Housing Need Assessment

Ward One

Saint Paul, MN, 2010-2020

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EXECUTIVE SUMMARY

Ward One is located in "the heart of Saint Paul" and is bounded by Summit Avenue on the south, Snelling Avenue on the west, Front Avenue and Como Avenue on the north, and 35E on the east. The neighborhoods in Ward One comprise the city's most racially and economically diverse ward, and provide a rich tapestry of people and history. Ward One is home of the Saint Paul Cathedral, Golden Thyme Café, Mai Village, Minnesota Transportation Museum and the new Rondo Community Outreach Library.

Ward One is expected to obtain approximately 1,163 new households over the next decade. In order to accommodate this growth, a housing need assessment is prudent. This report provides a housing need assessment for Ward One, Saint Paul, Minnesota, for the period between 2010 and 2020. The purpose of this report is to produce a comprehensive housing plan in order to create a healthy mix of housing options (housing diversity), strengthen the community's economy, and to make the best use of the resources available.

This report consists of two main parts:

1. Determine the current housing supply in Ward One
2. Estimate housing need in Ward One for the next decade, 2010-2020

METHODOLOGY

In 2000, Ward One had 12,592 households, of which, 2,440 were publicly-assisted affordable units, and 451 were vacant units. Of the vacant units, 127 were publicly-assisted. See Tables 2, 4, 5, and 6.

Table 2. Total Housing Units in Ward One [1]

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	4,244	4,136	8,380
Single-family	2,700	1,512	4,212
Grand Total	6,944	5,648	12,592

Source: City of Saint Paul Office of Technology and Communication

Table 4. Publicly Assisted Affordable Housing in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	507	867	1,374
Single-family	615	451	1,066
Grand Total	1,122	1,318	2,440

Source: City of Saint Paul Office of Technology and Communication

[1] Single-family consisted of RL, R1, R2, R3, and R4
Multifamily consisted of RT, RT2, RM1, RM2, and RM3. For more detail information see http://www.ci.stpaul.mn.us/DocumentView.asp?DID=2387

Table 5. Vacant Units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	56	176	232
Single-family	73	146	219
Grand Total	129	322	451

Source: City of Saint Paul Office of Technology and Communication

Table 6. Vacant Publicly-Assisted Affordable Units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	12	26	38
Single-family	30	59	89
Grand Total	42	85	127

Source: City of Saint Paul Office of Technology and Communication

This report estimates that Ward One will need an additional 1,163 units within the next decade (807 market rate units and 356 affordable units.) These new projected units ensure that Ward One will be able to house the projected growth and maintain a healthy five percent vacancy rate. Tables 9 and 10 show the break down by tenure and family type of the forecasted market and affordable units need in Ward One.

Table 9. Forecasted Market-Rate Units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	297	260	557
Single-family	166	84	250
Grand Total	463	344	807

Table 10. Forecasted affordable units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	74	126	200
Single-family	90	66	156
Grand Total	164	192	356

After estimating the total units need in Ward One, this report recommends three opportunity sites for potential housing development (Unidale Mall, Sears site and the site on University Avenue and Lexington Parkway). In addition, this report suggests various areas (just north and south of Interstate Highway 94 between Lexington Avenue and Rice Street) for rehabilitation in order to revitalize neighborhoods and to help balance the housing market in Ward One.

INTRODUCTION

According to the report entitled "Determining Affordable Housing Need in the Twin Cities, 2011-2020"[2] created by the Metropolitan Council, the city of Saint Paul is expected to grow by 7,000 households over the next decade. Some of the 7,000 new households will reside in Ward One. In order to accommodate this growth, a housing need assessment is prudent. This report provides a housing need assessment for Ward One, Saint Paul, Minnesota for the period between 2010 and 2020. This report will first present background information on the geographic area studied, along with the objectives of this report. Included in this assessment are wish lists from neighborhood-based organizations in the ward. The next section outlines the methodology applied to determine the actual housing need. Finally, this report accounts for current housing stock in Ward One, estimates housing need, and provides appropriate recommendations for future development.

