

The University District Alliance Demonstration Project Activities and Accomplishments, 2008 – 2009

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I. University District Alliance Demonstration Project, Activities and Accomplishments 2008-2009

Selecting and Launching the Demonstration Project

The goals of the demonstration projects were to show tangible improvement in the neighborhoods; to build confidence in the future of the community; to demonstrate the power of working together in alliance.

A grass-roots task force was established, made up of representatives from Alliance member organizations, to oversee the selection and implementation of projects.

The Alliance issued a “Request for Ideas” for how to invest the demonstration project funding. The parameters included specific criteria, including targeting of limited resources, leverage of additional resources, and tangible results.

Over 30 “ideas” or proposals were submitted. The task force crafted a project which melded several of the ideas intend to meet these strategic goals:

- To preserve home ownership in University District neighborhoods
- Restore and maintain resident confidence and encourage reinvestment in homes in the District
- Develop a broader range of housing choices for residents of the District.

Results--The Demonstration Project: Home Ownership Preservation Program

- **Twenty-three homes preserved or restored for owner-occupancy in two target areas**
- **Fifteen new homeowners have purchased a home and made a long term commitment to ownership in the District**
- **Communication tools reach, and welcome, prospective residents of the University District**
- **Sound analysis is educating Alliance members and potential investors about residential living preferences and the market feasibility of alternative housing developments.**

Four Components

1) Options: Home owners are invited to provide an option on their homes so the home will be sold to a new owner-occupant when the home owner needs to move—preserves owner-occupancy

2) Home Buyer Incentive Loans: to attract new long-term residents to the University District

3) Promoting the University District as a place to live:

<http://www.LiveNearYourWork.net>

4) Developing Housing Choices: to provide choices in places to live, to attract and retain residents of all ages

Component 1) Options Program

Goal: To option 20 homes in two eight-block target areas in the two neighborhoods identified as most vulnerable by the Impact Report. The strategy: to focus limited resources to demonstrate a concentrated result.

Approach:

- a) Developed criteria for selection of target areas. Using data gathered by the Center for Urban and Regional Affairs at the University, the task force selected two eight-block target areas in two University District neighborhoods that are experiencing the greatest rate of property condition decline. The task force selected two relatively stable, but vulnerable target areas.
- b) Conducted outreach in the target areas: mailings, phone contact, coffee parties for homesteaders over age 63 in target areas; later a mailing to all homesteaders in target areas
- c) Home purchases: three homes threatened with immediate rental conversion were purchased (Alliance funds cover gap between

purchase/rehab costs and selling price), improved, and are being re-sold to owner-occupants

Partners: Greater Metropolitan Housing Corporation acted as agent for the Alliance in options and purchase/rehab of the homes. Southeast Seniors assisted in outreach to community residents.

Accomplishments:

- Twenty homes optioned since July 2008 – Cost: \$39,000 + fees
- Three rental conversion homes purchased since September 2008
 - One home sold as-is to a new owner-occupant family
 - Two homes in rehab to be sold to new owner-occupants

Component 2) Home Buyer Incentive Loans

Goal: To attract new long-term owners and residents to the University District, and preserve the balance of owner-occupancy.

Approach:

- a) The task force developed criteria for an incentive loan program, based on best practices.
- b) Five-year, forgivable loans in the amount of \$10,000 were offered to buyers purchasing a home in the University District, with requirement that it remain owner-occupied.
- c) Outreach was done to realtors through coffee parties, and to potentially interested buyers through promoting it to University employees and others who work in or near the University District.

Partners: Greater Metropolitan Housing Corporation acted as agent for the Alliance. The University of Minnesota, and the City of Minneapolis each contributed \$50,000 to match Alliance funding through the legislature.

Accomplishments:

- Fifteen homes are now in long-term owner-occupancy, and new long-term residents are living in the University District.
- Loans have been made in all four University District neighborhoods.

Component 3) Promoting the University District as a Place to Live

Goal: To provide ongoing information to prospective and current residents about the features and benefits of the University District as a place to live.

Approach:

- a) The Live Near Your Work website was created, at <http://www.livenearyourwork.net>. With a theme of “Live Smart in the

- University District”, the website features all four neighborhoods, with quality of life information and listings of homes for sale and for rent.
- b) The University District Alliance participated in the Minneapolis-St. Paul Home Tour, with five University District homes included on the tour, and a feature on the U District in the Home Tour printed and online guide.
 - c) University of Minnesota electronic “Brief” updates to employees, E-communications to Augsburg College and City of Minneapolis employees with information about University District opportunities.
 - d) The website is linked to a Facebook page on the University District.

Partners: Web and design professionals who live in the University District contributed over \$4,500 of in-kind services to develop the website and promotional materials; University of Minnesota and Augsburg College.

Accomplishments:

- An interactive website is averaging 2,500 hits/month, providing information to prospective residents and others interested in the University District.
- University employees and others who work in the campus area neighborhoods are recognizing the University District and all it has to offer.

