensitive to cost. They should look at it as a 50 year investment. Look at what you save over the life of the building. You'll get more units that way because you won't have to recapitalize them. Same thing with the locational choices. Don't put it out in the suburbs because the cost of transportation will soon be so high for residents, you're crippling the people you're trying to help. Spend the money now for walkability and transit.
- (Off the record- MHFA pretends like LIHTC scoring is all points, but there's a fair amount of judgment in there) They have been ratcheting up points for TOD, at the same time they're trying to cut points. Everything can't be a priority. As soon as lowest initial cost becomes your driver, decision making becomes skewed. He understands the MHFA needs to control costs.
- Doesn't make sense that you get more points for lower soft costs. Soft costs include everything that isn't construction- architect, developer fee, environmental clean up, engineering, cost of borrowing money. Would make sense to get more points for lower developer fee- that would be more direct. Under current rule, don't want to do things on a polluted site, have to squeeze the architect, have to go with cheap short term financing instead of long term financing. End up having a more expensive project overall in order to reduce soft costs. And that kind of thing is the difference between having and not having a project. It's very competitive. MHFA policies really critical.
- Richfield- 5 years ago blocked a PPL project. Hopkins is the best, New Hope took a left turn, St. Louis Park planning/inspections are well known as insane and other staff are probably ok. He's most nervous about Richfield- other cities are pretty reasonable. The electeds are usually the problem. Richfield- wanted to do a charter school, community center, and housing complex- "the Center for Living and Learning." Site was an undeveloped cemetery, they were completely willing to sell. City didn't want to support charter school even though it was outperforming public schools-with students with English as a second language. Didn't want 100% affordable housing, wanted mixed income. But the financing and market conditions make that next to impossible in Richfield. The perfect annihilated the good enough.

- The main thing that needs to change to for PPL to do the kind of healthy, affordable development they want to do is attitudes. If the suburbs have the desire, all the other stuff will fall into place. Political courage is not completely missing in the world. There have been examples of politicians standing up to the neighborhood and getting out in front of the population.
- The other thing that would need to happen is for the Met Council to put the screws to communities that aren't doing healthy, affordable development. Punish bad behavior, reward good behavior.
- Designate sites as affordable housing and supportive housing. There's no place he can build supportive housing where it is within the code. Let's have some reasonably decent places slated for affordable and supportive housing. The uncertain process creates costs and risk for affordable housing developers. Zoning would give the city something to hide behind. Would make it so he doesn't need neighbors support for the project.
- More of a systemic approach needed from the state as far as budgeting. Saving money for the state on emergency medical bills through supportive housing doesn't help you get money for supportive housing. Saving another department money doesn't give MHFA more funding.
-

JASON GADD

. It's important to show the neighborhood that it's not a bad thing to have more flexibility, more options. People will bring up questions, and once we answer them their mostly happy.

SARAH MAASKE

Most developments are required to have 5-10% affordable housing if they get city funding for the property. That policy is terrific. There is a misperception about what affordable housing is, which is one of the biggest barriers. People immediately think affordable housing is section 8 housing, and they do not want section 8 housing. She thinks section 8 housing has its place. You have to explain that affordable housing would actually benefit someone making her income.

We need to work on how we talk about affordable housing. Once you say those words, people don't hear anything you say afterwards. They have a perception of affordable housing in their heads. Can we call it something else? What can we call it that doesn't have a stigma associated with it?

-MHFA suggestions

-Zoning for affordable housing

-Use for problem properties

-Concern that subsidy is not deep enough

CLAUDIA JOHNSTON MADISON

- Surprised at how high your income had to be to afford "affordable" apartment

KATHI HEMKEN

- Workforce housing is a weird term for low income housing, because high paid people are workforce too. They changed the name because of the stigma with low income housing. Also affordability is tricky- if you're making \$1200 per month, \$800 rent is not affordable to you.

KAREN BARTON

- One example is a very high density MFH that was 100% affordable that was plunked down into a SFH neighborhood. Karen doesn't support 100% affordable housing when there are more than 11 units because of the stigma that becomes attached to the development.

