



Southwest LRT Community Works Steering Committee

Thursday, July 17, 2014

1:30 – 3:00 PM

Council Chambers, St. Louis Park City Hall

Agenda

- | | |
|---|--|
| I. Welcome and Announcements
<i>Chair Jan Callison</i> | 1:30 to 1:40 PM |
| II. Approval of June 2014 Meeting Minutes*
<i>Chair Jan Callison</i> | 1:40 to 1:45 PM
<i>(Action)</i> |
| III. New Starts Submittal
<i>Kathryn Hansen, Southwest Project Office (SPO)</i> | 1:45 to 2:00 PM
<i>(Update)</i> |
| IV. TOD before the "T"
<i>Partner agency staff</i> | 2:00 to 2:55 PM
<i>(Presentations)</i> |
| V. Adjournment
<i>Chair Jan Callison</i> | 2:55 to 3:00 PM |

* enclosed

Please note: ***The August meeting has been cancelled.***

The next Southwest LRT Community Works Steering Committee meeting will be held on **Thursday, September 18, 2014** at the St. Louis Park City Hall at 1:30 PM.

**Southwest LRT Community Works Steering Committee
Roster (July 2014)**

Representing	Name	Member	Email Address
Hennepin County	Jan Callison (Chair)	Member	jan.callison@hennepin.us
	Linda Higgins	Member	Linda.higgins@hennepin.us
Hennepin County Regional Railroad Authority	Peter McLaughlin	Member	peter.mclaughlin@hennepin.us
Metropolitan Council	Jennifer Munt	Member	jennifer.munt@metc.state.mn.us
City of Minneapolis	Linea Palmisano	Member	Linea.palmisano@minneapolismn.gov
	Lisa Goodman	Alternate	Lisa.goodman@minneapolismn.gov
City of St. Louis Park	Anne Mavity	Member	annemavityslp@comcast.net
	Sue Sanger	Alternate	suesanger@comcast.net
City of Edina	James Hovland	Member	jhovland@ci.edina.mn.us
	Mary Brindle	Alternate	mbrindle@comcast.net
City of Hopkins	Jason Gadd	Member	jason@nexgenassociates.com
	Molly Cummings	Alternate	MollyECummings@aol.com
City of Minnetonka	Tony Wagner	Member	twagner@eminnetonka.com
	Terry Schneider	Alternate	tschneider@eminnetonka.com
City of Eden Prairie	Kathy Nelson	Member	knelson@edenprairie.org
	Brad Aho	Alternate	baho@edenprairie.org
Minnehaha Creek Watershed District	Dick Miller	Member	dickmiller@gmail.com
	Jeff Casale	Alternate	jasale@minnesotahomes.com
Minneapolis Park and Recreation Board	Anita Tabb	Member	atabb@minneapolisparcs.org,
	Meg Forney	Alternate	megf@visi.com
SouthWest Transit	Nancy Tyra-Lukens	Member	ntyra-lukens@edenprairie.org
Urban Land Institute-Minnesota	Caren Dewar	Ex-officio	caren.dewar@uli.org
Community Advisory Committee	Jeanette Colby	Ex-officio	jmcoby@earthlink.net
Business Advisory Council		Ex-officio	



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Southwest LRT Community Works Steering Committee

2014 Meeting Schedule

Meetings are held on the third Thursday of the month at 1:30 PM at the St. Louis Park City Hall, Council Chambers.

January 16

February 20

~~March 20~~

April 17

May 15

June 19

July 17

~~August 21~~

September 18

October 16

November 20

December 18



Southwest LRT Community Works Steering Committee Meeting Minutes

Thursday, June 19, 2014

1:30-3:00pm, St Louis Park City Hall

Meeting Attendees

Steering Committee Members & Alternates

Chair Jan Callison, Hennepin County Member
Linda Higgins, Hennepin County Member
Ann Mavity, St. Louis Park Member
Terry Schneider, City of Minnetonka Member
Dick Miller, Minnehaha Creek Watershed District Member
Jeff Casale, Minnehaha Creek Watershed District Alternate
Linea Palmisano, City of Minneapolis Member
James Hovland, City of Edina Member
Anita Tabb, Minneapolis Parks and Recreation Board Member

Other Attendees

Katie Walker (Hennepin County Staff), Karen Lyons (Metropolitan Council), Elise Durbin (Minnetonka), Janet Guthrie (Ramsey County), Louis Smith (Southwest Corridor Investment Partnership), Amanda Kappes (MICAH) Emily Goellner (SLP), Larry Blackstad (MCWD), Kersten Elverum (Hopkins), Kathryn Hansen (SPO), Meg McMonigal (SLP), Patricia Fitzgerald (Hennepin County), Kersten Elverum (Hopkins), La Shella Sims (MICAH), Vida Y Ditter (ROC/BMNA), Michael Krantz (SPO), Kim Koempel (SPO), Janet Jeremiah (EP), Cathy Bennett (MN/RCM), Scott Ochsner (MEDA), Sara Schmitt (KLD), Kathie Doty (KLD Consulting)

Guest Panelists

Janet Guthrie, Yingling Fan, Louis Smith, Aaron Corcoran (for Mike Christenson)

I. Welcome and Introductions

Chair Callison convened the meeting and reminded committee members about the recent opening of the Green Line (Central Corridor). She referred to a recent news article about significant development that is occurring along the Green Line. Next, Chair Callison provided updates on the municipal consent process; Hopkins is the first city to take action on municipal approval; Minnetonka is expected to take action next week; Eden Prairie has postponed action until July 14; St Louis Park is planned for July 7; Minneapolis has not scheduled their action yet. Two public hearings have been held by Hennepin County and the resolution to provide municipal approval was introduced past Tuesday and will likely be taken up the following week. Attendees also received a copy of the Equity Statement developed by a number of different groups interested in equity along the planned Southwest LRT line.

