Request for City Council Committee Action

Date: September 27, 2005

To: Community Development Committee
Referral to: Ways & Means / Budget Committee

Prepared by: Carsten Slostad (Phone 673-5150)

Approved by: Robert D. Miller, Director_____

Subject: Prospect Park East River Road NRP Phase II Neighborhood Action Plan

Summary of the Request: The Prospect Park East River Road Neighborhood has completed their NRP Phase II Neighborhood Action Plan. It has been reviewed by NRP's legal counsel and City staff, staff of participating jurisdictions and adopted by the NRP Policy Board. The plan requests a total NRP appropriation of $347,866. Of that amount, $14,412 has been advanced to the plan from the NRP Phase II Plan Development Fund. City Council action is now being requested for final approval of their NRP Phase II Neighborhood Action Plan and the appropriation of the balance of these funds ($333,535).

Recommendation:

(1) Approve the Prospect Park East River Road NRP Phase II Neighborhood Action Plan ("Plan") attached to this report, specifically those parts of the Plan which fall under City jurisdiction, in an amount not to exceed $347,866;

(2) Amend the City of Minneapolis 2005 General Appropriation Resolution by increasing the Community Planning & Economic Development Department (CPED) agency Fund CNR—NRP Program Fund (CNR0-890-3550) appropriation by $333,545;

(3) Authorize the appropriate City officers to enter into any contracts or agreements needed to implement this request.

September 27, 2005

The Honorable Lisa Goodman, Chair
Community Development Committee
Minneapolis City Council
315 City Hall
Minneapolis, Minnesota 55415

The Honorable Barbara Johnson, Chair
Ways and Means Committee
Minneapolis City Council
315 City Hall
Minneapolis, Minnesota 55415

Re: Prospect Park East River Road
NRP Phase II Neighborhood Action Plan

Dear Chairpersons Goodman and Johnson:

At its meeting on August 22, 2005 the Neighborhood Revitalization Program Policy Board approved and authorized funding for the Prospect Park East River Road NRP Phase II Neighborhood Action Plan.

The neighborhood began developing its Phase II plan in October 2004 by electing an NRP Steering Committee of 26 members. This included seven representatives from Glendale Public Housing, six of whom were Somali. There were five University of Minnesota student interns, one who lived in Prospect Park, on the committee. These interns provided resource information to the committee. The committee met with CPED personnel and other housing resource providers. Project proposals from people in the neighborhood were solicited through an open process. A “dotmacracy” meeting was held on April 20, 2005 for the community to identify priorities for funding. Over 70 people attended this meeting. The neighborhood voted on the full plan at a well-advertised community meeting held on June 29, 2005. There were over 80 people in attendance at this meeting.

The Prospect Park East River Road NRP Phase II Neighborhood Action Plan requests a total NRP appropriation of $347,866. This includes $14,412 approved on October 27, 2004 as an early access allocation from the Phase II Plan Development Fund. The appropriation requested is consistent with the Phase II allocations that were approved by the Policy Board on April 19, 2004.

On August 22, 2005 the Policy Board passed the following resolution:

WHEREAS: On April 19, 2004, the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board (“Board”) established a Phase II allocation available for the Prospect Park East River Road neighborhood of $347,866 based on the Phase II revenues projected for NRP;

WHEREAS: The Prospect Park East River Road neighborhood has conducted an extensive Phase II neighborhood action plan development process;

WHEREAS: The submitted Prospect Park East River Road NRP Phase II Neighborhood Action Plan requests a Phase II allocation at their guideline of $347,866 and dedicates at least 70% of that allocation to housing programs, projects, services and activities;

BE IT RESOLVED: That the Minneapolis Neighborhood Revitalization Program (NRP) Policy Board ("Board") hereby accepts and adopts the Prospect Park East River Road NRP Phase II Neighborhood Action Plan dated June 29, 2005;

RESOLVED FURTHER: That the Board hereby authorizes the Director to request the City Council and Mayor [a] amend the 2005 General Appropriation resolution by increasing the Community Planning and Economic Development Department agency Fund CNR – NRP Program Fund (CNR0-890-3550) by $333,545 and [b] authorize the appropriate City officers to enter into any contracts or agreements necessary to implement the activities above;

RESOLVED FURTHER: That up to 70 percent of the amount approved for this plan ($243,506) shall be available for obligation in the first three (3) years after approval of the appropriation for this plan.