Component 4) Developing Housing Choices: Alternative Housing for District Residents

Goal: To provide a range of living choices for residents of all ages in the University District. The University District currently has very limited residential options for people who are seeking alternatives to a single family home or young adult-oriented apartment complex. As residents “graduate” from their single family homes, they have little or no option to remain in or near their neighborhood.

Approach:

- a) The Alliance Housing Committee did a “pro forma” analysis on a key site in the South East Como neighborhood to determine break-even potential for development at different density scenarios.
- b) With funding from the University, the Alliance has hired Maxfield Research to complete a housing market study for the University District, assessing the market potential for a variety of housing types for residents at different ages and lifestyle preferences.
- c) These studies are essential tools for encouraging development and investment in the University District.

Partners: Maxfield Research housing market analysts; University of Minnesota.

Accomplishments:

- The results of the study will be available this summer, and will be shared with Alliance member organizations and partners, and potential developers and investors in the University District.
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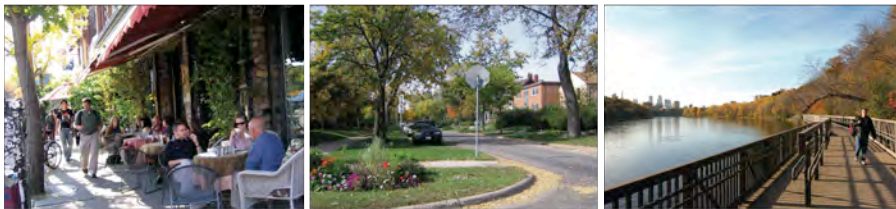
II. Advancing the Accomplishments of the University District Alliance Demonstration Project, 2010 – 2012

- Subject to funding availability:
 - exercise options on homes as they become available
 - expand the option-to-buy program to additional target areas
 - expand the Home Buyer Incentive Loan program
- Based on the results of the housing market study, advance the prospect for new housing choices in the University District, and for other appropriate development at transformative sites.
- Increase outreach and marketing of the University District.
- Establish new institutional and business partners.
- Further leverage Alliance work with the Energy Innovation Corridor.
- Increase outreach to other university and college communities.



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Smarter Together

Background



February, 2007: "Moving Forward Together: U of M Minneapolis Area Neighborhood Impact Report" documents threats to the University campus area

"The destiny of the University campus is inextricably linked to the destiny of the adjacent neighborhoods."

May, 2007: University of Minnesota Minneapolis Area Neighborhood Alliance legislation

"The alliance may facilitate, initiate, or manage projects . . . to maintain the university partnership district as a viable place to study, research, and live."

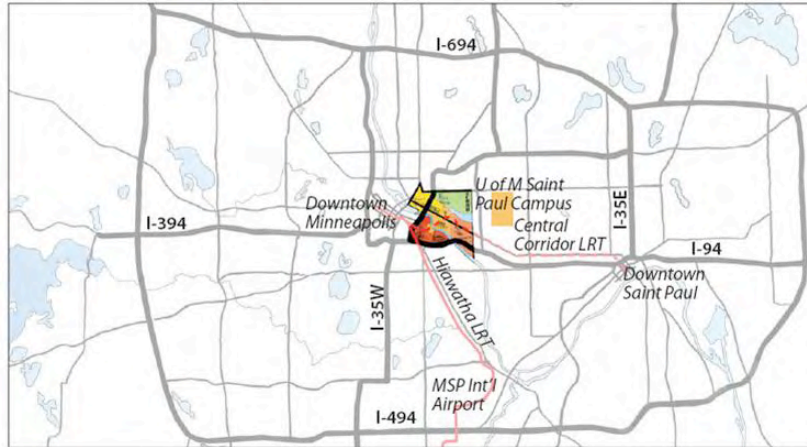
February, 2009: The Alliance, a University District Partnership 2007 – 2009 Progress Report

"Working together in new ways over the last year has already been transformative."

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Location, Location, Location The University District in the Metro Region



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The University District is the Place



52,000 students come to learn
35,000 residents live, work, learn, and create



11,300 degrees are awarded each year,
including 4,600 graduate and professional
degrees

Most of Minnesota's MDs, MBAs, attorneys,
engineers, and scientists are trained at the U

Over \$600 million in research awards each
year

200+ new inventions and technologies result
from U research each year

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The University District is the Place



Six health center schools and colleges

650 physicians and 1,300 other health professionals provide medical care

Over 400,000 patients come to outpatient clinics each year



Alumni of the Institute of Technology and the Carlson School alone have founded 4,400 active companies in MN, with 285,000 employees and \$67 billion in annual revenue.

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The University District Alliance

A partnership of communities, learning institutions, and the City of Minneapolis—works to make the area surrounding the University of Minnesota one that:

- capitalizes on its exceptional resources;
- is vibrant, safe, healthy, and sustainable;
- and is a preferred place for people of all ages to live, work, learn, do business, and visit.