II. Approval of May 15, 2014 Minutes

Chair Callison noted that the draft minutes that were previously distributed had been corrected to show that member Linea Palmisano attended the May meeting. The minutes were moved, seconded and passed on a voice vote.

III. Panel Presentation and Discussion: Connecting Transit, Jobs and Workforce Development

Chair Callison introduced the panel members: Professor Yingling Fan from the University of Minnesota, Janet Guthrie from the Ramsey County Managers Office, Louis Smith with Smith Partners PLLP, and Aaron Corcoran, filling in for Mike Christenson from MCTC.

Panel members presented overviews of their work around job creation and increasing access to jobs.

Mr. Corcoran began with background on his work with Mr. Christenson on MCTC Works, a job connection program for students with an associate degree; the goal is to connect students with jobs after graduation. Mr. Corcoran asserted that approximately half to ¾ of jobs along the planned SW line could be filled with associate degree positions.

Professor Fan introduced her research work on accessibility benefits associated with transitway investments. One finding was that the Hiawatha line has had a significant and measureable positive impact on regional job accessibility. Professor Fan also emphasized that job creation near transitways is as important, if not more important, than developing new housing options. Louis Smith discussed his work with private institutions and how they can align their investments strategically along the corridor. He noted that business interests are not about charity but rather focus on long-term strategic interests. He works with the Southwest Investment Partnership, which is focused on connecting to future workforces through investments in the transit corridor. Janet Guthrie discussed how our regional transportation systems are not currently serving the low-income communities well. The Corridors 2 Careers project addresses a lack of connections between low-income residents and job opportunities in the Green Line corridor. Ms. Guthrie noted that a majority of residents surveyed had no knowledge of the workforce resources available to them.

Chair Callison started the discussion by asking Committee members for questions and comments. Terry Schneider questioned, given that we're looking at a future shortage of workers, why there's not more coordination and focus on developing long-term strategies. Janet Guthrie agreed that there are many stakeholders working on workforce development and a fragmentation of effort. She also noted that employers often do not see the benefits in or are ambivalent about investments in better transit infrastructure, while workers see a need for better access to jobs and better transit options. Anne Mavity commented that her experience indicates that disconnects between jobs and the workforce are related to education. Aaron Corcoran responded that many students have developmental needs that require extra effort. Ms. Fan said that employers should be motivated to locate along transit corridors, for one reason, to make them more attractive to young talent. Even though a majority of workers drive cars to work, they still want to live in a metro area that is well served by transit. She also noted that many employers in our region are unaware of regional plans to develop a system of transitways.

Louis Smith talked about two kinds of issues: those around regional economic competitiveness, and those related to addressing the mismatch between available jobs and available workers. Mr. Corcoran said that his analysis showed that there are lots of jobs in the Southwest corridor, but the question is whether we can get people to them efficiently. Ms. Mavity asked about what local government leaders should do to support a better match. Ms. Guthrie responded that there are significant gaps in knowledge and understanding between the public and private sectors around workforce development issues, and therefore, there is a need to find more ways to communicate and to work together. The Committee discussed a number of other issues around workforce development with panel members.

Chair Callison wrapped up the panel discussion, then concluded the meeting. She proposed that the August 21st Steering Committee Meeting be cancelled. The next meeting will be held July 17, 2014.



Agenda Item III – New Starts Submittal

Steering Committee Action Requested:
Information

Background/Justification:

Kathryn Hansen from the Southwest Project Office will provide an update on the progress of the Southwest LRT New Starts application that will be submitted to the Federal Transit Administration (FTA). The presentation will focus on the Land Use and Economic Development sections of the application. Steering Committee members will have an opportunity to provide feedback that will inform the continued development of the New Starts application.

Previous Action on Request:

Recommendation:

Financial Implications? None

Are These Funds Budgeted?

Attachments:

Comments:





Agenda Item IV – TOD Before the T

Steering Committee Action Requested:

Information

Background/Justification:

Staff from Southwest LRT Community Works partner agencies will be presenting on activities that have been taking place to prepare for the arrival of LRT in the Southwest Corridor. The cities along the Southwest Corridor, along with other agencies such as the Minnehaha Creek Watershed District, have been planning for LRT and working on projects that will lay the foundation for future transit oriented development (TOD) opportunities.

Previous Action on Request:

Recommendation:

Financial Implications? None

Are These Funds Budgeted?

