

Prince of Peace Lutheran Church, ELCA Roseville, Minnesota



To: Members of Prince of Peace

From: Affordable Housing Team

Re: Moving forward on a project to build affordable housing on PoP's south property

Date: February 19, 2021

You are invited to an information session we're calling Focus Groups on Tuesday, March 2 or Monday, March 8. Both Focus Groups will meet at 6:30 p.m. These will be informal Q&A information sessions. Prince of Peace formed an Affordable Housing Team in March of 2020. The group has been doing lots of learning about affordable housing and listening to people in the congregation, the community, and government leaders. The Team has a proposal it is seeking input on from the congregation:

The Affordable Housing Team recommends (1) that the congregation grant \$250,000 from the Diestler Estate to the affordable housing project as seed money and to name the project for Rose, (2) that Prince of Peace commits to sell 2.25 acres on the south side of its property to a developer for the purpose of building affordable housing, (3) that half the sale price goes to the congregation and half go to enhance the affordable housing project, and (4) to authorize the Church Council to select and enter into a contract with an affordable housing developer at no additional cost to Prince of Peace.

How do I learn more?

- **Read** the attached Frequently Asked Questions
- **Visit** poproseville.org/affordable-housing-team to learn about the history of the project and watch related videos
- **Attend** one of the Focus Groups on March 2 and 8 at 6:30 pm. Via Zoom. The content will be the same so you only need to plan to attend one.

On Zoom: <http://bit.ly/3axMqzt> | Or by phone: +1 312 626 6799

Meeting ID: 844 8965 4021, Passcode: 279651

- **One-on-One Conversation** – contact one of the Affordable Housing Team members to discuss the project. The Team includes:

Anne and Gus Haugan, ahaugan@usfamily.net, phone 651-484-3856

Dian Larson, dianjl@hotmail.com, phone 763-742-5450

Betchen Oberdorfer, eloberdorfer@outlook.com, phone 651-631-0770

Gary and Jean Olson, garyjeano@gmail.com, phone 651-500-0449 or 651-528-0492

Michael Stetzler,* mstetzler@gmail.com, phone 651-347-7732

Esther Tatley, hetatley@msn.com, phone 651-490-5850

Pastor Betsy, betsy@poproseville.org, phone 612-827-5066

*Michael was a member of the Affordable Housing Team before becoming president of the congregation. Now he serves in an ex officio role.

What are the next steps?

- Focus groups on March 2 and 8 to answer questions and receive congregation input
- Council action - The Affordable Housing Team will present a motion to the Council to act on. The final language for the congregation to vote on will be determined by the Council.
- Vote by the congregation at an upcoming Special Congregation Meeting.

Will this be the final action of the Congregation?

No. This would be the first of two actions needed by the congregation for the project to move forward. This action will allow the congregation to contract with a developer who will work with us on getting city approvals and applying for state funding. When these things are in place, we will return to the congregation to vote on selling the property to a specific party for a specific dollar amount.

Affordable Housing Proposal

The Affordable Housing Team recommends (1) that the congregation grant \$250,000 from the Diestler Estate to the affordable housing project as seed money and to name the project for Rose, (2) that Prince of Peace commits to sell 2.25 acres on the south side of its property to a developer for the purpose of building affordable housing, (3) that half the sale price go to the congregation and half go to enhance the affordable housing project, and (4) to authorize the Church Council to select and enter into a contract with an affordable housing developer at no additional cost to Prince of Peace.

Frequently Asked Questions (FAQs)

What started this project?

In fall 2019 the congregation learned that over 240 school-age children, plus their families, in the Roseville Area School District are homeless or unstably housed. This led to a brainstorming session in February 2020 wondering how is God calling Prince of Peace? The Affordable Housing Team was formed in March 2020.

How does this relate to our mission?

Jesus calls us to love God and to love our neighbors as ourselves. Matthew 22:37-39. Prince of Peace's mission is that we are claimed, gathered and sent to build the church and love the world. Building affordable housing for our neighbors is a tangible way to live out this mission.

What has to happen before this project could be started?

The congregation needs to commit to the project, we need to enter into an agreement with a developer, get city approvals and the developer has to secure funding.

What is the financial commitment of the congregation?

\$250,000 from the Rose Diestler Estate and half of the money from the sale of the property.

How was the amount of \$250,000 from the Diestler Estate determined?