Joe Hoover- 18:00 quote

-Financing barrier

-Inclusionary housing policies

SEAN WALTHER

- Has inclusionary housing policy requiring 10% of units to be affordable at 60% AMI or 8% of units affordable at 50% AMI.

SEAN H O

- there's no strict enforcement of inclusionary housing. It's negotiated each time.

CHRIS VELASCO

Mixed income is a piece of social justice. The poor door is the wrong way to approach mixed income. Current policy encourages segregation on the basis of income. Mixed incomes give people an opportunity to live in healthier communities. Healthier neighborhoods, social cohesion.

You must build all affordable units to the luxury standard, or you have to outfit luxury units to affordable level. (MHFA requires that) That doesn't work for the business model. In a very desirable location, the ground is too expensive to build any affordable, and the subsidies won't get you over the hump.

- Community engagement: There are now tools and technology that allows them to leap over geographical boundaries. Now they can include people who are living in other areas. They stream events live, have an interactive website. It is still difficult to reach people who don't have technology. That group can be reached only locally. They're still struggling with this. If they don't make an effort to reach people, whoever is there is setting the agenda. Sometimes elected will get out in front of people and approve a project despite opposition. In SLP they're working with Perspectives and the neighborhood community liaison, looking at bigger events they can attend. It is a struggle to reach people who aren't already engaged. Surveys are another tool to get people's voices and opinions. That also gives you demographic information you can't get just from looking at people. Their name stands of Projects Linking Art, Community and Environment, and the community and linking parts are the most time intensive aspects of what they do. They spend a lot of time doing outreach and casting a wider net. SLP process about the same as every community- start out with a small group of people who care about what happens in their neighborhood, and just keep widening that circle. It's not unusual for PLACE to have 100s of meetings. That's much different from the regular development process. In SLP there's been a little bit of pushback around traffic but overall it has been positive. City has been incredibly supportive. PLACE has a high tolerance for pushback- it's part of the process, and demonstrates the integrity of the process. Taking criticism, listening, making adjustments means a lot to people. City is used to far fewer meetings and were surprised at how early and how often PLACE wanted to engage them. People have passionate views about their homes, children, lifestyles, and anything that comes along that represents a change is threatening. We do so much engagement so that they can see that it's not a tradeoff between doing this

project and not doing it, because some kind of project is going to come along either way. What they can come to see is that our project can get better and better, and become more of what they want. You can't do that in a few meetings.

PAT ELLIOT

The developer will agree to 20% affordable, then 6 months down the road the developer will say your comprehensive plan or zoning won't allow enough density to do affordable so we have to cut that out. If you force us to do affordable we'll save money by backing out. The city wants to see investment happen, and it's already devoted months of staff time to the development. There are very few councils or staff that believe it's a viable option to force the affordable piece and risk losing the whole development. "That's where the tension always comes up- Everybody has the same aspirations, and the best hopes and intentions, but economics and the realities of development gets in the way sometimes." It causes you to not hold the developer's feet to the fire. More often than not, the municipality acquiesces to the developer.

SECTION 4

-definite shift towards wanting walkability

-developer recognition of market shift, sometimes implementing principles like entrances from units onto the sidewalk, however a long way to go on ped oriented facades

-some cities are ahead with development of downtowns

-underlying all: can't get rid of cars yet, but want walkability= tension

Given this difficult dynamic, how can cities move forward? One possibility is for elected officials to take the political risk of investing in pedestrian and bike infrastructure and approving higher density projects, with the knowledge that once these changes happen, neighbor opposition is likely to die down considerably. Richfield, for example, has seen vigorous opposition to sidewalks dissipate post-installation. **"76th Street is probably the best example of a sidewalk that was not wanted by the immediate neighbors but was built anyway. People like it, people use it all the time, and it's fine. It's getting through that transition and getting the political will to make that happen...After it's in people do realize the value of it,"** said Sean Hayford Oleary, Richfield Planning Commissioner.