Attachments:

Comments:





Updates

Steering Committee Action Requested:
Information

Background/Justification:

- Summary of Panel Discussion at June 2014 Meeting
- ULI-MN Housing Summit Summary
- Family Housing Fund Handouts
- Be the Match Ground Breaking News Release

Previous Action on Request:

Recommendation:

Financial Implications? None

Are These Funds Budgeted?

Attachments: TBD

Comments:





Southwest Community Works Steering Committee
Summary of Panel Presentation and Discussion on June 19, 2014

Panelists:

YINGLING FAN

- Associate professor at the University of Minnesota's Humphrey School working on regional planning and policy, and works in the fields of land use, transportation, social equity, and public health
- Recent work focuses on employment accessibility and social mobility, regional economic competitiveness, transit development, along with access to green space and opportunities for healthy physical activity, all informed by a strong social equity perspective
- Holds the title, McKnight Land-Grant Professor—a special award that recognizes and honors the University of Minnesota's most promising junior faculty

JANET GUTHRIE

- Worked in and consulted with numerous public, private and non-profit entities for 30 years
- Currently serves as Senior Policy Analyst in the Ramsey County Manager's Office and recently completed a three-year demonstration project through Corridors of Opportunity initiative
- A trained mediator and facilitator, and has worked with communities of color – specifically American Indian and African American communities – on issues of equity, racial disparities, and access to opportunity

LOUIS SMITH

- Attorney at Smith Partners PLLP, where he devotes his law practice to public private partnerships and water resources law
- Counsels partnerships of corporate and local government leaders in the Phillips and Cedar Riverside neighborhoods of Minneapolis, and the Midtown-Lake Street, Central, and Southwest transportation corridors (Southwest Corridor Investment Partnership)
 - With partners that include Allina Hospitals & Clinics, Children's Hospitals and Clinics, Fairview Health Services, Health Partners, United Health Group and several others
- Chaired a task force convened by the Minnesota Environmental Initiative to develop a partnership model to promote Minnesota's Green Economy



AARON CORCORAN (substituting for Mike Christenson)

- Lead Developer of MCTCWorks Pathways, a best practice career pathways tool currently in development that will share accessible, real-time workforce data across Greater Minneapolis-Saint Paul
- Works with individuals and organizations to help ensure that policy makes a positive impact in lives and communities
- Assists students with the process of finding and applying for jobs

Summary Points from Presentation

Mr. Corcoran

- Hennepin County is part of the MCTCWorks initiative that is intended to connect people to jobs
- Along the Southwest Corridor Line, Mr. Corcoran estimates that approximately half to $\frac{3}{4}$ of existing jobs could be associate degree positions
- There is a need for training pathway, hands on training programs, such as Central Corridor Fellows (C3F)
- Those interested in connecting people to jobs need to take into account the developmental needs of students in addition to the opportunities these programs would bring
- We need to make intentional connections and start to put systems in place to support hiring of MCTC students

Professor Fan

- She has conducted two research projects around transitway investments that focus on accessibility benefits; implementation of the Hiawatha Line and the 2010 & 2030 Transitway Network provided by Metropolitan Council
- Findings from the Hiawatha Line research: the significance in connection areas that offer bus routes and regional job accessibility by transit increased by 30%
- 2030 network research showed that job accessibility could increase by 7%
- Another finding is that there is a need to develop both job centers and housing around transit stations in order to optimize transit benefits

Mr. Smith

- Work with private sectors is not about charity, the focus is on long-term strategic interests of businesses
- Anchor institutions, such as higher education and medical are great potential partners for long term conversations because they are likely to remain in current locations



- Healthcare business and workforce connections; many studies have been done on how to strategically maintain the rates of people staying in their current care settings
- We need to focus more on diversifying the workforce to reflect demographic changes in our community
- Significance and need for training pathway programs such as the Augsburg Fairview Academy
- Strategies used to assist young people in envisioning themselves in such programs:
 - Scrubs Camp, a summer camp that works with hospitals to show high school students a potential career path
 - The partnership with MCTC and St Paul College in the Central Corridor Fellows (C3F) program where efforts are being facilitated to align first year students in these health career program pathways with employers who operate within a mile of the Green Line for worthwhile part-time jobs
- The Southwest Investment Partnership has showed interest in connecting to workforce to jobs through investment in the corridor

Ms. Guthrie

- Transportation systems are not currently serving the low-income communities very well
- Corridors 2 Careers project aim is to address the lack of connections with low-income residents and the corridor and to better align resources and make connections
- Surveys of Green Line residents and business owners show that 87% of residents had no knowledge of the workforce resources available; though employers seem more aware of such
- Opportunities to open access to the low-income communities are being missed
- The way jobs are posted impacts who applies; people do not want long commutes for work
- Labor market information about employers is very out of date and the particular needs and interests of the employers can be difficult to grasp

Discussion with Steering Committee

Anita Tabb requested a follow up with Ms. Guthrie about the work being done to create connections between employers and workers. Ms. Guthrie directed committee members to the packet summary brief on creating these connections. Ms. Guthrie said outreach is continuing and becoming stronger but that we need to continue to work with a variety of leaders and entities to ensure that change occurs. Mr. Corcoran then reinforced the developmental needs of students. Both panelists emphasized the



difficulty of communicating with businesses and learning their needs.

