

Prince of Peace Lutheran Church, ELCA
Roseville, Minnesota



Dear Prince of Peace Congregation,

I am looking forward to seeing you at the special meeting of the congregation this coming Sunday, March 21 at 10:00am. Here is some information to help you prepare for the meeting.

The purpose of the meeting, as defined by the Congregational Council on February 9, is to consider “actions needed to move forward with an affordable housing project”. The Council and the Affordable Housing Team discussed how those actions might be presented to you and on March 9 decided to pose this one fundamental question to you: “Is God calling us to use this land for affordable housing?”

The answer to this question will come as much through prayer and reflection as from debate and analysis. To attempt to discern God’s calling we will listen deeply to a guiding passage from scripture, reflect silently on God’s message, then share our thoughts with others. We will do that three times, twice with small group discussion and finally as the congregation. After a final prayer and song, we will conduct an anonymous Zoom poll on the question “Is God calling us to use this land for affordable housing?”

Please take some time to review the report of the Affordable Housing Team and the guiding scripture. Please also lift up our congregation in prayer for guidance.

In peace and hope,

Michael Stetzler, President

Zoom Link available at poproseville.org/meeting

Phone Number: 1(312) 626-6799 | Meeting ID: 248 304 979 | Passcode: 623896

If possible, please use a separate device for each member in your household. This will improve our ability to manage discussion groups and polling.



This is the property that is being discussed.

Summary of Affordable Housing Team Focus Groups & Written Comments

The Affordable Housing Team held two focus group meetings to respond to questions and get feedback on the proposal to build affordable housing on Prince of Peace's south property. 17 people attended the March 2 meeting and 25 attended the March 8 meeting, in addition to the 9 members of the Affordable Housing Team. Of the 42 people attending, 5 are prospective members of the congregation. The Affordable Housing Team also received two letters with written comments. Prospective members said:

- Like the passion this congregation has for serving the community
- This project is exciting and I hope I can help out
- Attended the annual meeting and impressed by the congregation's dedication to its neighbors
- As an architect I have worked with some affordable housing projects

This summary of the issues raised supplements the Frequently Asked Questions dated Feb. 18, 2021.

1. Timing of Project

A. Why now?

The need for affordable housing in the Twin Cities is great and has become even greater during the pandemic. Prince of Peace is in a unique position of owning undeveloped land that could be used for this purpose.

B. I suggest waiting out the pandemic before making a decision. We should not decide during Covid because communication is limited.

Based on feedback from the congregation, the Affordable Housing Team recommended to the Council and the Council is forwarding to the congregation for the March 21 special meeting that a nonbinding vote be taken on the question of should Prince of Peace use this land for affordable housing to gauge the congregation's intent. The money questions and other specifics will be decided at a later point in time when we are able to meet together in person (hopefully this summer).

2. Financial Questions

A. What is the value of the land?

PoP purchased the land for \$300,000 in 1998. The Affordable Housing Team considered having the land appraised but has been advised to wait on doing so because the value of the property is closely tied to what it will be used for. Thus we don't currently know the value.

B. The current church building has serious maintenance needs including a new roof. We need to be good stewards of the property that we have. These two issues seem to be intertwined.

We do have a responsibility to be good stewards of the property we have. Another team is working on recommendations for the roof, other maintenance needs, and how to fund them. As noted above, the specific financial questions about affordable housing are being delayed so that the Council and then the congregation can look at all of its major upcoming expenses.

C. The Affordable Housing Team is proposing using \$250,000 from Rose's estate and half the proceeds from the sale of the land for the affordable housing project. Why both sources of funding? How about using all of Rose's money and then having all of the land proceeds go to the church?

The Team's proposal had two purposes: The money from Rose's estate closely matches the amount of money her home was sold for, investing it in housing for others. This would be part of the seed money to help secure state financing. The money from the land would be used for other aspects of the project that the financing from the state would not cover. The specific amounts

and using one or both sources of funding are policy decisions for the congregation that will be decided at a later time when we can hopefully meet together in person.