Pursuant to this resolution, I make the following recommendations for consideration by your committees:

RECOMMENDATION:

(1) Approve the Prospect Park East River Road NRP Phase II Neighborhood Action Plan ("Plan") attached to this report, specifically those parts of the Plan which fall under City jurisdiction, in an amount not to exceed $347,866;

(2) Amend the City of Minneapolis 2005 General Appropriation Resolution by increasing the Community Planning & Economic Development Department (CPED) agency Fund CNR—NRP Program Fund (CNR0-890-3550) appropriation by $333,545;

(3) Authorize the appropriate City officers to enter into any contracts or agreements needed to implement this request;

Sincerely,

Robert D. Miller
Director

NRP Phase II Action Plan

for the

Prospect Park East River Road Neighborhood

Approved at a Neighborhood Meeting held on
June 29, 2005 at Luxton Park Community Center

The "Prospect Park and East River Road (PPERR) Neighborhood" is the official city government designation of the area of Southeast Minneapolis bounded by the Oak Street on the west, the Mississippi River the south, the city boundary between Minneapolis and St. Paul the east, and the railroad tracks and SE industrial area on the north. It is one of the oldest residential neighborhoods in the city, settled in the late 1800's. Residents enjoy its urban-village feel—a small town in the big city—within walking distance of work, recreation, shopping, and community meetings & events. The historic Witch's Hat Water Tower is a landmark of our community. There are two community centers: Luxton Park Community Center and Pratt Community Education Center. The closest institutional neighbor is the University of Minnesota.

Prospect Park East River Road Neighborhood
NRP-2 Action Plan

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Prospect Park East River Road Neighborhood
NRP-Phase II Neighborhood Action Plan

I. PROGRAM SUMMARY

PROGRAM:	Amount
Education: Pratt School Transitional Funding	58,000
Education: SEMCOL	5,000
Human Services: SE Seniors	14,000
Livability: All programs	14,000
Housing: Home Improvement & Affordable Housing	152,225
Housing: SWIM Home Purchase Education Program	35,000
Housing: Historical District Project Completion	28,000
Administration Planning	14,412
+Phase I Rollover of 17,553.44 for total of $35,965.44	
Administration by PPERRIA	27,229
Total NRP 2 Allotment	$347,866

The neighborhood's fiscal agent for NRP Phase 2, PPERRIA, will allocate and release the funds in accordance with the objectives and strategies detailed within each program area in section II.

II. OBJECTIVES AND STRATEGIES

Education: Pratt School Transitional Funding
NRP I resources were invested heavily in the renovation and support of the Pratt Community Education Center and its services. The start-up of an elementary education program at Pratt began in 2000. It is still in its developmental phase. The program has been slow in building due to frequent threats of the Minneapolis Schools to close the program. Enrollment has been building in the last three years, but the program needs continuing support. The presence of the school has brought new families with young children into the neighborhood and the school provides opportunity for the consolidation of the residents from the Glendale neighborhood with the larger Prospect Park neighborhood.

Objective: To ensure that Pratt School continues to provide primary school education to the neighborhood.

Strategy: To provide support to the Minneapolis School staff until the school attendance reaches its full potential.

City Goal addressed by this strategy: Preserve and enhance our environmental, economic and social realms to promote a sustainable Minneapolis.

NRP Resources: $58,000.

Contract Manager: Minneapolis Public Schools

Education: SEMCOL
Outreach: Pratt School has been a successful model for integrating across cultural boundaries because of the inclusion of the Glendale residents. It is important to support this program strength by assuring that students from Glendale have the family and community support necessary to assure their success.

Objective: To ensure that early learning and student support opportunities are readily available to neighborhood residents.

Strategy: To support educational and vocational work with parents and children in Glendale.

City Goal addressed by this strategy: Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities.

NRP Resources: $5000. Contract with Southeast Minneapolis Council on Learning (SEMCOL, see Appendix F). This amount must be matched by funds from other sources in at least an equal amount.

Contract Manager: Hennepin County

Human Services: SE Seniors
The availability of human services and participation in those services are an important part of any viable neighborhood. Many current neighborhood services have resulted from initiatives taken over the years by the residents of PPERR. Some of the current needs involve outreach to senior citizens, to provide livability at home where they contribute to the overall vitality of the neighborhood.

Objective: To encourage and support programs that can enhance the quality of life for seniors who may find continuing residence in the neighborhood requires resources exceeding their fixed incomes.

Strategy: To support neighborhood programs that can provide home care, food savings, and/or transportation options for senior citizens.

City Goal addressed by this strategy: Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities.

NRP Resources: $14,000.

Contract Manager: Hennepin County

Livability:
Prospect Park and East River Road has always been considered an appealing and attractive neighborhood with easy access to services and cultural resources.

Objective: To strengthen the characteristics that make the neighborhood attractive and livable.