BACKGROUND

Ward One is located in "the heart of Saint Paul" and is bounded by Summit Avenue on the south, Snelling Avenue on the west, Front Avenue and Como Avenue on the north, and Interstate 35E on the east. The neighborhoods in Ward One comprise the city's most racially and economically diverse area, and provide a rich tapestry of people and history. Ward One is home to several cultural destinations, such as: the Saint Paul Cathedral, Golden Thyme Café, Mai Village, Minnesota Transportation Museum and the new Rondo Community Outreach Library. [3]

According to the City of Saint Paul's Comprehensive Plan, the City continues to experience growth in population and hence households. Currently, 66 percent of Saint Paul households are one or two persons and another 14 percent are three-person households. Therefore, housing opportunities for one- and two-person households are likely to dominate the city market over the next decade. At the same time, continued immigration adds population to the city and creates demand for larger family units and housing that is sensitive to people

[2] Metropolitan Council, 2006, Determining Affordable Housing Need in the Twin Cities, 2011-2020
[3] http://www.ci.stpaul.mn.us/index.asp?nid=2245

of diverse backgrounds. As one of the state's most ethnically diverse regions, Ward One is projected to receive a greater share of the growing among of large families. University Avenue, a vital thoroughfare which connects the Twin Cities, bisects the ward. As a major part of the future Central Corridor Light Rail route, neighborhoods adjacent to the avenue are likely to experience tremendous growth.

In 2000, Ward One's population was 40,633,[4] with 12,592 households and 17,142 jobs (Table 1). Table 1 includes 2000's numbers and presents the projections of population, households and employment between 2010 and 2020. Table 1's contents correspond to the projections of population, households and employment by Transportation Analysis Zones (TAZ is a small unit of geography most commonly used in conventional transportation planning model)[5] for the city of Saint Paul. The following TAZs are within Ward One's boundaries: 860, 861, 864, 865, 866, 874, 876, 877, 878, and 879. In addition, only parts of these TAZs are in Ward One: 809, 873, and 880. The projections for these partial TAZs are based on percentage of land of the TAZs in the ward boundary. Figure 1 below illustrates the Transportation Analysis Zones for the City of Saint Paul, and the Ward One.

Table 1. Population, Households and Employment Projection for Ward One

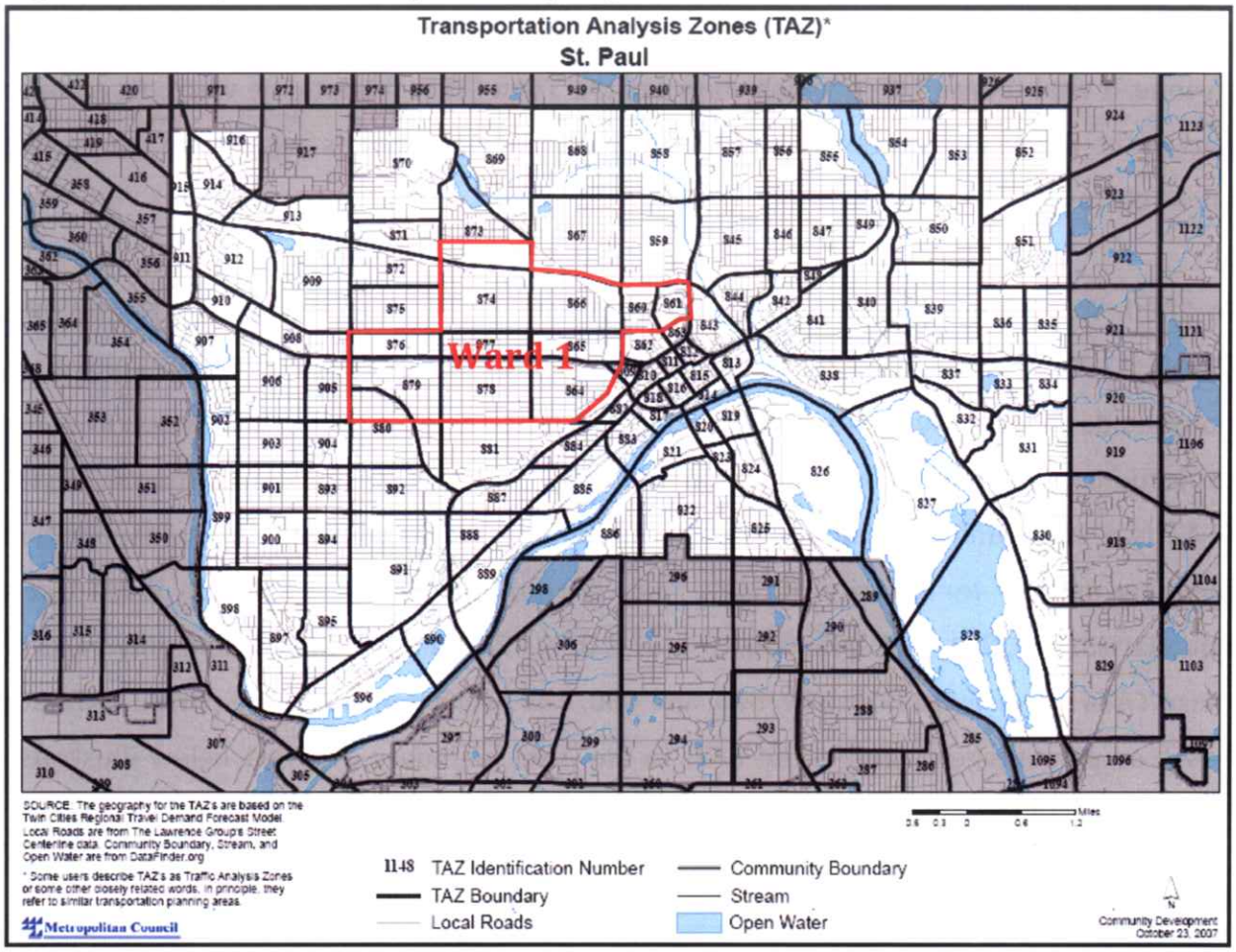
	2000	2010*	2020*
Population	40,633	42,178	43,549
Households	12,592	15,319	15,803
Employment	17,142	20,265	20,407
Median income	$40,025		

