

HILLCREST REDEVELOPMENT HOUSING WORKGROUP

Meeting Minutes | Thursday, June 9, 2022

Attendees

- Jesse Harms
- Rick Chen
- Becky Winslow
- Mai Yang
- Karen Aguirre
- Nathan Hakseth
- Jamila Taylor
- Ubah Shire
- Jeanette Jones
- Jun Yang
- Jesse Harms
- Monte Hilleman (SPPA)
- Chris Wilson (presenter)
- Andrea Novak (SPPA)
- Laurie Siever (SPPA)
- Tiffani Navratil (guest)
- Matthew Finn (guest)
- Chris Xiong (guest)
- Jane Prince (guest)

MEETING SUMMARY

1. The meeting started with member introductions.
2. The committee goals were discussed. Conversations will be housing-specific. The Master Plan was approved, and lower density housing will be concentrated on the west side of the property and higher density housing will be to the north. Unit mix, affordability levels, and ownership/rental ratios have yet to be determined. These decisions will be influenced by the community engagement (including the housing workgroup), city policy, funders, developers, and others. A larger community engagement activity, in partnership with Twin Cities LISC, is currently in development.
3. The Port Authority highlighted how they became the owner of the golf course. The Steamfitters Pipefitters 455 purchased the course with the intent to run the golf course and raise enough money to build a training facility. This plan did not work out and they placed the course on the market where it sat for a few years. Because there was widespread mercury contamination not only on the greens, but through the fairways and tee boxes, and it wasn't zoned for any type of real development, the Port Authority came in as a "buyer of last resort."
4. The recommendations that will come out of the housing workgroup will be layered with community engagement activities that have already been done through both the City and the Saint Paul Port Authority.
5. The Port Authority explained that is 25-acres of land dedicated to housing. There were previous conversations about having the city purchase the land. There is also the potential for a master developer to come in and take over the site. The final option would be for the Port Authority to sell the property block-by-block. Regardless of the option, community engagement results will be shared with the developing party/parties.
6. Chris Wilson with Project for Pride in Living led a Q&A session. He started by informing the group that the median income in the Twin Cities for a family of four is \$118,200/year. For a single person it's \$82,740. He also highlighted the fact that we are in a housing crisis with limited inventory and increasing prices. And, since 2010, construction costs have gone up 71%. In the past 12 months they have gone up 18%. And based on employment preferences of the younger generation, there is a shortage of construction workers. Other costs have also gone up since 2010, with healthcare increasing by 58% and college tuition by 61%.
7. Chris did indicate that government subsidies are available to build affordable properties that are required to remain affordable for at least 50 years.
8. Workgroup members expressed concerns about housing options not being affordable for those who live in the neighborhood and shared the opinion that what might be affordable for one might not be affordable to all. An

example of a house for sale on Montana was shared; list price of \$250K that sold for \$300K with multiple bids. Residents also talked about the trend where investors “from the suburbs” are coming in and flipping houses for profit (higher sales or rentals). Another workgroup member referenced the idea that millennials aren’t as “handy” as previous generations, and they were willing to pay more for homes that had nice appliances and flooring.

9. There were also conversations about townhomes near Maryland that weren’t taken care of, with many going into foreclosure and short sales. The conversation transitioned to added concern about the high number of vacant homes.
10. Traditionally, you were able to get a lot of house value for your money on the East Side and it has traditionally been a great place for first-time homebuyers. Now, investors are taking advantage. Property values are also increasing as a result and it’s hard for some to pay their property taxes.
11. It was referenced that there are numerous families with many children (the example was seven) and they are outgrowing their apartments and four-bedrooms are hard to find. The group agreed this was a significant problem in the community.
12. One workgroup member talked about the challenges with housing programs. Some landlords won’t accept Section 8. Others cannot afford the cost of utilities. Some people have received assistance in the past but are no longer receiving support and face homelessness. The group was interested to know who to call to talk about the rules that are currently in place for assistance.
13. It was also mentioned that there is also a negative stigma tied to living in Saint Paul because of the way it looks and the trash that isn’t being cleaned up. The perception is that this isn’t the same way in other cities and counties in the Metro. “There’s a whole lot of dumping going on in areas.”
14. There were also concerns about plowing inconsistencies and not wanting to live somewhere if parking isn’t easily available in the winter.
15. The committee wanted to know why affordability is calculated at the regional level and not at neighborhood level.
16. Chris talked about the influence the city, county, and state have on affordable housing through various funding mechanisms. Projects are scored based on what the government is looking for in terms of unit types (e.g., affordability levels, senior housing, etc.) Monte shared with the group that a TIF district is still an option at The Heights which would open the door to TIF financing. It was referenced that other tools are available, but they were not discussed at this point.
17. One workgroup member expressed the need to improve the neighborhood vibe to attract young professionals. “Saint Paul is just very boring and dry.” The conversation led to younger families being interested in high density housing (townhomes and condos) that had a sense of community. Attributes included parks, food trucks, coordinated activities to get people engaged, access to daycares, good schools, and proximity to hospitals. Other ideas included an amphitheater or large stage for live music.
18. Monte talked about the addition of The Hub at Beacon Bluff. What was learned there was the fact that having the amenity isn’t enough. Someone in the community needs to take the lead on activation.

19. Andrea shared with the group the desire of the urban planning group to have porches in the fronts of houses and garages in the back to build community. There was support for this concept.
20. Multiple workgroup members talked about the importance of affordable housing. There is concern that higher priced housing will lead to unaffordable property taxes.
21. There was some debate over the type of housing that belongs in the neighborhood. One member was concerned that the development leaning into the “glitz and glamour” of Highland Bridge. Another member was more supportive of modernization.
22. The group talked about the need for four-to-five-bedroom units in both the rental and ownership categories. Monte asked the group how they thought these could work in a higher density urban environment. There was interest in two level apartments or townhomes. People liked the idea of 3+ bedrooms on a top floor or basement and then another bedroom on the main level. There was talk about the need to have quieter spaces for sleeping and working. Affordability continued to be discussed as a need.
23. Homework for the next meeting: Read the housing section of the Master Plan and send links to housing designs/layouts that you think would be a good fit for The Heights. Please be sure to consider options for larger families and multigenerational households.