Strategies:
1. To improve the overall physical appearance of the neighbor hood by supporting community gardening, neighborhood clean ups and exotic plant control, both along the river and within the neighborhood.
2. To support efforts to enhance the use of Luxton Park.
3. Increase community awareness of neighborhood activities and issues through the use of electronic and physical bulletin boards.
4. To promote the management of traffic on neighborhood streets.

City Goal addressed by this strategy: Preserve and enhance our environmental, economic and social realms to promote a sustainable Minneapolis.

NRP Resources: $14,000.

Contract Manager: NRP,Mpls Park and Recreation Board, City of Mpls. Public Works

Housing: Home Improvement Programs and Affordable Housing:
A recent survey of the housing stock in the PPERR neighborhood shows a limited availability of affordable housing, and limited opportunity to expand affordable access to any additional units (see Appendix C). Affordable rental properties are concentrated primarily in the Motley neighborhood, an area that has been the target for developers and University expansion, making investment difficult without considerably more resources than are available through NRP 2. Moreover, development of affordable housing in the other parts of the neighborhood within the constraints of the current NRP resources is not seen as feasible without outside resources given higher than average property values. However the proposed transit corridor that will traverse the neighborhood provides another opportunity to seek ways to advance affordable housing projects in the neighborhood in the future, particularly along University Avenue and at the city line with St Paul. Thus, the neighborhood should still remain active in finding ways to provide housing that is affordable. Based on this analysis, neighborhood objectives are aimed both at the short-term objective of improving the current affordable housing stock and at stabilizing residential housing overall and at the long-term objective of increasing the overall level of affordable housing in the neighborhood.

Objective 1.A: To facilitate improvement and rehabilitation of the housing stock in the PPERR neighborhood.

Objective 1.B: To encourage the upkeep of affordable housing in the PPERR neighborhood.

Objective 1.C: To find innovative ways to provide affordable housing in the PPERR neighborhood.

Strategy:

1. A. Provide financial assistance for home improvements to as many low and moderate-income home owners as possible with the limited available NRP funds augmented with other available housing funds. This will be a revolving loan program with the following features:

- Low-interest loans for up to 10-year terms;
- $4,000 maximum per loan with a dollar-fifty match required for each loan dollar;
- Owner-occupied single-family or duplex homes, owners must have annual gross income of 80% of the City of Minneapolis Median Income or less;
- Only exterior and structural/mechanical work supported by loans;
- Priority will be given to sub-standard properties.

1. B. Provide financial assistance for low income home owners to maintain and repair their homes. This will be a grant or deferred loan program having the following features:

- Low interest loan with payback deferred up to 7 years;
- $4,000 maximum per loan with 50 cent match required for each loan dollar;
- Owner-occupied single-family or duplex homes, owners must have annual gross income of 60% of the City of Minneapolis Median Income or less;
- Only maintenance, repair and code compliance work supported by loan;
- Loans forgiven to owners who continue to occupy the property for 7 years, otherwise full loan amount is due when owner moves;
- Priority given to sub-standard properties.

1. C. Support efforts to create affordable housing in the neighborhood through actions of PPERRIA and interactions with non-profit housing development organizations. These efforts should include:

- Maintaining a list of any sites that might support construction of new housing;
- Making use of a variety of public and non-profit groups that are established to aid in the development and redevelopment of affordable and livable housing;
- Acting as a catalyst to generate new affordable housing by working with developers to make them aware of sites that might be potentially developed.
- Providing financial assistance for the construction of additional units of affordable housing by non-profit entities in PPERR. The units must be affordable for those with incomes at or below 30% of Minneapolis Median Income (MMI).
- Requiring that future housing developments, of three or more units, provide at least 15% of those units at a cost that is affordable at or below 30% of MMI. This requirement shall be a condition for neighborhood approval of the development, and a condition for the receipt of NRP funding.

City Goals addressed by these strategies: Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth. Promote public, community and private partnerships to address

disparities and to support strong, healthy families and communities. Preserve and enhance our environmental, economic and social realms to promote a sustainable Minneapolis.

NRP Resources: $152,225. Revolving funds returned to the neighborhood to be designated for continued investment in the stated housing objectives.

Contract Manager: City of Minneapolis/DFD or CPED

Housing: Historical District Project Completion:
Development pressures from transit expansion on University Avenue and real estate speculation have emphasized the need to stabilize the existing housing stock and preserve its residential character.

Objective: To assure that future development helps stabilize the neighborhood by employing mechanisms like historical district designation.

Strategy: Complete phase 2 of the process that will lead to historical district designation and the stabilization of the existing housing stock.

City Goal addressed by this strategy: Foster the development and preservation of a mix of quality housing types that is available, affordable, meets current needs, and promotes future growth.

NRP Resources: $28,000.