* Metropolitan Council Projection & 2000 U.S. Census

[4] In 2000, approximately 48 percent of the population at or under 19 years of age, about 40 percent of the population between the age of 20 and 54, and about 12 percent of the population over 55 years old.

[5] The geography for the TAZs are based on the Twin Cities Regional Travel Demand Forecast Model. Local roads are from the Lawrence Group's street centerline data. Community boundary, stream, and open water are from datafinder.org. Some users describe TAZs as Traffic Analysis Zones or some other closely related words. In principle, they refer to similar transportation planning area.

Figure 1. Transportation Analysis Zone (TAZ), Saint Paul



Source: Metropolitan Council, map gallery

OBJECTIVE

In order to accommodate the continuous growth in Ward One and adequately serve the residents, a wide range of housing options is necessary. Hence, the objective of this report is to assess housing supply and need in Ward One for the next decade, 2010-2020. In addition, this report provides a comprehensive housing plan to guide the development of a healthy mix of housing options, strengthen the community's economy, and make the best use of resources available.

COMMUNITY WISH LIST

As neighborhoods are revitalized, community leaders and residents collaborate to create a vision for their respective neighborhoods (or community wish lists). Community leaders and residents wish to see the following items in their neighborhoods.[6]

- More opportunity to own affordable housing
- Balance between owner-occupied and renter-occupied housing
- Programs to help people who are potentially and currently facing home foreclosure
- Strong and vital communities where neighbors are able to see and celebrate their unique and diverse identities, interests, and values in the life and business of the neighborhood
- The creation of a strong and vital community through the involvement of residents, citizens, and neighbors
- A destination for people from other neighborhoods who want to experience the unique and distinct flavors of a community that has learned how to preserve, celebrate, recognize, honor, and harmonize its diverse elements in the form of art – like cultural centers, cuisine or jazz

SENIOR HOUSING

There has been continuous concern about the affordability and availability of senior housing in Ward One. Therefore, it is essential to provide adequate and affordable senior housing to serve those who wish to continue to reside in the neighborhoods. In order to estimate the senior population growth for the next decade, this report assumes that the growth of the senior population in the ward is the same as the growth of the senior population at the Ramsey County. According to the Minnesota State Demographic Center, the senior population in the Ramsey County will increase by about 16 percent in the next decade, 2010-2020.[7] In 2000, there were 4,956 seniors (55 and older) who resided in Ward One. Hence, it is estimated that the between 2010 and 2020, Ward One will receive

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[6] Summit-University Neighborhood (District 8) Comprehensive Plan 2007
Aurora-Saint Anthony Neighborhood

[7] Minnesota State Demographic Center

approximately 770 (or 16% of 4,956) seniors. In determining the future housing need for Ward One, senior housing will be an important element.

OVERVIEW OF THE METHODOLOGY

In this report, the methodology consists of two main parts and they are broadly summarized in the following way; details on each part are given in latter sections.