"The conversation around sidewalks in SLP is toxic, horrible- blows her mind that it's that bad. With the implementation of the sidewalk plan, there was so much vitriol coming out of the neighborhoods. When you actually looked at the plan it made so much sense- it was connecting everything. IT was stunning to her how much people hate sidewalks. Some people actually think it brings crime into their neighborhood. Actually, sidewalks make it safer because more people are out walking." Sara Maaske

Claudia:

- What makes a development wonderful- West End, for example, was laid out for the human scale. All the parks and pathways that went into that make it feel walkable. That's so important to people today. People get on the road and deal with traffic on their commute, and you just don't want to have that same thing when you're going to the grocery store or to dinner. And even more so for people in apartments. In a SFH you can enjoy your backyard. It has to do with what makes you whole as a person- blending nature

and greenspace and butterflies and birds with the concrete. The Bridgewater development is nothing but concrete and brick and glass. Same thing with Bally's. They're trying to put too much in one square block, and you didn't get a feeling for the human part of it. I don't have an objection to height, but I'm concerned that it looks human scale and has green space around it.

Ryan Kelley

- We're in this transition of wanting people to not use cars- wanting reduced parking, transit availability- but we're not quite there. You still need a car because there's not enough density of uses, transit availability. (11:12) That's why we have a lot of friction. We're kind of at that tipping point of having the option to not have a car or reduce car use. (12:03) It's growing pains- we have to keep pushing at it until you tip over the peak. We have to be careful about where it happens. Not everywhere in every community is going to be a mixed use main street. We've got to be incremental in our approach. One size doesn't fit all and we need to be a little more sensitive to that, but also not use that as an excuse to not push. (13:57) I see that being used sometimes.

"For the council, the vision is what we are living out, which is dense, smart growth, transit, connect the park process to create sidewalks and trails. Each council member has to take the hit as the connect the park plan gets implemented in their ward. On one major street, when she voted to put in sidewalks they put up signs up and down the block for her opponent the next day. And now you walk there, and it's absolutely blended into the neighborhood and its heavily used. The market would indicate that the vision that we have is an attractive one. I

- Sidewalks- in two terms of city council she regrets two votes- both against sidewalks. Connect the park plan- staff came up with a system of community sidewalks- intended to be at least every quarter mile- and neighborhood sidewalks. Wanted to make sure connections between sidewalks are in place, everyone is within a quarter mile of a sidewalk. Unfortunately they spent much of the first year taking sidewalks off the map. The streets and sidewalks in front of someone's house are not for that homeowner- they are for everyone else. So we took the assessment off of the individual and made this a city cost, a city investment, which helped in framing what we're doing and why. It also helped mitigate the impact on the individual. Staff put the grid together, the council weighed in. Now we're going section by section through that plan. Getting lots of input. The engineer, Jack Sullivan, when this is done he should have a statue erected to him in one of these sidewalks. He is the best emissary imaginable- he is calm, he directs the contractors to mitigate impacts as much as possible. The sidewalks are meandering, going around people's trees, gardens, etc. Good staff matters. Someone who was scratchy in their customer relations- that would not have flown." Anne Mavity

Sean Walther:

- there is robust opposition to bike/walk facilities. Each project is its own battle. Once they're installed opposition dies down.

Kathy-8:50

- The city struggles to figure out who pays for a sidewalk installation- all the citizens pay for the streets- but they can't make all the citizens pay for a new sidewalk. She doesn't see that changing, and it really

restricts walkability, especially if you've got a wheelchair or a walker. Sidewalks will happen in the parks. They haven't put in a new sidewalk in so long she doesn't know what the policy is on who pays for it. Path/sidewalk installation all comes down to money. When they look at how much it costs to maintain the streets, the thought of putting in sidewalks doesn't fit in the budget. And they don't want to ask taxpayers to pay for something they don't want.