Contract Manager: City of Minneapolis/CPED

Housing: SWIM Home Purchase Education Program:
Outreach: PPERR has long valued the inclusion within its boundaries of the Glendale Housing project, which provides an ethnic and cultural mix to neighborhood and school. In recent years this housing facility has drawn several refugee communities to Minneapolis as it provides them with transition housing. The community has been engaged in programs designed to acculturate these immigrants to our society.

Objective: To support continuing efforts to help Glendale residents transition to non-public housing.

Strategy: To support a program specifically designed for Somali refugees, in their quest to become knowledgeable renters and first-time home buyers (see Appendix G).

City Goal addressed by this strategy: Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities.

NRP Resources: $35,000.

Contract Manager: Hennepin County

Administration: Plan Development:
The neighborhood selected a Steering Committee charged to develop an Action Plan for the allocation of NRP 2 funds. The committee worked with paid staff and University interns as well as a number of city, neighborhood and non-profit sources to reach the objective and strategies outlined in this plan. Details of the process are in Appendix A, and a summary of the analysis of neighborhood housing is in Appendix C.

NRP Resources: $ 31,965.44 ($14,412 Phase II Plan Development Funds + $17,553.44 Phase I Rollover)

Contract Manager: NRP

Administration: PPERRIA
Staff will provide planning, oversight, evaluation and monitoring services to all programs, finances, staff, NRP contracts, new program development and outreach activities. As noted elsewhere in this plan, staff will work on implementation of all strategies in this plan, including those that are not funded through NRP. It is estimated that the staff time will be spent in the following areas: 20% on administrative matters, 70% on housing issues, and 10% on non-housing issues.

Strategy: To allow for PPERRIA to provide general administrative support for the support of NRP-2 activities in the neighborhood. This would include staff time as well as resources for printing, supplies, and other expendables (see Appendix D).

City Goal addressed by this strategy: Promote public, community and private partnerships to address disparities and to support strong, healthy families and communities.

NRP Resources: $27,229.

Contract Manager: NRP

III. APPENDICES

A. Summary of the NRP Phase 2 Planning Process in the PPERR Neighborhood
A meeting of the Prospect Park/East River Road Neighborhood (PPERR) was held on October 13, 2004 in order too finish up the NRP Phase 1 process and begin planning for Phase 2. This meeting was publicized in the SE Angle newspaper, the PPERR Improvement Association (PPERRIA) newsletter, the neighborhood e-list and by a direct mailing to every address in the neighborhood. The mailer contained meeting information such as date, time and agenda for the meeting, a four page summary of the 40 page Plan Review, the proposed Participation Agreement between NRP and PPERRIA, and information on how the NRP process works and what types of strategies are considered to be housing under NRP policy. A special effort was also made to get the word out to students. Mailers, with an additional flier to encourage students to participate, were distributed at the three major student housing complexes and a notice was placed on the University events calendar. Five University of Minnesota student interns volunteered their

efforts to help organize the meeting. Finally, meeting announcement fliers were also prepared in the Somali language and distributed in Glendale to reach the largest minority group in the neighborhood. A substantial number of Somali immigrants attended the meeting and translation into Somali was provided throughout. Childcare was also provided.

The meeting began with a summary of the projects accomplished during Phase 1. Story boards with photographs of some of the key projects were on display. A motion was made to approve the written Plan Review. A motion to amend a 29 page commentary to the Review failed and the person was encouraged to send his comments directly to NRP. The Plan Review was approved. The Participation Agreement between PPERRIA and NRP, delineating the terms under which PPERRIA is the fiscal agent contracted to implement the Action Plan, was also approved. Then Bob Miller, Director of NRP, explained the requirements for the use of Phase 2 money.

A Steering Committee, charged with writing a draft Action Plan, was then elected in accordance with the Participation Agreement. Attendees from each area of the neighborhood caucused to elect representatives to the Steering Committee, the number for each area determined by their area's pro rata share of the total number of meeting attendees. There was one student member.

The first meeting of the Steering Committee was held on Wednesday, Oct 20. The first orders of business were to elect two co-chairs, Dick Poppele and Steve Cross, decide on how to run the meetings and how to fill the vacancies on the committee. Thereafter, a total of 16 meetings of the Steering Committee were held between October, 2004, and June 2005. In addition to committee members, outside experts were invited to several of the meetings to provide information on many topics. The committee had 26 members including 7 from Glendale, 6 of whom were Somali. Most members attended one or more meetings but the average attendance was 13. Translation into Somali was provided at all meetings and Somali attendance was nearly 100% throughout. Copies of the minutes of each meeting were made available on the PPERR web site (http//:pperr.org).