1. Determine the current housing supply in Ward One
2. Estimate housing need in Ward One for the next decade, 2010-2020

The methodology in this report is used to assist Ward One in managing its housing development in the future. Before going further, it is helpful to be familiar with the following terms:

- Affordable Housing: In this report, a unit is affordable if it is priced at or below 30 percent of gross income for a four-person household earning 60 percent of the Twin Cities 13-County Metropolitan Area Median Income (or $47,100 in 2007). Based on this figure, it is considered that a home that is affordable if the price was less than $157,000. The 60 percent income threshold is determined by the U.S. Department of Housing and Urban Development (HUD) and is the cutoff for tax-credit housing development, the main program for new affordable rental housing construction nationwide.[8]
- "Healthy-market" Vacancy (5%): A healthy rate of vacancy for any municipality is five percent. Vacant units are vital to a healthy housing market as they help maintain stable prices. The consequence of an insufficient number of vacant units is upward pressure on prices as housing consumers compete for too few units.[9]

[8] Metropolitan Council, 2006, Determining Affordable Housing Need in the Twin Cities, 2011-2020
[9] Ibid

Strengths of this methodology approach

- The household estimation in this report is consistent with the report entitled *"Determining Affordable Housing Need in the Twin Cities, 2011-2020"* produced by the Metropolitan Council. The report from the Metropolitan Council allocates affordable housing need to cities in the Seven-County metro area.
- Based upon the *Central Corridor Development Strategy* and the city's *Comprehensive Plan,* in terms of identified opportunity sites for potential housing development in Ward One.
- This report takes into consideration available land for development, population proportion and household proportion in estimating housing need.

Limitations of this methodology approach

- The data used in this report are outdated, hence this poses the potential for error in estimating future housing need.
- This report depends on many assumptions, which may not hold true in the future due to the unpredictability of economic conditions in the Twin Cities. Factors such as: migration patterns, demographic changes, housing interest rates, construction costs, and others have large influence on the affordable housing need.
- The forecast period covered in this analysis is relatively long, which in turns may affects accuracy of housing need determination.

DATA

The data used in this report were provided by the city of Saint Paul Office of Technology and Communication (OTC), and the Department of Planning and Economic Development (PED). The OTC provided the parcel data for Ward One. This data set contains the following information: homestead status, used to determine whether a property is owner-occupied or renter-occupied; zoning code, which was used to classify family types; and other related information. The estimated market value data (i.e. used to determine the affordability at different levels of Area Median Income (AMI)) were obtained from PED.

SPECIFIC STEPS IN THE METHODOLOGY

1. Determine the current housing supply in Ward One

The first step to determine the current housing supply is to examine the total number of housing units in Ward One. Tables 2-4 present the break down of housing units by tenure and family type. There are 12,592 households in Ward One, out of which, 8,380 are in multifamily units and 4,212 are in single-family units.

Table 2. Total Housing Units in Ward One [10]

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	4,244	4,136	8,380
Single-family	2,700	1,512	4,212
Grand Total	6,944	5,648	12,592

Source: City of Saint Paul Office of Technology and Communication

Table 3. Market-Rate Units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	3,737	3,269	7,006
Single-family	2,085	1,061	3,146
Grand Total	5,822	4,330	10,152

Source: City of Saint Paul Office of Technology and Communication

Table 4. Publicly-Assisted Affordable Housing in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	507	867	1,374
Single-family	615	451	1,066
Grand Total	1,122	1,318	2,440

Source: City of Saint Paul Office of Technology and Communication

There are 10,152 market-rate units and 2,440 publicly assisted affordable units (or about 20 percent of the total housing units). Renter-occupied housing makes up slightly more than half of all affordable units. For family type, there are slightly more affordable multifamily than affordable single-family units (Tables 3 & 4).

[10] Single-family consisted of RL, R1, R2, R3, R4 (one-family dwelling)
Multifamily consisted of RT, RT2 (townhouse), RM1 (multiple-family dwelling < 3-story height), RM2 (multiple-family dwelling < 5-story height), and RM3 (multiple-family dwelling at any height). For more detail information see http://www.ci.stpaul.mn.us/DocumentView.asp?DID=2387

Table 5. Vacant Units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	56	176	232
Single-family	73	146	219
Grand Total	129	322	451