"We don't assess for street repairs- it's part of their taxes- and so to put in a sidewalk, it's hard to count that as part of the streets, because all of the citizens pay for the streets through their taxes. Now we're going to put this sidewalk in front of a group of houses. Do we assess the group of houses? Well they don't want the sidewalk. The sidewalk is not for them, it's for [others in the community], but they're not going to pay. "It's really difficult for us to figure out who pays, so I'm guessing sidewalks all over the city are not going to happen...A lot of this comes down to money and who's paying...when we look at our streets and what it costs to keep our streets up, the thought of putting in sidewalks just doesn't fit in the budget. And getting the residents to pay for something they don't want in the first place doesn't fit in the budget"

It's a hard thing to do when you don't have precedent for it. In the city and the newer suburbs the neighborhoods have sidewalks and people think it's a good thing, it's just this weird in between area where they were never built. It's hard to convince people

Chris velasco

- PLACE wants to give people lots of different options so that they don't have to own a car- creating live and work space, LRT stop, three bus stops within ¼ mile, shared cars, bike trail, Nice Ride. You get savings, health benefits, local economy gets a huge boost. They met with Gene Tierney of Car Free Life.org. Biggest expenses of a car- manufacturing and fuel- are not things MN produces. People using other means of transportation keep more money in MN economy. A vehicle costs thousands of dollars a year, even more so for the people who can't afford a great vehicle and have to spend money on repairs. How can we make financial health and physical health overlap?

Ryan Kelley: Get hung up on the sidewalk issue. Sidewalks can be a safe place to walk but what are they connecting. There's the more recreational active living and then the more- we want people to do daily activities without a car. But it doesn't matter if the commercial is a mile from the residential. What kind of things are along the path to make the walk interesting? The conversation needs to shift to think more about proximity and land use. (10:17)

"Sidewalks can be a safe place to walk but that doesn't mean that people are going to use them

Joe Hoover

- The 1950s was an anomaly. We are going back to pre-war style development that is walkable, denser. The "Old Glories" are opposed to sidewalks, bike trails. The only way attitudes towards sidewalks are going to change is through attrition (aka older people dying off). Millennials do not have the same mindset as the Greatest Generation. We've got to develop small, neighborhood commercial centers that are walkable.

SARA

- Talking about walking and biking and sidewalks and those kinds of things, they do have conversations with the neighborhood before they bring the sidewalk sections forward. One of the limitations of what they do is they only invite the neighbors. They only invite those who are directly affected. She's said that

they need to tell us about these things so that we can show up and be proponents. If we're truly putting sidewalks out as a community benefit, then we really need to treat it that way and invite the community, not just the people who live in proximity. She's on the Connect the Park listserv. They almost always send a notice to that list, but they send it out 24 hours before. They do a direct mail to the people who they directly invite. That's very frustrating. She could turn out supporters. One of the city engineers is in charge of the connect the park plan. Cities are a little wary of too much community engagement because they're afraid, because in their experience people come out in opposition. The broader they make it the more challenging their job will be.

- SARA
- There are no future plans for sidewalks in her neighborhood, which is frustrating. There are segments of sidewalks, but not completed sidewalks. She has to walk two blocks in the street to get to Excelsior. In the winter, it's slick, dark, there are cars. She plans on arguing that this development is a good reason to put sidewalks in her neighborhood. We should design the maps to show how sidewalks are connecting different elements, because people don't seem to get it. They think you're bringing in crime, you're taking my property. Any new construction required to have sidewalks. Once people are resigned to the fact that there will be development, they will ignore it unless it's causing any particular pain.

Karen Barton

- City passed a Complete Streets policy 3-5 years ago- they call it "Sweet Streets." Staff really pushed for that (even pushed new Honda and Audi dealerships to put in electric charging stations and bike parking). All at the city support it. Mixed support from the community. Older residents oppose sidewalks, bikelanes, roundabouts. Younger residents demand walking facilities. With time there will be a turnover towards walking.

Sean Walther:

- City has had to put what it desires as far as site design into ordinances. 10% parking reduction near transit, bike parking (1200 racks were added in 5-6 years), shared parking, allowing on-street parking to count towards requirement. Many rules/allowances are buried in the code and not obvious, like reduced setbacks, reductions in FAR, structured parking. Developers are having to get creative because there's not much space available- they're doing a lot more rooftop amenities.
- Amenities, siting, orientation, parking location, design elements, placing building close to street, mixed uses important for active living. Biking is considered an amenity and developers are attracted to trails. Shift towards biking becoming important in market, and developers are upgrading bike facilities in reaction to market shift. City is trying to create a city wide network of sidewalks and a ½ mile grid network of bikeways.