Five student interns, one of whom lived in the neighborhood and served on the committee, acted as resources. They were charged with tasks such as researching housing possibilities and gathering statistics on topics such as neighborhood property values and incomes. Barb Lickness from NRP came to several of the meetings to answer questions on the NRP process and requirements, and Don Snyder from City Finance came to familiarize the committee with the resources and programs that are available through the city and NRP, primarily for housing strategies. Several other community resource persons came to give information, particularly on housing ideas.

The committee solicited program proposal ideas from the neighborhood using advertisements in the SE Angle, the PPERRIA newsletter, and by placing proposal forms at several neighborhood locations. (The form was not required; it was intended to show what types of information would be needed by the committee.) Approximately 18 proposals were submitted and all were considered. The proposals were eventually grouped into general categories: Housing, Education and Human Services, Livability and Other.

Another neighborhood meeting was planned for April 20th. It was advertised in the SE Angle, the PPERRIA newsletter, the neighborhood e-list, the University events calendar and on posters throughout the neighborhood. The purpose of that meeting was to get more community input into what types of programs were of highest priority. Also, since NRP requires that at least 70% of the Phase 2 money be spent on housing, the committee sought input on whether the neighborhood wanted to spend all of the money on housing, 70% on housing, or somewhere in between. At the meeting, the various program proposals were explained and attendees voted by affixing dot stickers to posters throughout the room. It was also stated that more proposals were welcome. Translation into Somali and childcare were again provided. The results of the "dot-mocracy" are in Appendix B. It was clear that the neighborhood wanted to spend 70% on housing and reserve 30% for other programs. There was strong support for a program to help Somali immigrants on the path toward home ownership and the completion of the Historic District designation (both of which fall under the housing category), and for Education and Human Services.

>From these results, the statistical information about the neighborhood, and input compiled from the various discussions and fact finding tasks of committee members, a draft action plan was written. This plan was discussed at several committee meetings and revised accordingly, and draft copies were posted on the neighborhood web site. Since there was strong support for Education and since the chief proposal under that category was the time-sensitive transition funding for Pratt School, the committee decided it was necessary to complete the draft action plan and vote on it as soon as possible. Another neighborhood meeting was scheduled for June 29th and was advertised as before. In addition, meeting flyers were mailed to every address in the neighborhood. Translation into Somali and childcare were again provided.

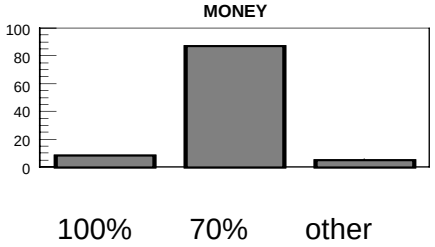
B. Results from Neighborhood Priorities Meeting. A Neighborhood meeting to determine neighborhood priorities for the allocation of NRP 2 funds was held at Luxton Park on Wednesday April 20th. Over 70 residents attended the meeting and they were informed about the NRP process, about the neighborhood's options and about some proposals for the use of NRP funds.

Attendees voted their preferences in four categories. 1. Basic allocation of funding between housing and non-housing programs. 2. A general assessment of overall priorities. 3. Housing Options. 4. Other, non-housing options. The results of the voting are detailed below. The results assisted the NRP Steering Committee to write the Neighborhood Action Plan. As a result, the plan allocates 70% of the NRP funds to housing. Most of the housing funds were directed to home improvement options, rather than home purchase options. Housing also included projects for educating Somali residents, and for finalizing the historical district designation for the neighborhood. The non-housing projects that received strong support were all included in the final Action Plan.

Specific results of the voting.

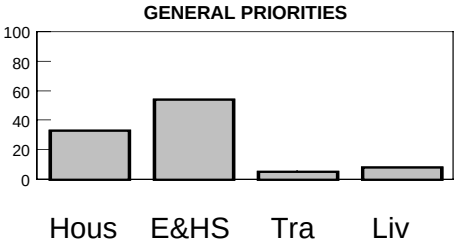
Allocation of NRP funds:

100% for housing
70% for housing *
other – more than 70%



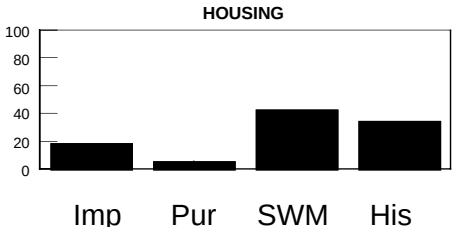
General Priorities:

