

Community Housing Action Plan Workshop Summary

The Community Housing Action Plan Workshop series were held January 27, 28 and 29, 2009 in Grand Rapids, Hibbing and Virginia. The three dates and locations allowed attendees to choose the best meeting for them. A total of 106 people attended representing public agencies, local communities and private business. The workshop objectives were:

1. Provide an opportunity for communities to start developing a community housing vision and establishing local housing priorities.
2. Share local and regional best practices and examples of successful workforce housing development and rehabilitation.
3. Share information and background on technical and financial assistance/ resources available for housing development and rehabilitation.
4. Introduce community representatives to technical and financial resource personnel.
5. Encourage communities to implement housing strategies and establish partnerships to help address local housing needs.

The workshop attendees were welcomed by a local community representative and Mary Ives, the Chair of the Housing Work Team (HWT). The first half of the workshop included a series of presentations providing information on the area's proposed industrial projects, local and regional housing needs and housing efforts in southwestern Minnesota. The presentation series was concluded with a panel of presenters providing information on technical assistance, financial resources and local project examples.

Dan Jordan, Iron Range Resources Mining and Reclamation Programs Supervisor provided an update on six large scale industrial projects underway or proposed for the Iron Range. The projects included: Essar Steel, Magnetation, USS Keewatin Taconite Expansion, Mesabi Nugget plant and pit, and Polymet Mining.

Steve Griesert, Community Research Partners, reported on the housing needs for the sub-region, laid out goals for the next five years, and discussed the Housing Work Team's priorities. The goals were based on market analysis, industrial projects, current conditions, housing capacity and stakeholder information. The HWT is focused on workforce housing both new single and multi-family and rehabilitation of existing housing. Griesert reported on strategies and stressed the importance of local communities developing local vision to reach the five year goals. Questions received after the presentation included how to involve employers through either funding or support or through multiple sources. The unique needs of different cultures as it relates to tax credit difficulties, a need for more study as an emerging market group and finally language interpreters.

Lisa Onken, Southwest Minnesota Housing Partnership presented examples of permanent workforce housing in small Minnesota communities. She outlines successes in developing mixed-income developments in cities like St. Peter, Minnesota.

A slate of panel presenters provided information on local workforce housing project examples and available resources in the Iron Range. Presenters described local projects involving both new and rehabilitated single and multi-family units. Comments following the presentation included questions regarding weatherization and its tie to rehabilitation along with the current

status of SCDP/CDBG programs as they relate to eastern Itasca County, commercial properties and owner occupied homes. Attendees also commented on a need for funds to entice rental rehabilitation and enforce building codes as a way to ensure well-maintained rental properties. There were also comments on Iron Range Resources grant programs for new and improved infrastructure, demolition and commercial rehabilitation.

Following the presentations at each workshop, small groups were formed and HWT members facilitated discussion on existing and future projects along with needs and opportunities of each community. The discussion from each community group is below.

Nashwauk/Keewatin

Nashwauk Current Projects

A 42 unit assisted living facility is under construction by private developer and a second facility is proposed. The local alliance church was expanded and an old building is being converted. Single family homes have been acquired for rehabilitation and for conversion to rental. Other current projects noticed were the installation of culverts along highways in preparation for development. Stakeholders currently playing a role in housing are: Developers, Realtors, the school district, technical and planning resources, and citizen with vested interests. Attendees noted Nashwauk has some concerns, needs and opportunities:

1. Underestimated temporary worker housing need
2. Cultural diversity concerns
3. Zoning issues (County) for rural areas around community
4. Available land and wetlands issues
5. Mining overlay district - prohibits development
6. Limited land for expansion and new development
7. More senior housing needed
8. Space for future development - Will city need to relocate?
9. Dialog with mining companies

Keewatin Current Projects

A 25 unit single-family is planned for City property. A developer is needed. The City intends to apply for IRR infrastructure grant once a developer is found. Workforce housing could perhaps be included to create a mixed income development. Funds are need for the development. Attendees noted Keewatin has some needs and opportunities that include:

1. Available land and wetland issues
2. Need assistance with acquiring land and funding
3. Single-family and multi-family rehab

The small group discussed who to seek assistance from including: IRR, Blandin Foundation, DEED, Quality Developers, GMHF, Blandin Company (land), KOOTASCA, and Itasca County HRA

Comprehensive Plans

Nashwauk has a current Comprehensive Plan. Keewatin will begin planning process in February 2009.