Mayor Schneider raised the issue of a fragmented system for training people for jobs and the need long-term strategies. Ms. Guthrie agreed and reflected on the importance of post secondary institutions as discussed by the panel. Professor Fan mentioned how major Twin Cities employers are concerned with the aging workforce, and also acknowledge that, while their employees do not use transit, they value living in an urban area where good transit options exist. Professor Fan highlighted that business leaders understand that in order to compete with other regions for young talent, having a robust transit system is a smart strategy.

Chair Callison asked if there should be a greater focus on jobs along the corridor. Professor Fan mentioned how job creation is an important factor in making a transit line successful, especially in conjunction with creating a range of housing options. However, she also mentioned that a major benefit of the Southwest Corridor Line is how it will connect workers to major employers already in place. Professor Fan stressed how conversations need to be facilitated with the business leaders to strengthen their knowledge of the benefits involved in the line.

Mr. Smith offered two points: we should be encouraging employers to locate in the corridor through marketing efforts, and we should emphasize the benefits of using the transit system to make connections to housing development, job accessibility and job creation. Chair Callison raised the issue of the impact of long commutes. Ms. Guthrie responded that there is a mismatch between job creation and housing development and how this needs to be addressed and acknowledged.

James Hovland questioned if there is data on the jobs along the Green Line that are available to workers with associate degrees. Mr. Corcoran replied that we don't know at this time but stressed the significance of making intentional connections and starting conversations to put systems in place. Professor Fan brought to attention of the committee that data is available through MN Department of Education and Economic Development. While she hasn't had a chance to personally review the data, she reported that it shows that 30% of jobs along the Green Line are in the areas of healthcare and social assistance.

Addressed next was the importance of engaging human resources (HR) professionals. Mr. Smith mentioned this as a step that should be taken to connect with businesses on workforce development. Ann Mavity asked the panelists what role they thought cities and counties could play to support workforce development. Ms. Guthrie responded that economic development and workforce development are on two different life cycles. Because of that, if we want workforce services to be responsive to economic development needs, we need to do a better job of sharing information. Cities need to



communicate more about what's happening in their communities and what initiatives they're undertaking. In response to a question about where and how connections can occur, Ms. Guthrie offered that, for the Green Line, a project team with economic development and workforce development people met and learned from each other.

Professor Fan offered that surveys of developers showed that developers prefer more typical suburban development over transit oriented development, but they are also aware that there is a generational shift underway and therefore, they are interested in partnering with the public sector on development projects.

Linea Palmisano asked about the mobilization of the workforce and questioned if there was any insight into the number of people working remotely, and how this might relate to matching where people live and work. Professor Fan responded that there is anecdotal evidence that major employers want to make the best use of the land parcels they own near stations. Business leaders want to see transit investments occur more quickly so they can realize the benefits of their land investments. Mr. Smith said that he had witnessed business leaders say the they know we need to create great places in order to be competitive.

Peter McLaughlin addressed the question of what the public sector can do. He talked about a multi-layered approach including attracting business development through stimulating development of housing options, getting appropriate zoning in place, reducing business risk by increasing certainty. For the Central Corridor, counties have talked to Greater MSP about supporting a strategy for development along this line, and have prompted them to think about creating an urban portfolio geared towards transit lines. He pointed to Be the Match, a nonprofit that is locating their national headquarters at the Target Field station with 700 – 800 office workers, who wanted the transit access offered by that location. On the jobs issues, government helped create the Midtown Partnership that kept major employers (Honeywell, hospital, et al) in an area that was experiencing a crime wave in the 1990s.

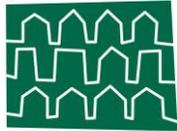
Chair Callison asked panelist if they had any closing remarks. Mr. Smith offered that, in his work with business leaders, he has heard that they are not willing to engage or invest in a significant way until they have certainty about the light rail project going forward. Mr. Corcoran said that students echo this concern – they cannot make plans for the future if they don't know how they will get to school and jobs.

Chair Callison thanked the panelists and the Committee members for their contributions to the discussion.

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It's Not How Dense You Make It; It's How You Make It Dense

Higher density doesn't have to mean crowded

Julie Campoli, founder of Terra Firma Urban Designs and author of *Made for Walking* and *Visualizing Density*, showed the difference between communities that have significant density and those that are simply crowded for the ULI Minnesota/Regional Council of Mayors 6th Annual Housing Summit at the Hopkins Center for the Arts, June 5.

"There's a misconception that density equals crowding," Campoli said. "Density is the number of people in a given space. Crowding is the feeling that the number is too high. But the number doesn't reveal anything about the form."

Human beings are social creatures who, for most of our history, have seen being urban as the key to a better life, she said. "One hundred years ago, even the smallest farm towns aspired to be urban. They had a wide array of goods and services within a few blocks." But in the 1950s, the idea of what constituted "a good life" changed and people in the United States began to spread out. "We reshaped the built environment into horizontal."