Housing
Education and Human Services *
Transportation
Livability



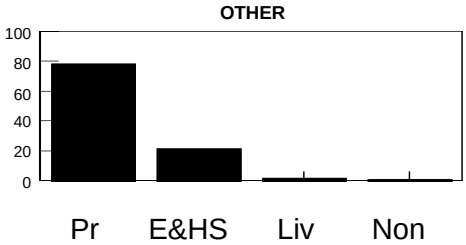
Housing Priorities:

Home improvement
Home purchase
SWIM (Somali Ed)
Historical district



Other Priorities:

Pratt transition *
Education and Human Services
Livability
None



Home Improvement Options Preferences:

Loans > Grants
Owner-occupied > Rental
Priority to substandard housing
Exterior improvements and maintenance

C. Analysis of Affordable Housing Opportunities in PPERR neighborhood.
An examination of the housing stock in PPERR and the census data regarding home occupancy and household income shows the neighborhood to be well above the medians for Minneapolis in both income level and home values. The neighborhood can be approximately divided into 3 areas. One, the Motley neighborhood, is strongly impacted by the adjacent University of Minnesota. This includes pressure on housing for student residences and development pressure from the University itself for expansion into the neighborhood. These factors have lead to a considerable amount of land speculation and

absentee landlordship. While these have not necessarily been negative, they have not been compatible with the development or even maintenance of affordable housing in the neighborhood. A second sub-neighborhood is the Glendale housing project of the MPHA. This is a largely transient neighborhood that provides transition housing for needy Minneapolis residents. The largest community in this neighborhood in recent years has consisted of refugees from countries like Vietnam, Laos and Somalia. Finally, the bulk of the PPERR neighborhood consists of Prospect Park, a low density, mostly residential neighborhood with physically appealing amenities and a variety of housing units, and the East River Road and East River Terrace neighborhoods with mostly larger single unit housing along the Mississippi River Parkway.

The steering committee examined specifically the housing stock in the PPERR neighborhood (not counting Glendale) that consists of residential dwellings with 4 units or less. Although some larger multiple dwellings are present throughout, they are mostly in the Motley neighborhood or along University Avenue where they serve primarily as student residences. The committee identified approximately 700 such 4 unit or fewer dwellings in the PPERR neighborhood. The 2002-2003 “current market value” average is $259,000 and the median is $252,000. The majority of the units are owner-occupied (79%, homestead tax base) and their median value is $260,000. Rental dwellings in this class are considerably fewer and have a median value of $210,000

In order to identify the affordable housing base in the neighborhood we used a property value of $200,000 or less for a single or dual unit residential property as a guide. With this criterion there are 148 units (21%) that could be considered in the affordable range for a household income at or below the median. The majority of these units are owner-occupied (58%), and they are located primarily (79%) in the Prospect Park neighborhood. The rental units, in contrast, are largely concentrated in the Motley neighborhood (84%) where they serve primarily as student housing.

Based on these data and the minimal amount of developable property in PPERR, the committee concluded that the only real opportunity to either stabilize or expand affordable housing in the neighborhood lies in the Motley neighborhood or along University Avenue near the St. Paul border. Given the large number of affordable rental units that are in the Motley area, it is tempting to consider a program of stabilization that could include code enforcement and attractive financing to encourage maintenance and repair of those properties. However, it is not clear that such an investment would endure given the pressure already experienced from developers and University expansion. To ensure a longer return on any NRP investment then, we concluded that the funds should be directed at more stable parts of the neighborhood.

To summarize, the analysis shows that while providing homes that are affordable to persons and families with limited income continues to be a problem in the city, state, and nation as well as in the PPERR neighborhood, there may be only limited opportunity to influence affordable housing availability in PPERR at present. Thus the committee concluded that the neighborhood can get the maximum overall benefit from the NRP resources by using them to maintain the quality of existing housing stock and also the amenities that attract residents to the PPERR neighborhood. During NRP-1 the neighborhood facilitated the East River Mews housing project, which was planned to include new affordable units. The project resulted in 10 affordable housing units, however

only five of those were constructed on site, and other five were to be constructed at an off-site location outside the neighborhood (at a cost of $400,000). In addition, the neighborhood contributed $600,000 to the construction of new housing in the Bedford Street Town Homes housing project, which did not include an affordable housing component.

Finally, it should be noted that plans for a transit way through the neighborhood in the next decade or so are likely to provide new opportunities to pursue the goal of creating more affordable housing in the neighborhood. This is particularly true along University Avenue and near the city boundary with St Paul. Therefore, the neighborhood should play a proactive role in assuring that any new development meets the housing needs of a diversity of residents including a substantial affordable housing component.