Source: City of Saint Paul Office of Technology and Communication

Table 6. Vacant Publicly-Assisted Affordable Units in Ward One

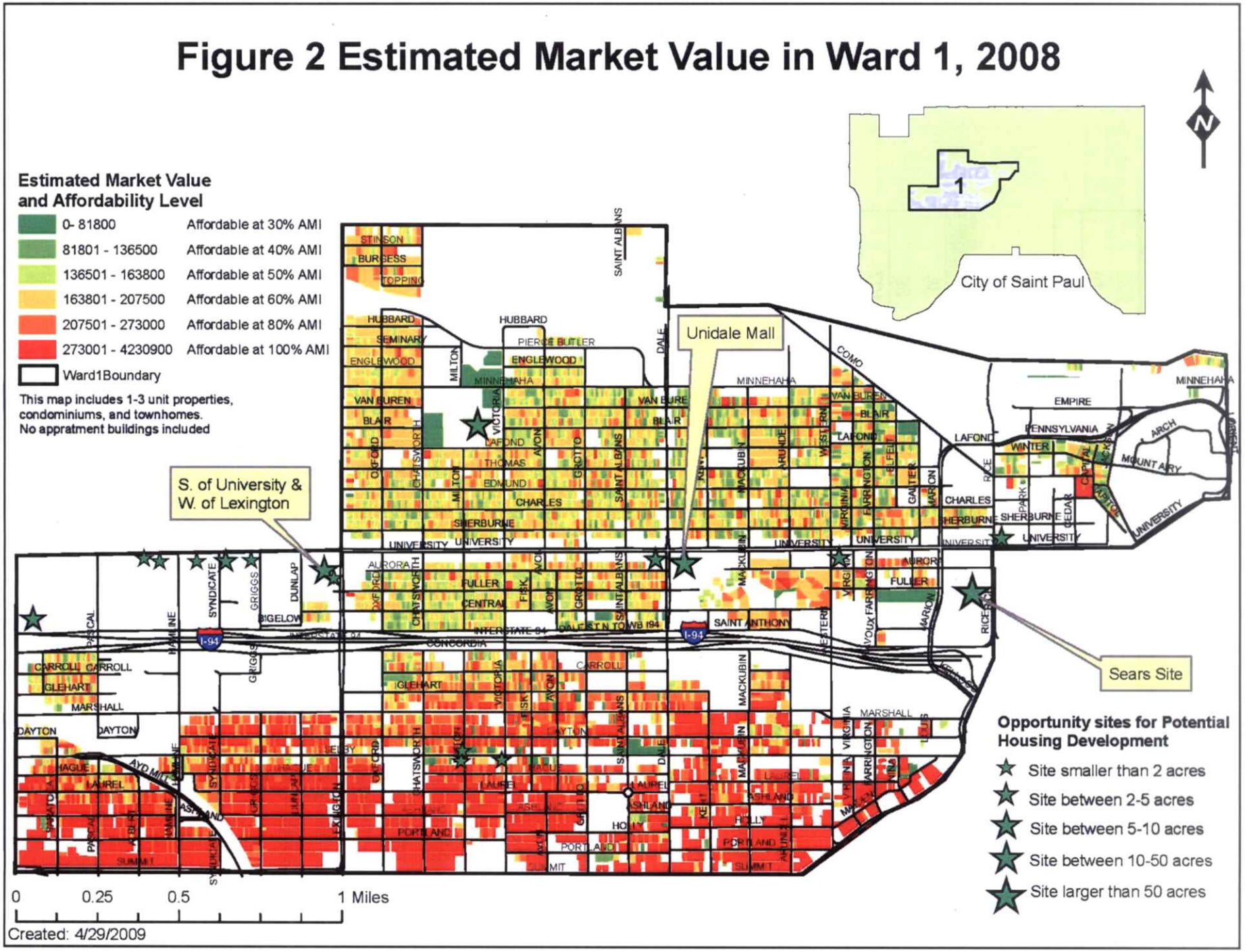
Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	12	26	38
Single-family	30	59	89
Grand Total	42	85	127

Source: City of Saint Paul Office of Technology and Communication

There are 451 (or about 3.56 percent of all housing units) vacant units and this amount is divided almost evenly between multifamily and single-family. There are more vacant renter-occupied units than vacant owner-occupied units (Table 5). Out of 451 vacant units, 127 of them are publicly-assisted affordable units (Table 6).

Figure 2 illustrates the 2008 estimated market value and the affordability level for 1-3-unit properties, condominiums, and townhomes in Ward One. In general, estimated market values north of the Interstate-94 are lower compared to the ones south of the 94 [i.e. the average estimated market value in the south ($366,455) of the Interstate-94 is more than double the average estimated market value in the north ($171,085) of the highway]. This is an important policy implication when determining sites for housing development in the ward. Figure 2 also shows the opportunity sites for potential housing development in Ward One. Many of the opportunity sites are located along University Avenue, which will be home the Central Corridor Light Rail Train.

