

## Greater Frogtown CDC and Project for Pride in Living propose rental units in Frogtown



© Andy Dean - Fotolia.com

BY SHEILA REGAN, TC DAILY PLANET

April 27, 2010

The [Frogtown Neighborhood](#) in St. Paul is one of the areas hit hardest by the foreclosure crisis, but as the economy begins to pick up, and as the reality of the light rail draws near, a new wave of investors are starting to buy up properties. To prevent a loss of affordable housing in Frogtown, and to combat the continued problem of vacant homes in the neighborhood the [Greater Frogtown Community Development Corporation](#) (GFCDC) and [Project for Pride in Living](#) (PPL) are proposing to substantially rehab vacant and boarded small rental properties and rent them out as affordable housing.

For a personal point of view, see [Doing rental right](#) by Boa Lee.

The proposed area would encircle Thomas Avenue on the

north, University Avenue on the south, Lexington Avenue on the west, and Marion Avenue on the east. The two organizations would spend \$125,000 to rehab 24 rental units - mostly duplexes but some fourplexes and other small unit buildings - and hire a management firm to run the properties once they are fixed up. They would be rented out to individuals and families at or below 50 percent of the area median income.

The project is currently seeking funding from [Neighborhood Stabilization Program](#) (NSP2) provided by the City of St. Paul, deferred loans and grants provided by the [Minnesota Housing Finance Agency](#) (MHFA), and CIB funds contributed by GFCDC.

The proposal has some neighbors cheering while it makes others uneasy. In a recent conversation on [Greater Frogtown Neighbors Forum](#), some neighbors expressed concern over the increase of rental units in the neighborhood. "Why can't these properties be handed over to residents of Frogtown, give them rehab money, and let them be the landlords that reap the benefits of the extra income?" Tait Danielson Castillo, who is Executive Director of the [District 7 Planning Council](#), wrote.

Another neighbor, Sarah Montgomery, was more hopeful. "I am absolutely in support of the CDC putting efforts into managing rentals," she wrote. "I believe a public program will focus on providing safe, up to code, and affordable homes for people who rent. One of the benefits is that the CDC isn't looking for profit.

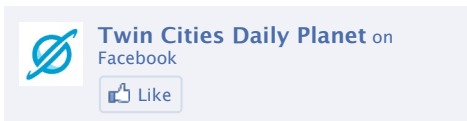
In an interview, Tait Danielson Castillo said that while the planning council has voted not to support GFCDC's efforts, it won't actively campaign against it. "We decided we're not comfortable with it," he said. "We don't think [the GFCDC] are ready to do this and we don't want our name on it."

The District 7 Planning Council is developing a counter proposal in which the CDC would give properties to residents. Instead of the CDC being the landlord, a resident would be the landlord, Castillo explained. In this proposal, the resident who owns the rental property would go through landlord training and pay back the city their loan. "That's always what we've been trying to do," Castillo said. "Build up wealth ... Frogtown's wealth, for the actual residents of Frogtown."

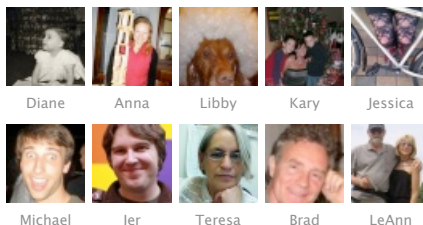
In order to get federal money for a project like the one GFCDC and PPL are proposing, a certain percentage of the homes need to qualify as affordable, but Castillo said that his organization believes that affordable doesn't have to mean rentals. "They should all be owner occupied," Castillo said. "If you get a house with a mortgage of less than a thousand dollars a month - that 's under the guidelines."

Jill Henricksen from GFCDC said that critics of the proposal are misinformed. "We're here to improve the housing quality for everyone in the neighborhood. That includes renters," she said. One of the concerns that GFCDC had was the amount of vacant and dilapidated rental properties in the neighborhood. "If we don't get in there and take control of them, private investors will," she said. Already, she said, a new wave of investors have begun picking up these properties. "We want to get into the mix," Henricksen said. "We want to secure these properties so we can have control over them."

Henricksen said that the opposition was fear-based. "We're not adding new rental units," she said. "We're not building a new apartment building. These are units that are already here. We do high quality renovation and management. Or we sit back and do nothing."



896 people like Twin Cities Daily Planet



This project would be GFCD's first venture into the rental market - for the last 15 years they have focused on home ownership, and Henricksen said they won't discontinue that work. PPL, on the other hand, has much experience with this kind of endeavor. According to Matt Soucek from PPL, the organization has developed rental housing since the 1980s, and currently has 900 units of housing. In recent years, PPL has mostly dealt with larger apartment buildings, because they are more efficient and easier to manage, but Soucek said that community need requires them to take on this smaller rental building operation.

Soucek said he empathizes with critics of the project, especially given he doesn't live in Frogtown. "They may have bad experience with ways properties are managed in neighborhood," he said. But he said that unlike absent landlords or private investors, these properties will be well run and managed. "I would maintain that what we are proposing is a good alternative."

Copyright: ©2010 Sheila Regan



**Sheila Regan**

Sheila Regan ([sheila@tcdailyplanet.net](mailto:sheila@tcdailyplanet.net)) is a Minneapolis theater artist and freelance writer.

---

Support people-powered non-profit journalism! [Volunteer](#), [contribute news](#), or [become a member](#) to keep the Daily Planet in orbit.

---

**Article Tags:** [Daily Planet Originals](#) [Housing](#)

---

[Greater Frogtown CDC](#)

Submitted by James F. Gabler (not verified) on Wed, 2010-04-28 00:09.

I believe this is the *second* venture in affordable rental housing for the Greater Frogtown CDC. They were a Co-General Partner with Catholic Charities on a 16 unit housing effort called Visitation Place on LaFond Ave. for single, female head-of-household families that's been successful. This effort was partially funded through the generosity of the Sisters of the Visitation in Mendota.

[reply](#)

---

[Home](#) | [TC Media Alliance](#) | [About](#) | [Planet Café](#) | [Donate](#) | [Media Partners](#) | [Volunteer](#) | [Contribute News](#) | [Advertise](#) | [Contact Us](#)