People had less need to cooperate, and they didn't have to live next door to people who weren't like them if they didn't want to. The car was essential, rather than an occasional pleasure. Today, she said, "Too many people live too far from where they need to be every day."

But there's evidence that the desire to have a more urban lifestyle is growing—even in a place like Houston, where a recent survey showed that the percentage of homebuyers who want a large house is falling. "More Americans want to walk to work and they want to walk to the store."

The car ownership rate is falling and younger homebuyers are less interested in buying houses in low-density suburbs. Many baby boomers who have been living outside of urban areas are looking at the convenience of transit and smaller living spaces in the context of an urban area where they can easily get to retail, entertainment and interesting places to walk.

But say the word "higher density" and current residents of many areas start to get nervous.

Campoli's goal is to show the many ways that higher density can be achieved to create neighborhoods that feel urban, but not crowded:

- Single-family homes, but on smaller lots than is now typical.
- Accessory dwelling units, or "granny flats," which can achieve 6–12 units per acre.
- Duplex housing, 6–12 units per acre.
- Multi-unit houses, 12–20 units per acre.
- Row houses or townhomes, 12–20 units per acre.
- Stacked townhouses, 24–36 units per acre.
- Low-rise multi-unit buildings, 20–60 units per acre.
- Mid-rise multi-unit buildings, 40–100 units per acre.
- High-rise multi-unit buildings, 90-plus units per acre.

A certain level of density is needed to make aspects of urban living feasible. At 6–12 units per acre, a corner store may be possible; at more than 12 units per acre, a full-service supermarket. Seven units per acre is a minimum density to support bus service; 20–60 may support light-rail transit or streetcars.

Simply increasing density doesn't make for walkable, urban communities, Campoli said. "If you want people to walk, pedestrians need a whole lot more than sidewalks." Walkable areas need to consider:

- The size of the block—the smaller the better. "When blocks are smaller, you have a lot of intersections," Campoli said. Even with larger blocks, shortcuts can be created.
- A continuous urban fabric so that "when you walk down the street, you have something to look at."
- Paying attention to parking. "Cars take up a lot of space, space that could be used for something more valuable." Cities often require more parking for retail and business than is needed, with the goal of giving what Campoli called "Doris Day parking," meaning a parking space directly in front of the store for every customer—an impossible goal. "Getting a handle on parking regulations is really crucial."
- A balanced transportation system. Cars aren't going to go away, but urban communities need to have a variety of transportation options, including transit and safe options for bicyclists and walkers.
- Access to nature. "People are much happier, healthier, calmer—even smarter—when they have contact with nature." Greenspace and parks are important.
- Places where people interact. "In a walkable city, there are a whole lot of places where people are in contact with other people."

To "sample" density, Campoli recommends tactical urbanism, which means temporary, inexpensive projects that can allow experimenting with ideas for creating an urban feel in a community. For example: Instead of redesigning a street and going through a long process to narrow it, tactical urbanism might mean using planters, chairs and tables, and low picket fencing to see just what a narrow street might be like. Food trucks and farmers' markets offer the opportunity to create urban retail without bricks and mortar.

Campoli said we all should ask ourselves, "Do you live in a neighborhood that makes you happy?" The answer will have something to do with design and urban amenities, but it will also

have to do with your neighbors. “It’s all about the people,” Campoli said. “Great places begin with design, but they can’t be designed to be great; they have to evolve over time.”

How Do We Get There?

It’s all about vision and transparency, agreed five local panelists—while acknowledging that not everyone is going to buy into a vision for higher density in their own neighborhood. Lisa Bender, Minneapolis City Councilmember and chair of the Council’s Zoning and Planning Committee, said, “We need to start asking these big vision questions.” She said the committee is now working on a protected bikeways plan for the city, “instead of asking, ‘Hey, do you want to take out 30 parking spots?’”

Everyone on the panel talked about the difficulty of presenting ideas at public meetings. Nelima Sitati, a community organizer, said that transparency is essential. She said many people who go to public meetings to present their views and then end up frustrated because they don’t know what happens next. “Be very clear about who will make the final decision and how that decision will be arrived at,” she said.

Max Musicant of The Musicant Group said he is doing a lot of communication work up front, including through social media. “The public meeting is the last thing we do.”

Campoli said it’s important to recognize that sometimes people need to vent and the first public meeting is likely to be their time to do just that, so those promoting a change need to understand that.

Moderator Colleen Carey of The Cornerstone Group asked the panelists what they think make great places:

- Campoli: “Places that understand transportation and put in transit systems ... places that understand nature, like Vancouver.”
- Bender: “Cities I can wander in, like New York and San Francisco. I think Minneapolis can be that kind of city. We have a city where you can live in a single-family home and be a 15-minute bike ride from downtown.”
- Musicant: “Ones that empower the nonprofessional. Cities that allow merchants and homeowners to interact. That’s where you get that organic feel.”
- Sitati: “I live in Brooklyn Park; I love Brooklyn Park. There’s a wide range of housing, access to transportation, walking distance to parks, diversity. We’re an example of what this region is transforming into.”
- Michael Kisch, architect at RSP Architects: “A vibrancy, 24/7 activity. It’s mobility and connectivity in general.”