Figure 2 Estimated Market Value in Ward 1, 2008



2. Determine housing need in Ward One for the next decade, 2010-2020

There are two steps in estimating total housing need for Ward One. The first step is to consider the projected household growth for the city of Saint Paul in determining the total housing need. This report explores three different methods to estimate housing need for Ward One. Table 7 illustrates the calculation involved in each method.

Table 7. Household allocation methods

	Formulas
Method 1	7,000/7 = **1,000**
Method 2	7,000*(Ward 1 population/Saint Paul population) = 7,000*(40,633/287,151) = 7,000*0.14 = **991**
Method 3	7,000*(Ward 1 household/Saint Paul household) = 7,000*(12,592/112,109) = 7,000*0.11 = **786**
Average	(1,000 + 991 + 786)/3 = **926**

The first method is to evenly allocate the 7,000 projected new households for the City of Saint Paul to its seven wards.[11] Therefore, Ward One is estimated to experience a growth of 1,000 new households. The second method is to take the population proportion of Ward One into consideration (i.e. the ratio of the Ward One population and the total population of the City of Saint Paul, 0.14). The third method, which is similar to the second method, is to take the household proportion of Ward One into consideration (or the ratio of all household in Ward One and the total household in the City of Saint Paul, 0.11). These three methods result in three different estimates for the housing need in Ward One. To consolidate the results of the three methods, this report utilizes the average of the results, which are 926 units, as part of the total number of housing need in Ward One for the next decade.[12]

[11] The Metropolitan Council estimated that Saint Paul would grow about 7,000 new households. Out of this number 2,625 units have to be affordable

[12] Based on the average of these three methods, the result is likely to be underestimated. Because when the Central Corridor is in place, the area would expect higher growth compared to other areas.

The second step is to consider the five percent vacancy rate, which keeps the price of the housing market stable.[13] The result of the second step indicates that Ward One needs to build 1,163 new units in order to house the projected growth and keep the housing market stable in the ward. Table 8 shows the steps involved in calculating total projected need.

Table 8. Steps in calculating total project need for Ward One, 2010-2020

Steps	Calculation
1. Total existing occupied units	12,592-451=**12,141**
a. Existing all units	12,592
b. Existing vacant units	451
2. Projected occupied units for 2010-2020	12,141+926=**13,067**
a. Total existing occupied units	12,141
b. Projected need for 2010-2020	926
3. Account for 5% vacancy	13,067/0.95=**13,755**
4. Total projected need	13,755-12,592=**1,163**
a. Total units for 2010-2020	13,755
b. Existing all units	12,592

The first step is to determine the *total existing occupied units*, which was calculated by subtracting the *existing vacant units* from the *existing of all units* (12,592-451=12,141). The second step is to calculate the *projected occupied units* for 2010-2020, calculated through the addition of *total existing occupied units* to the *projected need* to obtain 13,067 units (12,141+926=13,067), for 2010-2020. The 13,067 units represent 95 percent of *total units for 2010-2020*. Therefore, the third step is to divide 13,067 by 0.95 to obtain 13,755 units. The final step is to calculate the *total projected need* by subtracting the *total existing units* from the total units obtained in step three to get 1,163 units (13,755-12,592=1,163). These 1,163 new projected units ensure that Ward One will be able to house the projected growth and maintain a healthy five percent vacancy rate.

[13] Metropolitan Council, 2006, Determining Affordable Housing Need in the Twin Cities, 2011-2020

To be consistent with the Twin Cities' share of the number of affordable housing, this report assumes that 30.6 percent of the total need in Ward One would be affordable to low- and moderate-income renters or buyers. The Metropolitan Council established that 30.6 percent is a suitable share of affordable housing for all the municipalities in the Twin Cities Metropolitan Area. In this report, 30.6 percent (or 356 units) of 1,163 forecasted units are designated as affordable to low-income renters or buyers. The remaining 807 are market-rate units. Tables 9 and 10 below present the break down of the forecasted market rate units and forecasted affordable units.[14]

Table 9. Forecasted Market-Rate Units in Ward One

Tenure	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	297 (37%)	260 (32%)	557 (69%)
Single-family	166 (21%)	84 (10%)	250 (31%)
Grand Total	463 (57%)	344 (43%)	807