Coleraine/Bovey/Taconite

Coleraine current projects include a water and sewer project and a combined DEED application with Marble and Bovey for rehabbing 20 single-family units and 4 commercial properties.

Coleraine has a twin home project which is needs more planning and another access road. This project could be mixed income. Attendees discussed the needs and opportunities for these three communities.

1. Rental rehabilitation assistance
2. Lower rent rates
3. Local bank loan requirements barriers
4. Infrastructure issues
5. Building inspection
6. Better inventory of technical assistance and financial resources
7. Green development funding
8. Hwy 169 expansion from Pengilly to Taconite needed
9. Assistance putting the resources together for projects

Comprehensive Plans

Coleraine and Bovey will begin their planning processes in February 2009. Taconite has a current plan.

Grand Rapids/LaPrairie

Grand Rapids Current Projects

Current projects in Grand Rapids include a hospital redevelopment which will include mixed housing types, supportive housing component with townhouse rental, and single-family homes. The project is using multiple funding sources (TIF, SCDP, tax credits) and it needed a zoning modification. An RFP was used to find a developer. A redevelopment of Block 19 is an opportunity with the project scale being discerned to justify and enable the demand. The middle school project is nearly complete with only a few lots still available. The Itasca County Habitat for Humanity continues to work with persons forced out by foreclosure and obtain lots affordable for Habitat homes. Attendees noted that the needs and opportunities in Grand Rapids include:

1. Current affordable housing needs to be kept affordable
2. There's a risk of existing public assistance housing being converted to market rate due to increasing demand
3. Some houses on market have upside down mortgages and need rehab but owners are unable/unwilling
4. Finance assistance to effectively use programs and link between buyer's potential and seller's capacity to rehabilitation

Attendees did not identify current projects in LaPrairie, but did note needs and opportunities:

1. Annex property
2. Infrastructure water and sewer needs
3. Other property
4. Sales of existing homes slow

Comprehensive Plans

Grand Rapids is currently updating its 2003 plan. LaPrairie has a current plan

Marble/Calumet

Proposed projects in Marble include a seven unit single family housing construction with developer Lee Aultman. The units are \$150,000, but hope to find GAP funds to make them

affordable. The City has partnered with Kootasca, housing expeditors and Birch Engineering to submit a DEED application for single-family housing rehabilitation.

Proposed project in Calumet include a 20 unit single-family housing unit with the possibility of a 20-unit expansion. The City is acting as the developer with TKDA to sell reasonably priced lots. Calumet has partnered with Kootasca, Expeditors, TKDA, Itasca CO HRA to submit a DEED application for single-family housing rehabilitation.

Marble and Calumet have similar future housing needs in the areas of senior housing and assisted living and single-family housing rental rehabilitation. In addition there is a need for demolition of dilapidated units for lot reuse.

Calumet needs commercial rehabilitation in the downtown and seeks a funding source (IRR?).

Comprehensive Plans

Both cities are starting planning processes in February.

Hibbing

Current Projects

There are seven projects currently in different phases of planning.

1. Forest Heights-8-units townhouses
2. Mesabi Pines-14 duplexes
3. Real Life Coop-27-units
4. Hibbing Wood-initial discussion
5. Kleffman Estates-35-units
6. Country Estates-manufactured home park

Attendees noted Hibbing's needs and opportunities as:

1. Rehabilitation needed for Golden Crest Nursing Home and existing rental projects. The HRA has waiting lists especially for section 8 vouchers
2. The Real Life project in development has a waiting list
3. Infill housing in needed
4. There are limited tracts of developable land

Hibbing has a Comprehensive Plan

Chisholm

Current Projects

Chisholm's two current projects are in the planning phase. The first 14 unit new development project is planned for two phases with \$169,000/unit cost developed by Lee Aultman. The first phase plans for 8-9 single-family units and 4-5 multi-family duplexes are planned for the second phase. The project is seeking GAP funding to make affordable. Project partners include Aultman and the City as the fiscal agent for IRR infrastructure and land owner.

The second project is in early planning stages with the City seeking a developer for a new single-family development with the possibility of multi-family units.

Attendees noted Chisholm's needs and opportunities included:

1. Difficulty in selling the 14-unit project to the community
2. Need help from funders/expeditors to "sell" affordable housing to community and why community support is important

3. Single-family and rental rehabilitation

Chisholm comprehensive plan needs to be updated. The current one is 10 yrs old.

