The Big Picture is hosted by the Cities of Minneapolis and Saint Paul and Twin Cities LISC, and supported by the Central Corridor Funders Collaborative.
I-94 Construction Splits Rondo

In the 1960s, the construction of Interstate 94 destroyed Rondo Avenue and devastated the historic Rondo neighborhood. 70 businesses were lost and 400 families were displaced.

Credjafawn Co-op Store
678 Rondo Ave.
Ford Foundation
F.R. Bigelow Foundation
John S. and James L. Knight Foundation
Living Cities, Inc.
McKnight Foundation
Otto Bremer Foundation
Jay & Rose Phillips Family Foundation
The Saint Paul Foundation
Surdna Foundation
Central Corridor / Green Line by the numbers:

11 mile LRT corridor that runs between downtown Minneapolis and Saint Paul

$1 billion (transit investment - 2014 launch)

$3 billion in development activity since 2009

13,700 housing units created or in the pipeline

$20 million over 10 years – CCFC investments
• **Promoting learning** so decisions affecting the Corridor are well informed and far-sighted.

• **Building shared solutions** through learning, the creation of corridor-wide strategies and goals, innovative thinking, and effective implementation.

• **Investing capital** in strategies and policies and programs aimed at achieving corridor-wide benefits.
Goal:

To provide a coordinated set of strategies for the Central Corridor that government, community, finance, and development partners can work toward to achieve affordable housing options, and identify policies that will enable those strategies to succeed.
Corridors of choice and opportunity

**Positive placemaking**

Our investments in affordable housing must integrate anti-displacement and mortgage foreclosure prevention, market rate housing, small business opportunities and jobs, green space, good design principles, and positive placemaking.
Definition of Affordable Housing

Calculated in relation to the Twin Cities Area Median Income (AMI) which is **$82,900** in 2014

<table>
<thead>
<tr>
<th>Income (Family of 4)</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>$49,750</td>
</tr>
<tr>
<td>50%</td>
<td>$41,450</td>
</tr>
<tr>
<td>30%</td>
<td>$24,850</td>
</tr>
</tbody>
</table>

**Preservation** – Housing that will maintain affordability requirements for terms between 10- 99 years
Central Corridor / Subareas
Challenges

Managing information during the process ("democratized" raw data vs. processed data)

Establishing numeric goals – government partners were reluctant to prioritize or earmark investments for Central Corridor over other areas of the city (Minneapolis has multiple corridors competing for resources)

Who owns the plan? Who’s accountable for achieving the goals?

Collective action approach: How to move from planning to implementation without a ‘backbone’ organization?

Project Team

Government

Finance

Developer

Community

Community Engagement

4 corridor-wide workshops

Neighborhood focus group

Neighborhood focus group

Neighborhood focus group

Multiple strategies will be needed to achieve our goals

Key factors for considering affordable housing options

Preservation and/or Stabilization of Existing Housing

New Housing Construction

Affordable Housing Goals

Priorities

Policies

Market Strength

Affordable Housing Options

Resources

Land Availability
Central Corridor Affordable Housing Coordinated Plan

Objective I: Invest in the production and preservation of long-term affordable housing.

Objective II: Stabilize the neighborhood and invest in activities that help low-income people stay in their homes.

Objective III: Strengthen families through coordinated investments.
Objective I: Invest in the production and preservation of long-term affordable housing.

1. Additional transit-oriented development (TOD) resources
2. Value capture and tax incentive strategies
3. Opportunity sites – demonstrate equitable TOD
4. Strengthen nonprofit and public housing developers
5. Non-traditional development models
Central Corridor-wide Goals

4,500 TOTAL UNITS 2011–2020 (with expanded goal)

- 2,540 Units
- 1,960 Additional Units

Central Corridor Affordable Housing Baseline\(^1\)

Central Corridor Affordable Housing Expanded Goal\(^2\)
Objective 1: Invest in the production and preservation of long-term affordable housing

1,900 units in the pipeline (4,276)

Expanded goal by 2020: 4,500

Goal by 2020: 2,540
Objective 1: Invest in the production and preservation of long-term affordable housing

New and preserved affordable units by sub area:

- Downtown Minneapolis: 457 units
- UMN/Environ: 1,304 units
- Midway West: 50 units
- Midway Central: 108 units
- Midway East: 302 units
- Downtown Saint Paul: 154 units
Objective 1: How does new affordable activity compare to new market rate development?*

As of 2014, 12.3% of new units are subsidized affordable.

For every 1 subsized affordable unit added to the Corridor housing stock, 7 market rate units were added.

*Does not include preserved affordable units. Long-term affordability at 60% AMI.
Market rate and affordable housing projects: 2011-2014 with planned affordable housing pipeline

Red = market rate 2011-2014
Blue = affordable 2011-2014
Green = affordable pipeline
Objective II: Stabilize the neighborhood and invest in activities that help low-income people stay in their homes.

1. Mortgage foreclosure prevention
2. Home improvement loans / energy efficiency and weatherization programs
3. Reuse of vacant and foreclosed properties
Objective 2: Stabilize the neighborhood and invest in activities that help people stay in their home.

Reached!
Context measures:
Median rent, median EMV

Median rent on the Corridor for listed 2BR: +39% since Baseline
Median rent in MSP for listed 2BR: +13% since Baseline

Median SF-EMV on the Corridor: -11% since Baseline
Median SF-EMV in City of St. Paul: -15% since Baseline
Objective III: Strengthen families through coordinated investments.

Leverage affordable housing investments with the creation of jobs, small business opportunities, cultural institutions, public art, green space, and connectivity.
Central Corridor Affordable Housing
Coordinated Plan

Elements for further study

1. Property tax relief
2. Density bonuses
3. Community engagement and development review processes
Overview and Observations

- Importance of “Getting Out Ahead”
- Scale and pace of change
- Rental market vs. Home Ownership
- The Perfect Storm
- “Gentrifiers”

- Who Benefits?
For further information about the Big Picture Project, contact:

Gretchen Nicholls, Twin Cities LISC
651-265-2280
gnicholls@lisc.org

Or visit:
www.funderscollaborative.org/partners/affordable-housing-group/resources