

July 29, 2020

Saint Paul Planning Commission
15 Kellogg Blvd W
Saint Paul, MN 55102



Honorable Planning Commissioners:

The Southeast Community Organization (District 1) Land Use Committee does not recommend approval of the proposed Conditional Use Permit for the 1880 Old Hudson Road project as it is currently proposed.

In 2017, the SECO Land Use Committee adopted an equity statement that included this point:

[We will] make decisions based on principles of racial and economic equity, the common good, and with an eye towards both long term impact and impact on the district as a whole.

The 1880 Old Hudson Road proposal has the strong possibility of gentrifying this portion of the neighborhood, adversely impacting current residents, particularly renters, including a large number of renters of color.

The Land Use Committee met with a representative of the project and expressed our concerns regarding affordability and the effects this proposal would have on the neighborhood. We are not opposed to increased density along the transit corridor, but this project, as currently proposed, will have serious adverse effects on our neighborhood. We welcome further conversation with the City and the developer about equity and affordability issues, that advances fair housing in our neighborhood. If dedicated affordable units are able to be included in the project, we will support the conditional use permit.

We also believe our position is supported by policies from the Housing Chapter of 2030 Comprehensive Plan including:

Preservation of Existing Affordable Housing Units

Policy 3.1 Support the preservation of publicly assisted and private affordable housing. With its public, private, non-profit, and philanthropic partners, the City/HRA should: [...] d) support the preservation of other low-income housing units under private ownership and management

Policy 3.3. Provide affordable housing in new production projects.

To further assist in the new production of affordable housing, the City/HRA should: [...] f) explore and implement demonstrated incentive zoning tools, including density bonuses, parking reductions, and other creative mechanisms, to facilitate and encourage the market to produce new affordable housing

Policy 3.6. Ensure fair housing.

Bias in the housing market continues to negatively affect racial, ethnic, and religious minorities, people with disabilities, and families with small children. The task of overcoming bias must be accepted as the joint responsibility of federal, state, county, and city governments in cooperation with private and non-profit sectors. To this end, the City/HRA will: a) promote fair housing choices for all, particularly those from historically disadvantaged backgrounds.

Phase 1 of the current project, Capital View Apartments, are described as "Luxury Apartments in St. Paul Tailored Just for You" and has rents for 2-bedroom apartments that range from \$1650 to \$1900 a month. Our District's median income is \$50,000 a year for a family of four, and the affordability limit for a two-bedroom unit is \$1125 a month. The new building, with its seventh-floor executive penthouse, will exacerbate the impact that these have had on the neighborhood. Rental managers in the area have reported that when Phase 1 opened, it drove up rental prices by \$50 to \$100 dollars in the nearby rental housing stock.

The proposed development will not support the preservation of low income housing (3.1) It gives the developer increased density 'for free' with no affordable housing commitment (3.3) and due to the racial contours of income and poverty, will not ensure fair housing (3.6).

Policies in the 2040 Comprehensive Plan also show this project to be inconsistent with adopted City policy:

Policy H-18. Foster the preservation and production of deeply affordable rental housing (housing affordable to those at 30% or less of AMI), supportive housing and housing for people experiencing homelessness.

Policy H-40. Prioritize preservation of income restricted and naturally-occurring affordable housing in areas with improved/improving transit and/or planned reinvestment to reduce resident displacement.

We feel that this project does not foster the preservation of affordable rental housing (H-18) and is prioritizing luxury housing in areas with improved or improving transit (H-40).

For these reasons we ask that you condition approval of the conditional use permit on the inclusion of affordable units in this project. This will dampen negative impacts from the project and provide needed housing to our district's residents.

Sincerely,



Paul Sawyer
Land Use Committee Chair
On Behalf of the Board of Directors