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Alliance Participation is Broad and Deep: higher education, local government, neighborhoods, businesses, student leaders



- Augsburg College
- City of Minneapolis
- Dinkytown Business Association
- Graduate and Professional Student Assembly
- Marcy-Holmes Neighborhood Association
- MN Student Association
- Prospect Park East River Road Improvement Association
- Southeast Business Association
- Southeast Como Improvement Association
- Stadium Village Commercial Association
- University of Minnesota
- West Bank Business Association
- West Bank Community Coalition



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Alliance Work in 2009



- Preserving homeownership
- Strengthening neighborhood livability
- Engaging University centers of expertise and other regional partners
- Growing the University District identity and voice
- Developing transformative vision
- Getting “smarter together”

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Promoting and Balancing Ownership



Homeownership preservation: 22 options to purchase; 3 homes purchased for resale to owner occupants.



Two target areas were selected to maximize impact and build confidence in the future of the community.

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Promoting and Balancing Ownership



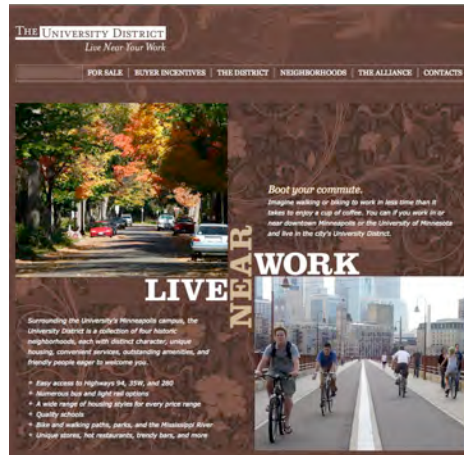
Promoting homeownership: 15 homes purchased with homebuyer incentive loans.



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Promoting the University District as a Place to Live



LiveNearYourWork.net

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Strengthening Neighborhood Livability: improving property standards and regulation



- City of Minneapolis comprehensive inspection of rental properties
- Zoning, Planning, and Regulatory Review examined city policies in the University District
- Created University Area Overlay District, improving standards for rental properties
- Strategic Compliance Team formed to focus on problem properties

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Strengthening Neighborhood Livability: engaging student citizens



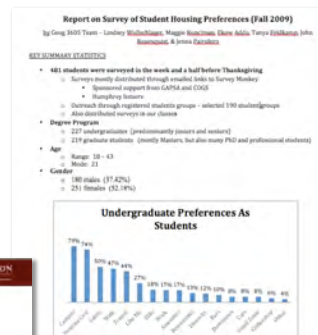
- 22 Student Neighbor Liaisons are now at work in Alliance neighborhoods, facilitating connections among student residents and their neighbors.
- Students are academically engaged with the Alliance— Departments of Geography and Forest Resources, Carlson School of Management, Hubert Humphrey Institute, Center for Urban and Regional Affairs.



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Strengthening Neighborhood Livability: engaging student citizens



Cedar Riverside Parking Management Study

Prepared by: CARLSON CONSULTING ENTERPRISE
 Kevin Bergh
 Yuhui Huang
 Oliver Maher
 MinhHa Pham

5/14/10

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Engaging University Centers of Expertise and Regional Partners



- College of Design: Center for Sustainable Building Research and Metropolitan Design Center
- Center for Urban and Regional Affairs
- College of Education and Human Development
- Xcel Energy and Energy Innovation Corridor
- Center for Energy and the Environment



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Developing a District-Wide Consensus and Identity



Four University District Workshops, September, 2008 – August, 2009, engaging 300+ participants:

- Bringing together 19+ existing plans; identifying priorities
- Essential elements and missing pieces
- Areas for potential transformation
- Best practices for creating a “sustainable” community
- Future demographic and economic factors



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Developing Transformative Vision



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Getting “Smarter Together”



- Learning from each others' experiences
- Collaborating for District-wide advantage
- Getting behind initiatives that benefit the District
- University District Land Use Forum



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Legislative Funding Leveraged Substantial Other Resources:



- \$250,000 commitment from the University for University District planning
- \$110,000 from the City of Minneapolis for a targeted inspections sweep
- \$100,000 from the University and the City for homebuyer incentives in the University District
- \$82,500 from the University for a Student-Neighbor Liaison program
- \$4,500 in donated consultant time for website design
- Several thousands of hours of volunteer time on the part of community leaders and contributed staff time from the University and the City

Over \$557,000 in contributions leveraged by the Legislature's support of the University District Alliance

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Next Steps for the Alliance



- Expand reach and impact of the demonstration projects
- Sharpen zoning and regulation
- Further engage students as residents, citizens, and scholars
- Complete a master plan for the District
- Further engage new partners, private developers, and University centers of expertise
- Strengthen Alliance governance to take the work to the next level
- Develop funding resources

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Resource requirements to take the Alliance work to the next level



Funding for:

- Project funding to increase impact and reach of the Alliance demonstration projects
- Expanded operations
- Investment to catalyze transformative private investment

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“The Alliance is the preeminent example of an effective, broad-scale effort by neighborhoods, universities, business groups and city government to work together to materially improve the community they share in common beyond what any one could have accomplished on their own.

They have already achieved measureable results that a few years ago were only imagined in the group’s visionary tagline: Smarter Together. And the best is yet to come.”

--Minneapolis Mayor R.T. Rybak

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For More Information:

community.umn.edu/alliance

LiveNearYourWork.net



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