

PRG gets into out' housing

Housing co-op aimed at aging members of gay-lesbian community



Plans for the Spirit on Lake Housing Cooperative call for 41 units of housing along Lake Street in south Minneapolis. (Submitted graphic)

The Spirit on Lake Housing Cooperative in south Minneapolis isn't your average housing development. Its owners are marketing the project to older members of the gay, lesbian,

bisexual and transgender (GLBT) communities with the slogan, "Capture the Spirit of Living Out."

Minneapolis-based nonprofit PRG Inc. is developing the \$10.6 million, 41-unit housing project along Lake Street, just three blocks east of the Midtown Exchange redevelopment project.

The housing co-op appears to be the first of its kind in the Twin Cities.

"There have been GLBT projects around the country, but not in the Upper Midwest as far as I'm aware," said Kathy Wetzel-Mastel, project manager with PRG. Wetzel-Mastel expects that construction on the project will start in the spring of 2009.

But despite its marketing, the project is open to anyone.

"You can't discriminate on sexual orientation and we're not doing that," said Wetzel-Mastel, who noted that a married, heterosexual couple have reserved a unit in the building.

Advertisement And technically, the project is not restricted to seniors, either. That had been the plan, but Wetzel-Mastel said that one of the project supporters was reluctant to provide money for an age-restricted development.

The concept began with Spirit of the Lakes United Church of Christ, which currently owns the two parcels totaling about four-fifths of an acre where the project will be developed at 1238 Lake Street E. and 2930 13th Avenue S.

Barbara Satin, a member of the church, said that the GLBT congregation began to see a need for housing for older members of its community. In recent years, as developers called upon the church looking to buy its Lake Street site, the church began to consider getting into the development business itself.

“Originally we thought, ‘Let’s do this on our own’ and we quickly realized we didn’t have the resources or the expertise to make this happen,” Satin said. “It was basically a decision by the church to stay in the area.”

Spirit on Lake will include a new 6,000-square-foot worship space for the church.

The church currently meets in what was once an automobile garage. The site also contains a parking lot. Satin said that some congregants refer to the building as the “warehouse of God.”

During construction, the church will need to find temporary worship space.

Although the church was the genesis of the idea for the project, the church is not the project developer. PRG will buy the parcels from the church. But in a twist, the church will buy back a portion of the site, and that’s where the new sanctuary will arise before redevelopment begins.

Although the church and the housing will be part of the same building, they are technically considered separate projects. Wetzel-Mastel said that’s a key point because many of the sources of public money slated for housing can’t be used to finance a church project.

PRG was founded in 1976 as the Powderhorn Residents Group, a community development corporation focused on the Powderhorn neighborhood in south Minneapolis.

About a year ago the nonprofit changed its name to reflect its broader reach. PRG now works across the seven-county metro area. About a year ago, PRG completed a 16-unit project in Minnetonka for independent adults with mental illness.

Sixteen of the units in the co-op are defined as affordable. Like any affordable housing project, Spirit on Lake draws on many sources for money including the city of Minneapolis, Hennepin County, the Metropolitan Council, the state’s Department of Employment and Economic Development and the Minnesota Housing Finance Agency.

Wetzel-Mastel said that PRG is planning to use a mortgage insurance program from the U.S. Department of Housing and Urban Development.

Minneapolis-based DJR Architecture is the project architect. Hopkins-based Frana Companies will be the general contractor.

The project budget includes about \$1 million for environmental cleanup and geotechnical issues on the site.

“It turns out that the contamination from the automotive history is pretty minor. There is fill on that site to depths of 39 1/2 feet. That fill is contaminated,” Wetzel-Mastel said.

The response has been good, according to Wetzel-Mastel – so far, they have 23 reservations for units in Spirit on Lake.

“One of the things that surprised me is I thought that we would be drawing people from the core cities, [but] about half of our reservations are from suburban areas. That’s been very interesting,” Wetzel-Mastel said. “Everybody’s been very excited about this project as far as I can tell.”

Minneapolis City Council member Gary Schiff, in whose ward the project sits and who is openly gay, is an enthusiastic supporter.

“There’s a huge need for housing for elder members of the gay, lesbian, bi and transgender community. Spirit of the Lakes Church really identified this need and stepped forward. It really represents the kind of leadership we’ve seen from churches addressing affordable housing in recent years,” Schiff said.

“It’s a perfect housing form for Lake Street. It’s perfect for Lake Street and the neighborhood. It brings a vitality,” Schiff said.