This is slightly more than the sale price of Rose's house, meaning that the gift of her house will go to house others. We have heard from members of the congregation that they would like to do something substantial with Rose's money. This project could be named in her honor.

Will there be ongoing costs to the congregation? No.

Why does the congregation need to invest seed money in the project?

Developers go through a competitive process to secure funding to build affordable housing. An application is more likely to be funded if interested parties like Prince of Peace are investing money in it. The City of Roseville also has funds they likely would grant to the project to increase the funding chances.

How are these projects financed and who secures the funding?

One of the things that a developer does is to put together the financing package for the project. Financing includes seed money (e.g. from Prince of Peace and the city) and money from the State of Minnesota and other sources that may include the Met Council. Much of this is in the form of low-income housing tax credits. Developers compete for this money in an application process that occurs each summer.

How is the property currently zoned? What is the process to change the zoning?

It is currently zoned low-density residential (often called single-family residential). The congregation and the developer would work with the city to change the zoning. This begins with an application process giving reasons for the zoning change.

How does the City of Roseville view this project?

The Affordable Housing Team has talked with city staff that work with affordable housing, as well as members of the city council and the planning commission. We have been encouraged to pursue the project and told that the City of Roseville has money to invest in it to help secure financing.

How many years will the project remain affordable housing?

Funding sources typically require that the property remain affordable housing for 15 years, which is renewable to 30 years. Several nonprofit developers, we have spoken with commit that the project would always be affordable housing and this is something we can negotiate with the developer. Deidre Schmidt from Common Bond addressed this issue when she spoke at the adult forum on Jan. 24, 2021. Poproseville.org/affordable-housing-team

Who will manage the property? The developer**If a major capital improvement like a roof needed, who takes care of that?**

That developer who owns the property

How do we choose a developer?

In August 2020 the Affordable Housing Team crafted a Request for Information with the kinds of questions we will ask a potential developer. We received feedback from developers that the congregation needs to show it is committed to the project before they would sign on to work with us. Poproseville.org/info-from-housing-developers

What is the value of the land?

We do not know the specific value of the land at this time because it has not yet been appraised. We have been told that the value of the land is closely related to how it will be used.

What kind of social services will be provided?

The developer or an entity that they contract with will provide services depending on the needs of the people who live in the housing. This may include counseling, financial counseling, recovery groups, career counseling, and parenting support.

Who would live in the housing?

This in part depends on the funding sources for the project. Affordable housing is generally for people making 30-60% of the area median income.

What will the housing look like?

The housing could be apartments or townhomes. The congregation may have input into the design of the building(s).

For examples of what affordable housing can look like, you can explore websites of developers like Common Bond (<https://commonbond.org>) or Project for Pride in Living (ppl-inc.org). You can also drive by various affordable housing in our area. Common Bond Communities include: Century Trails Senior Housing (apartments) 1730 Monastery Way, Maplewood (Larpenteur and Century Avenues), Trails Edge Townhomes, 1728 Woodland LN, Maplewood (Larpenteur and Century Avenues), Common Bond (Apartments), 2030 Lydia Avenue, Maplewood, Garden Terrace Commons, 2880 Market Place Drive, Little Canada 55117. PPL Developments include Bass Lake Court, 7300-7350 Bass Lake Rd, Minneapolis and Granada Lakes Townhomes, 3915 Granada Way North, Oakdale.

Is this a food desert?

A food desert is defined as living more than 1 mile from a supermarket in an urban area. There are no grocery stores within one mile but there are 5 grocery stores within a 2.5-mile radius.

Is there adequate transportation available to make this a viable affordable housing location?

Some residents likely would have cars. Two Metro Transit bus routes currently serve the area (one on Victoria and one on Co. Rd. C) but service is limited. One of the developers the team talked with also suggested a car sharing program.

What is the timeline for this project?

Information Focus Groups early March, present to Council, followed by a Special Congregation meeting. If the congregation adopts this action, then the Affordable Housing Team would seek a developer and present a recommendation to the Council for approval. Prince of Peace would enter into a contract with the developer. The developer would work with PoP on getting the necessary city approvals and working on a funding package. Developers can apply to the state for funding in June of each year. Most likely an application for this project would be submitted in June 2022 and the developer would be notified on whether they will receive the funding in the fall of 2022. Prince of Peace would formally sell the property to the developer once all the funding and approvals are received. If funding is approved, construction could begin spring 2023. If funding is not approved the first time (which is common), the developer would apply again in June 2023.