The percentages in the parentheses are the current corresponding proportion to the total forecasted market rate units

Table 10. Forecasted affordable units in Ward One

Family Type	Owner-Occupied	Renter-Occupied	Grand Total
Multifamily	74 (21%)	126 (36%)	200 (57%)
Single-family	90 (25%)	66 (18%)	156 (43%)
Grand Total	164 (46%)	192 (54%)	356

The percentages in the parentheses are the current corresponding proportion to the total forecasted affordable units

The percentages in parentheses are the current corresponding proportion to the total forecasted market-rate units (Table 9), and forecasted affordable units (Table 10). For example, there are 3,737 multifamily owner-occupied units, and this number is 37 percent of the total market-rate units in Ward One (Table 3). Then, the 37 percent of the multifamily owner-occupied units is assumed to remain unchanged for the next decade. Thus, it is forecasted that there will be approximately 297 multifamily owner-occupied units (or 37 percent) in Ward One for the next decade.[15] The same procedure is applied to estimate family type and tenure for affordable units.

[14] These 2 Tables are mutually exclusive

[15] This assumption is likely to underestimate the percentage of the future multifamily in Ward One, because based on the *Central Corridor Development Strategy*, the corridor is expected to experience high density mixed use development

The 1,163 new units will most likely be built along Central Corridor or in close proximity to University Avenue. For this reason, it is recommended that a majority of the new units be multifamily rental units. Table 11 presents opportunity sites for potential housing development in Ward One. There are more than 47 acres of land available for future development. With the available acreage and the estimated density, Ward One has the potential to absorb between 1,994 and 3,085 new housing units. However, with the current zoning, (mostly business, B2 and B3; industrial, I1; and traditional neighborhood, TN-2) these opportunity sites allow a minimal number of residential units. In fact, there is only one site, which currently allows for residential (Unidale Mall, which zoned as traditional neighborhood.) This suggests that regulatory changes are necessary in order to accommodate the potential growth.

Table 11. Opportunity Sites for Potential Housing Development[16]

Site Name	Approx. Size (acres)	Ownership	Current Zoning	Current Use(s)	Possible Use(s)	Guesstimated Density Range	Range of Potential Housing Units	
							Low	High
Unidale Mall	8.06	private	TN-2	Retail and Commercial	Mixed Use	55+ units/acre	443	443
Old Home site	1.6	private	I1	Mixed Use Industrial	Mixed Use	30-55 units/acre	48	88
Sears site	14.3	private	CAAPCJ**	Retail and Commercial	Mixed Use	69-90 units/acre	1,000	1,300
League of MN Cities Block	3.6	private	CAAPCJ**	Institutional	Mixed Use	55+ units/acre	198	198
Midway Chevrolet sites	3.8	private	B3	Retail and Commercial	Mixed Use	30-55* units/acre	114	209
Target frontage	2.7	private	B3	Retail and Commercial	Mixed Use	30-55 units/acre	81	149
Whitaker Buick	1.1	private	B3	Retail and Commercial	Mixed Use	30-55 units/acre	33	61
University & Lexington	1.4	private (Wellington)	B3	Retail and Commercial	Mixed Use	55+ units/acre	77	77
Bus Barn site	9.7	Metropolitan Council	I1	Undeveloped	Mixed Use/Industrial	55+ units/acre	0	534
SW corner of Milton & Selby	0.23	private	B2	Retail and Commercial	Mixed Use/Housing	up to 30 units/acre	0	7
SW corner of Victoria & Selby	0.44	HRA	B2	Retail and Commercial	Mixed Use/Housing	up to 30 units/acre	0	13
Selby, west of Milton	0.23	private	B2	Retail and Commercial	Mixed Use/Housing	up to 30 units/acre	0	7
Total	**47.2**						**1,994**	**3,085**

Sources: Metropolitan Council Map Gallery and City of Saint Paul PED

** CAAPCJ district is jurisdiction of Capitol Area Architectural Planning Board. Visit http://www.caapb.state.mn.us for details.

[16] In this table Mixed Use refers to a combination of retail, commercial and industrial, and Mixed Used/Housing refers to either Mixed Used only, Mixed Used with residential, or just residential

Ward One is a built environment; therefore, a preference should be on preserving existing affordable housing over new production, given cost effectiveness. However, new housing production will be considered to serve the changing demographics. In combined, new market rate units, and the protection and enhancement of existing units are absolutely necessary to maintain and enhance the tax base to vital to the city's ability to fund essential services and infrastructure.[17]

The following section recommends potential sites for the development of the new units in Ward One. The sites selection is based on the Housing Chapter in city of Saint Paul's *Comprehensive Plan*, and the extensive work from the *Central Corridor Development Strategy*.