PAT ELLIOT

Walkability is not walking from Wall Street to Central Park, but living in a neighborhood where you're within 1-1.5 miles of a lot of things you could walk to with friends and family. It's having a sense of neighborhood identity. Walkability is more about the neighborhood than the whole metro area. Sidewalks- Richfield doesn't have them, and there's every once in a while a push to put them in. I don't think that much about sidewalks. When they were talking about redoing 66th street, they took down 18 houses in his ward. We have bike trails that run parallel to 66th street. There are 25,000 cars that pass through that intersection every day. The serious commuter bikers/athletes will ride along there, but I don't want kids and families going up and down 66th street because there's too much traffic. They said there will be a buffer between the street and the trail. He said do you know

how quickly a car out of control can cover 20 feet? But the consensus was we want to make sure to rebuild a road for the future. They couldn't answer his question- if we're building a road for the future, why are we widening it? Do we want more cars in the future or less? Let's bring it down to three lanes so that cars don't want to be on 66th. He was a lonely voice in the wilderness.

Chris Wilson

May not have an exercise room-part of it had to do with the cost limitations from MHFA, even though cost of exercise room is such a small part of the development cost. He wants to make exercising as easy as possible for the residents. Lack of an exercise room won't keep anybody from renting, it will just keep them from exercising.

They're redoing Blake Road, which currently is very auto oriented, to make it smaller, more bike/ped friendly. At the public hearing for the road, people came out and wanted the road even smaller, even more bike/ped friendly. But the community members didn't get their way. The city is "still living the 1960s-70s dream" of suburban office parks and the council wants to keep the road wide enough to handle the commuters to the United Health site. Thinks there is a mental shift that is now reaching the suburbs.

Put direct entrances into first floor apartments to increase eyes on the street, makes it easier for kids to get outside. Have done that at a couple other buildings. The idea is to liven up the street, make it more pedestrian friendly.

- Forced them to put in a sidewalk in front of the building, even though there are not sidewalks in front of other properties. That didn't make sense to him. You almost always put a sidewalk in.

Sean HO

- There's a strong preference for the way things are today regardless of what that current layout is.
- Around 43min- There's been no pedestrian advocacy group attempted. Bike advocates have done a little bit. It's hard to organize around. The most directly impacted people are kids, the very elderly, low income, low-English skills. It's hard to organize those groups. There's no real pedestrian champion on the city council, but they're mindful of it. A lot of things are negotiated rather than in ordinance, so who is at the table is key. There's a lot of informal input that goes into the final result.

Sean HO

- Sidewalks- like in many communities without sidewalks, they tend to be controversial. There's no requirement to put them in, but generally MFH and PUDs have to put them in. But he doesn't know that the requirement is formalized. When you rebuild a SFH, there's no obligation to put in a sidewalk. There's a silent majority, vocal minority. It's harder to organize around sidewalks than biking- people don't care as much. The minority is worried about impact on trees, cost, shoveling, and don't see any benefit in terms of being able to take people out of the flow of traffic. Even on 76th street, which is a collector street, some residents didn't want sidewalks on both sides- they saw one side as sufficient. There did end up being sidewalks on both sides. Now people like it and they use it all the time- it's getting that political will to make it happen, getting through the transition period. That's the barrier- once it's in people see the value of it. During the citywide repaving project, he suggested that the city try to do sidewalks as part of that- at least a sidewalk on one side of the street to create a network. Surveys have shown that a concern of parents in letting children walk to school is that there are so few sidewalks. So that suggestion inspired some support and a lot of opposition from the vocal minority. One person had this list of everything that would go wrong, including his potential hospital bills from the high blood pressure that