Orr

Future Projects

Attendees reported on two greenfield areas they would like to develop. Needs and opportunities noted in Orr included:

1. The 60-70 approximate jobs expected with expansion projects
2. Existing housing shortage
3. Need for a housing study
4. Need for more senior housing options especially for half-year residents
5. Need townhome projects and affordable housing for low-income households
6. Local business are struggling
7. Updated business agreement needed
8. The infrastructure is good but needs to be studied for expansion

Orr currently does not have a Comprehensive Plan.

Virginia/Mountain Iron

Virginia

Current and Future Projects

Current projects include Youth Foyer Parkville School, a homeless shelter and a future rehabilitation project at the Days Inn for single-family housing.

Mountain Iron

Current and Future Projects

Mountain Iron is planning for three new developments they include the Unity Addition with single-family market rate units, South Grove also single-family and market rate and the Horace Mann site a twin home development.

The needs and opportunities for these two cities include:

1. Section 8: low vacancy with waiting lists and fewer vouchers. Some landlords may reserve housing for temporary workers.
2. Public housing has a waiting list
3. Rehabilitation is needed
4. Market and mixed income townhomes needed
5. New development infrastructure funding needed
6. Are these projects viable?

Comprehensive Plans

Mountain Iron has a current plan.

Additional Notes:

Mountain Iron-Morgan Estates 13 single-family and 6 townhouses developer Tom Slotec, Mesabi land Company

Virginia- Fairview 21 single-family

Leonidas/Gilbert/Eveleth

Attendees noted Leonidas needs and opportunities as rehabilitation for one-three multi-family units with the concern that these units could be sold. They also expressed a need for building codes.

Gilbert's current projects include 34 lots planned for single-family housing. The City is looking for a developer. They are using IRR funds for infrastructure and would like to have an affordability component with houses ranging between \$125,000-\$175,000.

Needs and opportunities in Gilbert include building codes, single-family rehab and single-family rental rehab.

Eveleth current projects include a revitalization project of approximately 200 homes which includes rehabilitation of single-family, multi-family and commercial properties. The project team included the City, HRA, AEOA, expeditors. The project needs to rehab 1-8 single-family units and over 8 multi-family units. Another current project includes a 14-unit single-family new development with an affordable component. City is using EDA to develop and IRR infrastructure grant. The project needs help looking into Building Better Neighborhoods program, GMHF and funds for a building code.

The top three needs cited by the small group participants were developers, people capacity and regional coordinator.

Comprehensive Plans

Gilbert needs to update its plan, which is 20 years old. Leonidas does not have a current plan. Eveleth is updating its plan with a housing component.

Hoyt Lakes/Biwabik/Babbitt/Aurora

Hoyt Lakes

Hoyt Lakes is currently working on two market rate projects and one affordable development. The affordable project includes 26 unit single-family using existing infrastructure on Leeds Rd. The Market rate projects are 1) Patriot Point 25 lots at market rate (8 built and 16 lots sold) land is leased from MN Power on shoreline and 2) Colby Ridge PUD duplex with 16 units built out of 64 with senior housing or lakeshore access. Finally a private developer, northland is planning an assisted living facility.

Attendees noted Hoyt Lakes needs and opportunities as financing partners for new single-family construction and gap financing, assisted living housing, rehabilitation for Colby Apartments which is workforce housing and rehabilitation single-family housing mainly owned by senior citizens.

Biwabik

Current projects in Biwabik include three new market rate developments and two renovation projects at Giant's Ridge Resort. The new developments include: Vermillion Trail Estates 20-25 lots with 5 built, 6 unit townhouse project and Voyageurs Retreat with 19 units. At the Giant's Ridge Resort the Lodge is being expanded to include 67 condos and 37 cottages. In addition, the Lodge is being renovated to include 44 units of assisted living.

Babbitt

Current projects in Babbitt include the Mulberry Estates which is almost complete with three lots left. The City is built out and has applied for IRR funding for 34 lots with potential for a considered 100 bed assisted living facility.

Attendees noted the needs and opportunities for expanded infrastructure, an opportunity for infill or renovation for senior housing at an old blighted school. Also need rental units and rehabilitation for senior housing.

Aurora

The current project in Aurora is a planned 28 unit market rate subdivision. The City needs single-family rehabilitation, multi-family (senior) rehabilitation and revitalization of the North side neighborhood.

Comprehensive Plans

Babbitt is in the planning process. Biwabik comprehensive plan was done in 2003. Aurora uses a five year plan and Hoyt Lakes has no current plan.

Additional notes: Current Project-Bois Forte in Tower 34 duplex workforce units near Convention Center