D. Would Rose Diestler want her money to go to affordable housing?

Rose left her estate to Prince of Peace, leaving it up to the congregation to decide how best to use these resources. Rose was involved in the initial acquisition of the land and the proposed project to build senior housing. During her lifetime she was involved in issues to help people in need, especially those with HIV/Aids.

E. What will the church do with its portion of the land sale proceeds?

That is a question for the congregation to decide at a later time.

3. History of Property

F. How did Prince of Peace happen to acquire this land? What was the original intended purpose of the land?

The land with a farmhouse was owned by Mrs. Huberty. When she got ready to sell it, she approached the church to see if we would like to purchase it. She hoped it would be used for church purposes, perhaps even a future sanctuary. The land was purchased for \$300,000.

G. What happened to the senior housing project idea 22 years ago?

Jean Knaak was president of the congregation at that time and Vern Rice was the pastor. Jean shared with the group that the congregation had strong support for the project. A zoning change was needed from the city. It passed the Planning Commission but lost by one vote at the City Council.

4. Other Possible Uses of Property

H. What other uses of the land have been considered? Has green space, wind or solar gardens, or additional community gardens been considered?

Over the years the congregation has considered building senior housing, a retreat center, an outdoor worship space, or using it for additional parking. None of these projects have gained traction other than the community gardens that are currently on the property.

The issue of retaining it as green space or selling it to the city to expand Central Park has been discussed. Wind, solar gardens, and additional community gardens are intriguing ideas that had not previously been raised.

I. What will happen to the community gardens that are currently on the property?

While it is possible that the project could be built so that the gardens could stay where they are, it is more likely they would have to be moved. PoP could relocate some or all of the gardens to another part of the property (although there is not one location where 6 gardens could be co-located) or PoP could work with the gardeners to find another location in the community.

5. Risks

A. What prevents the developer from selling the land for another use?

The property will not change hands until all the necessary city approvals and the developer receiving funding for the project. The funding requires that it be used for affordable housing.

B. Several people mentioned a proposed affordable housing project on Dale & Highway 36 that instead became high-end condos. How do we know that what we are looking for will actually be affordable housing?

We don't know the specifics of that project but we plan to work with a nonprofit developer who only does affordable housing. Further, the sale of the land would be contingent on the developer receiving the funding to build affordable housing. If that did not happen, PoP would retain the land.

C. How long will it be affordable?

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.

D. Not want funding sources to dictate so much about the project that it loses the purpose of our mission.

This is something we will work with the developer on as they are applying for financing.

E. Only one chance to do something with the land and want to do it right. Comment noted.

6. Who will live there?

A. How many people will live there?

The project could be apartments or townhomes and likely will be 20-40 units. This is something that we will know more about once we have a developer working with us.

B. What if someone's income goes up?

We are envisioning subsidized affordable housing. If someone's income went up so they were no longer qualified to receive the subsidy, likely they would be able to remain in the housing but pay their own rent. They also have the option of moving, freeing up a unit for someone else in need of affordable housing.

C. How will residents be chosen?

The developer that owns the housing will handle the rental to residents. People who qualify for affordable housing get onto waiting lists for that purpose. You can learn more at housinglink.org/subsidizedhousing.

7. Developer-related questions

A. Are affordable housing developers nonprofits?

Yes. The five developers that the Affordable Housing Team has talked with are all nonprofits. As a nonprofit, their mission of providing housing to low-income individuals is closely aligned with PoP's mission.

B. Why nonprofit?

For-profit developers often build higher-end property with a few affordable units in the mix. Nonprofits focus solely on affordable housing. As a nonprofit, all money in excess of operating costs goes back into the property.

C. How will the building or buildings look?

We will learn more about this if the congregation moves forward with the process and we engage a developer. To get an idea of what it may look like, you are welcome to drive by the properties listed in the FAQ.

D. Who would do the maintenance of the affordable housing in the future?

The affordable housing developer would own the property and be responsible for the maintenance. PoP would have no future costs related to the project.

E. The congregation does not have the expertise to provide needed services to residents.

Correct. The developer or other service provider they contract with who has this expertise would provide services to residents. PoP is suggesting that Lutheran Social Service be engaged to do this.