would result from people walking in front of his house. So there were these dramatic things. It's a hard thing to do when you don't have precedent for it. In the city and the newer suburbs the neighborhoods have sidewalks and people think it's a good thing, it's just this weird in between area where they were never built. It's hard to convince people. There is a good amount of consensus about building higher quality trails and sidewalks along major streets. That's the most critical because it's obviously not an option to walk on the street. Example- there was an opportunity to build a sidewalk at very low additional cost. One of the issues is that people make up their mind without having full information and then it's hard to change their mind. Ex, Richfield plows sidewalks, but people were opposed to it because they didn't want to shovel. There have been some SRTS installations in a few places. Part of the issue is the width of the street. They're 36 feet wide so there's room to put in a sidewalk if you're willing to give up parking on one side. You can just pull the curb out and you don't have to use blvd space. Even that has proven controversial. On one street the city offered to narrow the street to slow down cars, and people didn't want that. There's a strong preference for the way things are today regardless of what that current layout is. Nobody is educating people about sidewalks- bike stuff is more of an active mission of the city currently. In both cases it's about making improvements on major streets and building networks. It's not an aspiration of the city to have a complete network of sidewalks on every street.

- Bikeability- All the work is quite recent. Richfield started work on bikes in 2010 with bike master plan. There's been a lot of momentum around that since then. There's been investment from the regional level in terms of trails. There's a group of bike advocates but it's not a legal entity. Probably 5 core people and 300 people who follow them and get involved when they need to. We can do ordinances but major projects are PUD anyway. City staff is also doing things behind the scenes.

Claudia: We need to be realistic. Traffic is really the key. When they say people who take the lightrail will be dropped off- that's unrealistic when you look at the neighborhoods around the stations. It's utopia to think there's going to be enough families that someone can drop you off there and pick you up. Where are you going to park? In the neighborhood. That will be disruptive. I got involved in a lot of studies around these stations. There's no money allocated for parking ramps. Nobody likes parking lots. All this money for a dead piece of space.

Sean Walther:

4900 Excelsior Blvd (market rate and affordable, grocery store on bottom)

- Another step in the plan that produced Excelsior & Grand. Developer pushed much higher density. There was renewed opposition with this development- concerns about traffic. Concerns are part real, part imagined.

Sean HO

- With bikes, there is more of a mission, but it's still a politically sensitive issue. We're not doing anything radical for bikes- we'll just take the opportunities when they present themselves. Sometimes the motivation truly is bikes, but it's important to present it to show that there are benefits for motorists as well.
- Part of the issue is the width of the street. They're 36 feet wide so there's room to put in a sidewalk if you're willing to give up parking on one side. You can just pull the curb out and you don't have to use blvd space. Even that has proven controversial.

JASON GADD

Community engagement a big focus in Hopkins, and of Jason personally. He teaches other cities about how to engage residents. The Artery is a great example of getting public input. Turning a two block street into an enticing walkable, bikeable area was so foreign to established residents and business owners. It was hard for them to envision how a one-way street would work. Doing the temporary experiment, the feedback was so tremendous with thousands of people going through. That literally changed minds and brought key community leaders on board. Overcoming negativity barriers by showing them how things can work. Hopkins has also done that through street cafes- has grown from 1 to 3. The city had to overcome the parking impact. So far it's been overwhelming support- still have one or two businesses that view it as taking away their parking.

Ryan Kelley

It's key to understand the financial implications of building auto-oriented cities. (19:02) Boiling that down for elected and community members is important. Electeds listen to community members, people who are complaining (20:14)

KATHI HEMKEN

- Kathi would not walk to the grocery store, which is a mile away from her house. If she had sidewalks, a safe place to walk, perhaps she would. Now, she has to walk in the street until she gets to a major road where there's a sidewalk.
- Seniors don't feel safe walking in the city. They fear falling and there are not a lot of paths/sidewalks for them to walk on. 3 Rivers Park District is bringing in more trails. The new Hyvee across from city hall has been a huge boon to the city and a lot of people walk there. Hyvee built a path from a nearby senior living facility to the front of the store.
- "Could we do more? Absolutely. Where I'm finding we could do more is with our diverse population."
(1:41)