For more information:

- Julie Campoli’s website, including her blog and a free chapter from her book: <http://www.juliecampoli.com>
- Lincoln Institute of Land Policy, with quick links to ideas about density: http://www.lincolninst.edu/pubs/2150_Made-for-Walking
- The Street Plans Collaborative, with examples and ideas of tactical urbanism: <http://streetplans.org>
- A version of the density quiz Campoli used in her presentation: <http://www.lincolninst.edu/subcenters/visualizing-density/quiz/index.aspx>

- PowerPoint from Campoli's presentation: <http://minnesota.uli.org/events/event-recaps/>

Affordable Rental Housing Does Not Reduce Property Values: Evidence from the Twin Cities

Some neighbors of proposed affordable housing developments express apprehension that the new buildings will lower nearby home values. Concern about property values is understandable; after all, a home is the single largest investment that most families will ever make.

However, the facts about the actual effect of affordable housing on neighboring home values tell a different story. A recent study found little to no evidence to support the claim that affordable housing developments stimulated a decline in their surrounding housing markets; in fact, each of the areas analyzed displayed stronger market performance after affordable housing was built.

The Family Housing Fund commissioned Maxfield Research, a private real estate research firm, to update their original study (published in 2000) of home sales in neighborhoods surrounding affordable rental housing developments with data from developments built between 2002–2008. Research for the updated report was conducted in four counties, within eight suburban communities: Dakota County (Inver Grove Heights, Lakeville, and Rosemount), Hennepin County (Bloomington and Minnetonka), Scott County (Prior Lake), and Washington County (Oakdale and Woodbury).

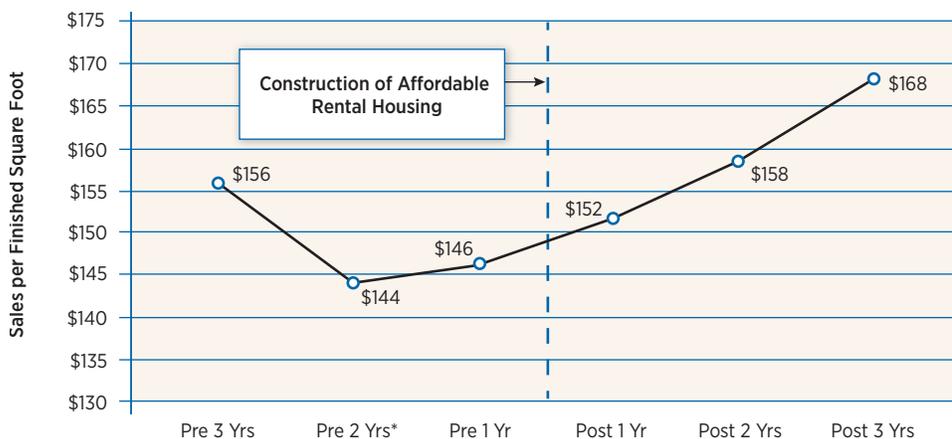
The affordable rental housing developments studied are typical of those being built throughout the Twin Cities metropolitan area today, all utilizing Low Income Housing Tax Credits to finance construction. The developments provide apartments and townhomes with affordable rents for families earning less than \$50,000 per year (less than 60 percent of the area median income).

Market Performance Remains Strong

In the updated report, Maxfield Research compared home sales prices in the neighborhoods surrounding affordable housing for the three years before and after construction, compared those sales to similar neighborhoods without affordable housing, and compared the data to the broader Twin Cities market. They concluded:

- **Prices Gained by Home Sellers:** Sellers increased the average price they received per square foot of finished space by nearly five percent annually after affordable housing was constructed. Additionally, the average sales price for the entire property increased more than two percent in the post-construction period.
- **Demand for Prices by Buyers:** While the average percentage of the list price that sellers received fluctuated over the six years, it was highest in the third year after construction (99.4 percent). This indicates there was little to no discounting by the buyer as a result of the presence of nearby affordable housing.
- **Speed of Home Sales:** The number of days homes stayed on the market was essentially stable after the affordable rental housing was built, indicating that developments did not make it more difficult for owners to sell their homes.
- **Market Performance:** Market performance of homes located near affordable housing (based on the three previously listed indicators) was as strong or stronger than those located farther from rental housing in 96 percent of the cases.

Average Sales Price Per Finished Square Foot of Homes Sold Three Years Before and After Construction of Affordable Rental Housing



* The decrease in price per finished square foot in the two years prior to construction was due largely to the housing market crash that was occurring around the same time. Additionally, two of the areas studied had a large number of newer homes; new homes experienced a greater decline in value during the crash than existing stock, further depressing the group average.

In short, Maxfield Research found little to no evidence to suggest that the construction of affordable rental housing hurt the performance of home sales. In the areas studied, home sales displayed similar or stronger performance in the period after affordable rental housing was built compared to a control group.