F. How will a developer be selected?

When the congregation indicates it wants to move forward with this project, the Affordable Housing Team will contact developers to see which ones are interested in the project. Questions, as outlined on the Request for Information, will be asked, visit poproseville.org/info-from-housing-developers for more information. Members of the congregation will have the opportunity to ask questions before a decision on the developer is made by the Church Council.

8. The Land

A. Can we see a visual layout of the land we are talking about? See attached diagram.

B. What is the current zoning?

Currently it is zoned low density residential (commonly called single family) and it will need to be rezoned.

C. Have you considered Habitat for Humanity? PoP has a history of working with Habitat.

The Affordable Housing Team briefly considered this. Habitat for Humanity works with people who have a slightly higher income and who are ready to move into homeownership. The Team feels that more people could be served by creating subsidized affordable rental housing, which is something that Habitat does not do.

D. Why sell rather than lease for 100 years?

To secure government funding for the project, the developer needs to own the property or have a long-term lease. The Team talked about a long-term lease but did not see a benefit to leasing rather than selling. This is a question the congregation can decide.

E. Why not donate the land for this purpose rather than selling it?

PoP could donate the land but we have been advised by developers that purchase price for the land is eligible for government funding for the project, so it is better to sell the land.

9. Is this a good location for affordable housing?

A. Transportation is a big concern. The location is not close to schools, groceries, drug stores.

Two Metro Transit bus lines go past the property although service is limited. Options for transportation include:

- Advocating for greater bus service to the area
- Some of the residents are likely to have cars
- One developer suggested that they might have one or more car-sharing cars
- Could partner with senior housing in the area to share transportation needs of residents

B. Has the daycare been in on the conversation?

Yes. They saw it as mutually beneficial to have housing and a daycare next door to each other. The previous director has since left and they are in the process of hiring a new director. We will keep them involved in the conversation.

10. Is there congregational support for this project?

A. The Team's survey in August showed 40% support, 40% oppose, and 20% undecided. So why are you moving forward?

The survey last August was a snapshot in time as the idea of affordable housing was first being rolled out to the congregation. Since that time the Affordable Housing Team has done several

adult forums, mailings, a book group, and question and answer sessions to educate the congregation on the need for affordable housing in our area. You can see more about this activity here, poproseville.org/affordable-housing-team.

11. Public Policy Questions

A. Will it really serve families in the Roseville School District?

We are proposing that this be permanent subsidized affordable housing for families with children. People who are looking for affordable housing tend to move around frequently. The future residents may already be in the school district or come from other parts of the Twin Cities. While PoP cannot solve the need for affordable housing in the Twin Cities, we can create housing for some families so that they have a stable place to live.

B. Has the school district been consulted?

The idea for building affordable housing germinated after PoP learned from the school district's homeless liaison that there are 240 school-age children and their families who are homeless or unstably housed in the Roseville Area School District. The numbers are similar in the other suburban Ramsey County school districts. The Affordable Housing Team was in conversation with the school district early in the discernment process but has not had recent conversations.

C. This would increase the number of unstable families in Roseville.

Possibly. Not enough affordable housing for our neighbors is an issue that crosses city boundaries. Stable housing is one of the most important factors in helping people experiencing poverty to succeed.

D. How can we help people in need now rather than waiting for a project that won't be completed until 2025? The church already supports organizations that serve the poor.

Working on issues of hunger and other ways to volunteer and financially support our neighbors is part of what we are called to do. While we cannot solve the problem of lack of affordable housing for everyone, Prince of Peace has a unique asset – land – that could be used to make a difference by providing stable housing for a certain number of families.

E. Is grouping low-income people together in housing the best strategy for helping people succeed?

This is a good public policy discussion to have. The proposed project would house about 20-40 families, which is smaller than many affordable housing complexes. This is a discussion to have once we have a developer on board and are designing the specifics of the project.

12. Other questions

A. When did the congregation "charter" the Affordable Housing Team?

The Church Council officially chartered the team at its meeting on June 9, 2020.

B. Were the addresses listed in the FAQ as examples all senior housing? No.