D. Administrative Budget.

Planning: Includes neighborhood meetings and steering committee costs. Includes projected expenses through final neighborhood meeting.	$31,965.44
Personnel: (1 person @ $20/hr. @ 500hrs/year over 2 years but probably actually paid out at slower rate over about 3 years.)	$20,000
Advertising: Mostly in SE Angle about various loan programs.	$1,350
Office Supplies: Paper, postage, etc.	$2,539
Newsletter: Printing & mailing (based on actual cost for last two years. Half of estimated total cost for printing and mailing x 2 years.	$2,255
Miscellaneous: Handouts for meetings; childcare; translators; etc.	$1,085

E. Pratt School Transitional Funding is intended to help Pratt Elementary School reach full enrollment. The program at Pratt just attained its full planned number of grades this year (2004-2005). Enrollment (85 students) is still below the expected full enrollment of 144 students, due in part to the uncertain future of Pratt until November 2004, when the District took Pratt of the “to be closed” list. For these reasons (Pratt being a new school, and still under enrolled), additional funds are needed to facilitate the continuing transition to a fully operational school. The transition funding will be used as follows;

2005-2006:	0.1 clerical position	$4,800
	0.3 administrative TOSA	$22,900
	miscellaneous	$800
	total	$28,500
2006-2007:	0.1 clerical position	$5,100
	0.3 administrative TOSA	$23,700
	miscellaneous	$700
	total	$29,500
Total cost for 2 years		$58,000

F. Southeast Minneapolis Council on Learning (SEMCOL) is a grassroots organization whose board is made up of 4 members appointed by each of the three main neighborhood organizations in Southeast Minneapolis. The PPERRIA members on the SEMCOL board are Susan Larson-Fleming, Susan Gottlieb, Jerry Stein, and David Galle. Donald Fraser, former Minneapolis Mayor and Congressman is one of the representatives from the Marcy-Holmes neighborhood and is the president of SEMCOL.

Two years ago PPERRIA gave SEMCOL $5,000 to help with start up of that organization. SEMCOL has raised an additional $35,000 from the other neighborhood organizations in Southeast and also from the General Mills Foundation and the Musser Foundation. Using those resources SEMCOL currently contracts with a family worker to work primarily in Glendale with families. SEMCOL also published Southeast Reads during the year, and will again. Thus the PPERRIA $5,000 helped leverage seven times that amount to support learning in Southeast, much of it going to Glendale. SEMCOL is working hard at raising outside funds, and though these things can't be guaranteed, it is likely that these PPERRIA NRP funds will also have a high leveraging effect.

SEMCOL would work with a Neighborhood Education Worker to help families in Southeast who need support in order for their children to be successful in school.

G. Somali Women in Minneapolis (SWIM) is a program of the East Side Neighborhood Services. One of the long-term goals SWIM participants have expressed is home ownership. In response, SWIM has created a new initiative called MOVE ON to help families realize their goals and to help them achieve self-sufficiency.

MOVE ON is designed to teach principles and methods for developing financial assets, stability and financial responsibility. MOVE ON will provide a 12-month education program focused on the financial ABCs that potential homeowners with the resources, knowledge, and information that is practical and essential to taking this step. Monthly programs will feature speakers and resources to help participants understand financial and practical usage issues supporting home rental and/or home ownership. Field trips will provide concrete information and insight that will improve skill levels.

Anticipated costs for the program beyond the staff support from ESNS:

Personnel: SWIM staff: (6 @ $4,136 + $901.67 fringe)	=	$30,226
Program costs: (supplies, audit, insurance, transportation, activity cost).	=	$ 4,774
Total cost		$35,000

H. Summary Spreadsheet

Education: Pratt School Transitional Funding **$58,000**
Strategy: To provide support to the Minneapolis School staff until the school attendance reaches its full potential.

Education: SEMCOL **$5,000**

Strategy: To support educational and vocational work with parents and children in Glendale.

Human Services: SE Seniors **$14,000**
Strategy: To support neighborhood programs that can provide home care, food savings, and/or transportation options for senior citizens.

Livability: **$14,000**
Strategies:

5. To improve the overall physical appearance of the neighbor hood by supporting community gardening, neighborhood clean ups and exotic plant control, both along the river and within the neighborhood.
6. To support efforts to enhance the use of Luxton Park.
7. Increase community awareness of neighborhood activities and issues through the use of electronic and physical bulletin boards.
8. To promote the management of traffic on neighborhood streets.

Housing: Home Improvement Programs and Affordable Housing: **$152,225**
Strategy:

1. A. Provide financial assistance for home improvements to as many low and moderate-income home owners as possible with the limited available NRP funds augmented with other available housing funds.
1. B. Provide financial assistance for low income home owners to maintain and repair their homes.
1. C. Support efforts to create affordable housing in the neighborhood through actions of PPERRIA and interactions with non-profit housing development organizations. requirement shall be a condition for neighborhood approval of the development, and a condition for the receipt of NRP funding.