The study examined home sales during an unstable period in the housing market. In the Twin Cities, housing prices began deflating in 2006, and market activity did not renew until 2011. Because of this volatility, Maxfield Research compared the sales prices in the neighborhoods with affordable rental housing to the larger Twin Cities market. The study found that the neighborhoods studied performed similarly or better than the Twin Cities metropolitan area as a whole. Prior to the construction of affordable housing, the neighborhoods analyzed were growing 0.35 percentage points above the overall Twin Cities market. Post-construction, the growth of home sales prices in these neighborhoods was nearly five and a half percentage points higher than the Twin Cities market. In addition to providing evidence that affordable rental housing does not lower property values, this also indicates that the suburban neighborhoods studied were areas of higher price appreciation.

This new study supports the conclusion reached by Ed Goetz, et al. (University of Minnesota, Center for Urban and Regional Affairs, 1996) about the Twin Cities and Ingrid Ellen and Ioan Voicu (New York University, 2006) about New York City that affordable housing managed by nonprofit organizations has a positive impact on property values. Additionally, studies have found that access to affordable housing has a positive impact on education, health, and wealth/earnings outcomes for families.

Whether in the Twin Cities or elsewhere in the country, the evidence is overwhelming: providing quality housing that lower-income families can afford poses no threat to area property values.

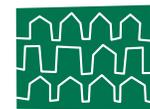


Prairie Crossings, Lakeville, Minnesota, was one of the affordable housing developments studied. (Photo courtesy of Dakota County Community Development Agency)

The full study, An Updated Analysis of the Relationship Between Affordable Family Rental Housing and Home Values in the Twin Cities, can be ordered free of charge from the Family Housing Fund, or viewed and downloaded at www.fhfund.org upon publication.

This publication is part of a Public Education Initiative on affordable housing sponsored by the Family Housing Fund. The Family Housing Fund is a private, nonprofit organization created in 1980 to help bridge the gap between the housing that people need and the housing they can afford. Its mission is to provide safe, affordable, sustainable homes to all families in the Twin Cities metropolitan area through ongoing partnerships with the public and private sector.

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May 2014
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Working Doesn't Always Pay for a Home

The economy and housing market in the Minneapolis-Saint Paul region are recovering from the Great Recession, yet even a full-time job does not guarantee access to a home that is affordable for many families.

Today, rental vacancy rates are about two and a half percent, well below a healthy five percent, keeping rents high and out of reach for many working families. Additionally, while home prices are lower than peak years, the average single-family home remains too costly for many individuals and families.

A typical two-bedroom apartment in the metro area rents for \$1,083 per month, and the median for-sale home price is \$185,000. A home is considered to be affordable if a family pays no more than 30 percent of its income on housing costs, or 45 percent on combined housing and transportation costs. Any more than this, and families often must cut back on other necessities such as food, clothing, and medical care.

After housing, transportation is usually a household's second largest expense. When you factor in the average transportation costs for the Minneapolis-Saint Paul region, the cost burden on a household increases by 15 to 20 percent, depending upon a household's living and working locations.¹



Households with only one full-time wage earner, such as single parent families or families in which one parent does not work outside the home, face particular difficulty finding an affordable home. Even households with two family members working full-time in jobs that pay up to \$10.25 an hour (\$21,320 per year) cannot afford the typical two-bedroom apartment or single-family house.

By the 30 percent measure, a family would have to earn \$43,300 per year (\$20.82 per hour) to afford to rent a two-bedroom apartment or \$52,000 per year (\$25.00 per hour) to afford to buy a modest single-family house. However, half of the jobs in the Twin Cities metro area pay less than \$40,560.

The need for housing that is affordable for working families is especially acute in communities with many low-to-moderate wage jobs, but few lower-priced apartments and houses. While many workers earning low and moderate wages are providing essential services for residents of local communities—child care, food service, health care, school bus driver, or bank teller, for example—they often are priced out of housing in the communities in which they work.

Ensuring that there is a full range of housing choices with access to transit in our cities builds economic prosperity and competitiveness by attracting and retaining residents to support key employers.

The table on the back shows what individuals in different professions can afford to pay for housing and what homes for families actually cost as a percentage of their income.

¹ The Location Affordability Transportation Cost Calculator, available at www.locationaffordability.info/tcc.aspx, estimates a household's transportation costs based on user-entered information, enabling households, real estate professionals, and housing counselors to compare costs in different communities. The Location Affordability Index, available at www.locationaffordability.info/lai.aspx, is a tool for developers, planners, and policy-makers to prioritize and make planning and investment decisions.

The walkability of neighborhoods also affects a household's transportation costs. Walk Score measures the walkability, transit friendliness, and bike friendliness of neighborhoods and cities. Users can use this tool, available at www.walkscore.com, to compare the walkability of different communities.