As mentioned above (page 12), in Ward One, the population proportion (Ward One population/Saint Paul population = 0.14) is greater than the household proportion (Ward One household/Saint Paul household = 0.11) indicates that there are numerous large households reside in the ward. This fact suggests that housing developments should consider provide larger household units. After examined the *Central Corridor Development Strategy*, and the housing chapter in the City's *Comprehensive Plan*, the following potential sites are proposed for future market rates housing development in Ward One.

- A New Neighborhood at Unidale: currently the Unidale Mall is under-utilized as a retail outlet. This site presents an opportunity for redevelopment as a transit-oriented development. This new development would be able to capitalize on many of the changes happening to the area and create a more pedestrian-friendly environment that fits better with adjacent residential and institutional uses. [18]

- Lexington University Development Block: the large block located at the southeast corner of University Avenue and Lexington Parkway is undergoing extensive changes with new retail, the relocation of the Wilder Foundation and planned new residential.

[17] Saint Paul *Comprehensive Plan*
[18] *Central Corridor Development Strategy*

This development is an opportunity to improve the connections with adjacent neighborhoods and preserve the existing residential street to the south. [19]

- New Urban Village Between Marion and Rice: the Sears site and the underutilized block to the north are prime opportunity for the creation of an urban village. The new urban village would break up the large-scale block, establish a substantial population at the doorstep of the Capitol and act as a catalyst for the mixed-used regeneration of the Capitol Hill Neighborhood. [20]

With the current economic downturn, it is difficult to facilitate new housing development. However, what can be done in the near future is to continue to revitalize the existing neighborhoods to create strong and vital communities. Moreover, in order to reduce the gap of estimated market values between the north and south of the Interstate Highway 94, the following potential sites are proposed for revitalization (with the focus on market rate units) to keep balance the housing market in the area.

- Housing Rehabilitation North and South of University Avenue: the residential neighborhoods just north and south of University are an importance asset to the community and contribute to the quality of life along the Corridor. While most of the housing stock is in relatively good shape, there are areas where housing may be in need of repair. In addition, opportunities for new infill housing on vacant sites provide opening for new market rate units. Neighborhood rehabilitation has been taking place and should be encouraged to continue. [21]

- Neighborhood Residential Improvement and Diversification *South* of University Avenue: the area between the businesses along University and the residential neighborhoods to the south presents a unique opportunity to repair gaps along *Aurora Avenue* and provide a new mix of housing (focus on market rate units to balance with existing low estimated market units) for the neighborhood. Development of this area should help complete the north side of Aurora by slowly filling in the gaps with

[19] *Central Corridor Development Strategy*
[20] *Ibid*
[21] *Ibid*

townhouses and walk-up apartments in keeping with scale and character of the neighborhood.[22]

- Neighborhood Residential Improvement and Diversification *North* of University Avenue: the area between the businesses along University and the residential neighborhoods to the south presents a unique opportunity to repair gaps along *Sherburne Avenue* and provide a new mix of housing (focus on market rate units to balance with existing low estimated market units) for the neighborhood. Development of this area should help complete the south side of Sherburne Avenue by slowly filling in the gaps with townhouses and walk-up apartments in keeping with scale and character of the neighborhood.[23]

CONCLUSION

This report has shown current housing inventory and housing need in Ward One for the next decade from 2010 to 2020. It is estimated that approximately 1,163 (807 market rate units and 356 affordable units) new housing units will be needed in Ward One to accommodate the growth. This report recommends three sites for potential housing developments. The total units from the three proposed sites for housing development are able to accommodate more than the number of projected units for Ward One. A number of these units can be served as vacant units to help keep the housing price stable in Ward One.

In addition, certain neighborhoods just north and south of the University Avenue are suggested for rehabilitation to facilitate a healthy housing stock and an inviting living environment. The combination of the development of new housing units (market rate and affordable units) and preserving existing units in the neighborhoods will provide a wide range of housing options available to the current residents and the new comer to the Ward. This wide range of housing option is absolutely necessary to maintain and enhance the tax base to vital to the city's ability to fund essential services and infrastructure.

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[22] *Central Corridor Development Strategy*
[23] *Ibid*

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