Housing: Historical District Project Completion: **$28,000**
Strategy: To complete phase 2 of the process that will lead to historical district designation.

Housing: SWIM Home Purchase Education Program: **$35,000**
Strategy: To support a program specifically designed for Somali refugees, in their quest to become knowledgeable renters and first-time home buyers (see Appendix G).

Administration: Plan Development: **$14,412**
Phase I Rollover: (Does not count toward Phase II allocation) $17,553.44

Administration: PPERRIA: **$27,229**
Strategy: To allow for PPERRIA to provide general administrative support for the support of NRP-2 activities in the neighborhood. This would include staff time as well as resources for printing, supplies, and other expendables (see Appendix D).

TOTAL **$347,866**

Last Revision: August 5, 2005

PROSPECT PARK EAST RIVER ROAD NEIGHBORHOOD PHASE II ACTION PLAN

	EARLY ACCESS (2004)		2005		NRP			
	NRP	NRP	NRP	NRP	PHASE II	PROGRAM	PHASE I	
ACTIVITY	HOUSING	OTHER	HOUSING	OTHER	TOTAL	INCOME	ROLLOVER	CHANGES
EDUCATION (page 3)								
1.1. Pratt School Transitional Funding				58,000	58,000			
2.1. SE Minneapolis Council on Learning				5,000	5,000			
HUMAN SERVICES (page 4):								
1.1. Southeast Seniors				14,000	14,000			
LIVABILITY (page 5)								
1.1-4. Physical Appearance/Luxton Park/Communications/Traffic Calming				14,000	14,000			
HOUSING (page 5)								
1A-C.1A-C. Loans/Grants/Affordable Housing Development			152,225		152,225			
2.1. Historical District Project Completion			28,000		28,000			
3.1. Somali Home Purchase Education Program			35,000		35,000			
ADMINISTRATION (page 8)								
1. Plan Development		14,412			14,412		17,553.44	1, 2
2. PPERRIA Administrative Support				27,229	27,229			
TOTAL	0	14,412	215,225	118,229	347,866	0.00	17,553.44	
EARLY ACCESS APPROVED	14,412		0		14,412			
TOTAL ACTION PLAN REQUEST	**14,412**		**333,454**		**347,866**			
ADMINISTRATIVE FUNDS IN PLAN	14,412		27,229		41,641			
ADMINISTRATIVE FUNDS FOR HOUSING					27,949			
TOTAL HOUSING ALLOCATION					243,174	69.90%		
AMOUNT AVAILABLE (70%) IN 1ST 3 YEARS*	14,412		229,094		243,506			

** - On March 22, 2004, the NRP Policy Board adopted a policy that requires each neighborhood to limit its Phase II Neighborhood Action Plan obligations to no more than 70% of of their neighborhood allocation during the first three years following approval of its action plan.

CHANGES:

1. On March 23, 2005, the NRP Director approved a plan modification to reallocate $2,553.44 in Phase I funds to Phase II strategy, Plan Development (Administration 1). (This modification is Phase I Plan Modification #19 and Phase II Plan Modification #1.)

2. On May 23, 2005, the NRP Director approved a plan modification to reallocate $15,000 in Phase I funds to Phase II strategy, Plan Development (Administration 1). (This modification is Phase I Plan Modification #20 and Phase II Plan Modification #2.)

PROSPECT PARK EAST RIVER ROAD NEIGHBORHOOD PHASE II ACTION PLAN

ACTIVITY	Comments	Contract Administrator
EDUCATION (page 3)		
1.1. Pratt School Transitional Funding		MPS
2.1. SE Minneapolis Council on Learning	Funds must be matched from other sources	Hennepin County
HUMAN SERVICES (page 4):		
1.1. Southeast Seniors		Hennepin County
LIVABILITY (page 5)		
1.1-4. Physical Appearance/Luxton Park/Communications/Traffic Calming		MPRB, NRP, Public Works, DFD
HOUSING (page 5)		
1A-C.1A-C. Loans/Grants/Affordable Housing Development		DFD/CPED Housing Policy and Development Division
2.1. Historical District Project Completion		CPED Planning Division
3.1. Somali Home Purchase Education Program		Hennepin County
ADMINISTRATION (page 8)		
1. Plan Development		NRP
2. PPERRIA Administrative Support		NRP

Prospect Park East River Road Neighborhood Phase II Action Plan (Prospect Park 2.xls)
Date Prepared: July 13, 2005
Last Revision: August 5, 2005
Prepared By: Robert Cooper, Finance 673-5239