**Percentage of Income Needed for Housing
in the Twin Cities Metropolitan Area**

Workplace Position	Median Yearly Salary for Full-Time Worker ²	Monthly Amount Can Afford for Housing ³	Percentage of Income Required to Rent 2-Bedroom Apt. ⁴	Percentage of Income Required to Own a House ⁵
Assembly Worker	\$31,054	\$776	42%	50%
Cashier	\$19,635	\$491	66%	79%
Child Care Worker	\$22,152	\$554	59%	70%
Counter & Rental Clerk	\$20,696	\$517	63%	75%
Dry Cleaner	\$26,582	\$665	49%	59%
File Clerk	\$29,037	\$726	45%	54%
Home Health Aide	\$23,816	\$595	55%	66%
Host/Hostess	\$18,158	\$454	72%	86%
Janitor, Cleaner	\$24,003	\$600	54%	65%
Landscaper/Groundskeeper	\$27,997	\$700	46%	56%
Maid/Housekeeping Cleaner	\$21,882	\$547	59%	71%
Nursing Assistant	\$28,891	\$722	45%	54%
Parking Lot Attendant	\$21,902	\$548	59%	71%
Receptionist	\$29,786	\$745	44%	52%
Restaurant Cook	\$22,838	\$571	57%	68%
Salesperson, Retail	\$20,717	\$518	63%	75%
School Bus Driver	\$33,779	\$844	38%	46%
Taxi Driver	\$26,562	\$664	49%	59%
Teacher Assistant	\$30,201	\$755	43%	52%
Telemarketer	\$27,726	\$693	47%	56%
Teller	\$25,605	\$640	51%	61%

² Source: Minnesota Department of Employment and Economic Development, Occupational Employment Statistics with 2nd Quarter 2013 wage estimates, Twin Cities MSA.

³ Based on 30% of income.

⁴ Based on 1st Quarter 2014 GVA Marquette Advisors average rent of \$1,083 for a two-bedroom apartment in the Twin Cities metropolitan area.

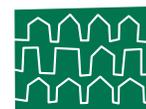
⁵ Based on Minneapolis Area Association of Realtors Median Sales Price of \$185,000 for a single family home sold in the Twin Cities metropolitan area for the year-to-date 2014 (as of March).



The statistics on housing costs and wages in this publication have been updated using the most current data available as of May 2014.

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MINNEAPOLIS NONPROFIT TO BREAK GROUND ON NEW HEADQUARTERS

Development of Be The Match® Coordinating Center to Begin in Minneapolis' North Loop

MEDIA ADVISORY / PHOTO OPPORTUNITY **For Tuesday, July 8, 2014 (10 a.m. – 11 a.m.)**

WHAT: One of Minnesota's largest nonprofits, Be The Match®, will break ground on a new and expanded headquarters in Minneapolis' North Loop Neighborhood. The ceremony will take place at 10 a.m. on Tuesday, July 8.

Be The Match is the world's leading nonprofit organization focused on delivering cures through bone marrow and umbilical cord blood transplantation. Over the past 25 years, the demand for transplant services has grown dramatically—the number of patients with diseases for which a bone marrow transplant can be a cure has increased, along with the types of diseases that the procedure is used treat.

The new Coordinating Center will help Be The Match meet this growing need while better serving patients, donors and health care professionals around the world.

Be The Match staff will be brought together in a single, seven-story building with approximately 240,000-square-feet. The project is the largest build-to-suit office to be undertaken in the North Loop, with Target Field, Target Field Station and Ford Center serving as major catalysts for the expansion of the area. The project team includes developer United Properties, building architect RSP Architects, interior architect Perkins + Will and general contractor RJM Construction.

WHEN: Tuesday, July 8, 2014, 10 a.m. – 11 a.m.

Groundbreaking ceremony at approximately 10:30 a.m. Light refreshments to follow.

WHERE: 500 N. Fifth St., Minneapolis

The site is located at the southeast corner of 5th Avenue North and 5th Street North. Parking is available on street or at the Target Field Station public parking ramp (across 5th street from the site).

PHOTO / INTERVIEW OPPORTUNITIES:

- Dr. Jeffrey Chell, Chief Executive Officer, Be The Match
- Christine Fleming, President, Be The Match Foundation
- Bill Katter, Executive Vice President, United Properties
- Dave St. Peter, President, Minnesota Twins
- Council Member Jacob Frey, Ward 3

ABOUT BE THE MATCH:

For people with life-threatening blood cancers – like leukemia and lymphoma – or other diseases, a cure exists. Be The Match connects patients with their donor match for a life-saving marrow or umbilical cord blood transplant. People can be someone's cure as a member of the Be The Match Registry, financial contributor or volunteer. Be The Match provides patients and their families one-on-one support, education, and guidance before, during and after transplant. Be The Match is operated by the National Marrow Donor Program® (NMDP), a nonprofit organization that matches patients with donors, educates health care professionals and conducts research so more lives can be saved. To learn more about the cure, visit BeTheMatch.org or call 1 (800) MARROW-2.

ABOUT UNITED PROPERTIES:

United Properties, based in Minneapolis, specializes in commercial real estate development and investment. Since 1975, United Properties has provided development services for the retail, residential, office, medical and industrial sectors. In addition to a large presence in the Minneapolis-St. Paul market, United Properties' Colorado division develops retail, office and industrial buildings. Formed in 1916, the United Properties investments group acquires, manages, finances and disposes of the company's real estate investments, which includes nearly 60 office, medical,

industrial and retail assets in Minnesota, Wisconsin, Illinois and Colorado. For more information, visit www.uproperties.com or follow on Twitter at [@unitedpropertie](https://twitter.com/unitedpropertie).

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