



Housing and Redevelopment Authority 2018 Annual Report

DIRECTOR MESSAGE

The City of Elk River strives to proactively facilitate redevelopment, housing diversity, and reinvestment in our community. The Housing and Redevelopment Authority (HRA) had an exciting year filled with new housing development and redevelopment projects that will improve our overall community.

In 2018, we saw 152 new single family housing starts, a 35% increase over the previous year generating \$34,280,302 in taxable value. Additionally, the City Council approved six single-family plats totaling 192 lots, and Elk River Senior Living completed construction of a new 100-unit housing complex.

Through our programs, we continue to work with local businesses to redevelop some of the community's more tired properties.

Last year, the HRA continued to seek redevelopment into our older housing stock to preserve housing diversity for all life cycles using our Housing Rehabilitation Loan Program, which will be soon administered by the Center for Energy and Environment (CEE).

The HRA is collaborating with CEE to offer many new energy-related programs in 2019. These state-wide programs such as the Home Energy Loan Program, additional home improvement loan opportunities, solar financing incentives, and unsecured loan programs are a few of the options that will be available to Elk River homeowners.

In 2019, I am looking forward to a year of progress in promoting the new and improved Housing Rehabilitation Loan Program and other redevelopment projects in conjunction with the Mississippi Connections Plan through goal setting and plan implementation.

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KEY HIGHLIGHTS

- Contracted with Maxfield Research & Consulting to update the citywide housing study.
- Created a Housing Tax Increment Financing District for Jackson Hills Residential Suites.
- Purchased two additional blighted properties along Main Street for redevelopment.
- Implemented a Permanent Fixture Policy to assist in collaboration with the Downtown Association.
- Beaudry Oil & Propane completed the expansion of their Truck Shop facility.
- Expanded the Housing Rehabilitation Loan Program targeted area and partnered with the Center for Energy and Environment to administer the program.

HOUSING STUDY UPDATE



Maxfield Research & Consulting was contracted to update the original housing study completed in 2015. The study projects housing demand from 2017 through 2025 and provides recommendations on the amount and type of housing that could be built in Elk River to satisfy that demand.

The study identified a potential for approximately 864 new housing units. About 20% of the total is for senior housing; while general-occupancy housing accounted for 80% of the need. Demand is strongest for for-sale housing, representing 395 of the 864 new housing units. There is also strong need for additional market rate (172 units) and affordable rental housing (93 units).

JACKSON HILLS RESIDENTIAL SUITES

The HRA and City Council approved a Housing Tax Increment Financing District to facilitate the construction of Jackson Hills Residential Suites, a 40-unit mixed income apartment complex. The project will offer at least 8 units of affordable housing for families in the Elk River community. The project is scheduled to be completed in 2019.



MAIN AND GATES REDEVELOPMENT



The HRA acquired two properties in 2018 as part of a redevelopment project to align with the Mississippi Connections Plan.

Four properties have been purchased and negotiations continue with the remaining three property owners. The redevelopment project will include trail connectivity and access to downtown Elk River.

PERMANENT FIXTURE POLICY

Our downtown attracts residents and visitors year-round for shopping and entertainment. The city has sought to enhance experiences with permanent fixtures meeting a high design standard. These include light poles, lighting fixtures, benches, planters, trash and recycling receptacles, and bicycle racks.

The HRA adopted a policy to guide purchases and implementation. The goal is to provide for a safe, clean, and accessible downtown, to preserve the vitality of the business district and to prevent blight. The HRA committed to allocating a portion of their annual budget to permanent fixtures that improve the aesthetics and overall experience for those visiting downtown Elk River.

BLIGHTED PROPERTIES FORGIVABLE LOAN PROGRAM

Beaudry Oil & Propane completed the construction of a 7,216 square foot Truck Shop facility. The light maintenance facility provides services for minor repairs including oil changes, tire replacement, brake changes, and cleaning/detailing of their fleet vehicles. In 2017, the Truck Shop received a \$75,000 forgivable loan for the demolition of a blighted residential property in conjunction with the development of their new facility.

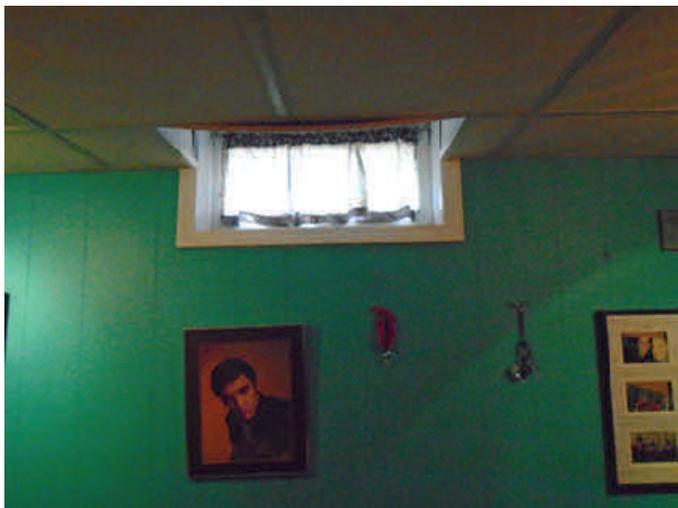


HOUSING REHABILITATION LOAN PROGRAM

The Housing Rehabilitation Loan Program dispersed more than \$336,579 to 17 projects since it was introduced four years ago.

Residents took advantage of the low-interest loan program to make improvements to their homes. Homeowners were able to make energy efficiency improvements, install new windows, siding, landscaping updates, and other necessary repairs.

Before



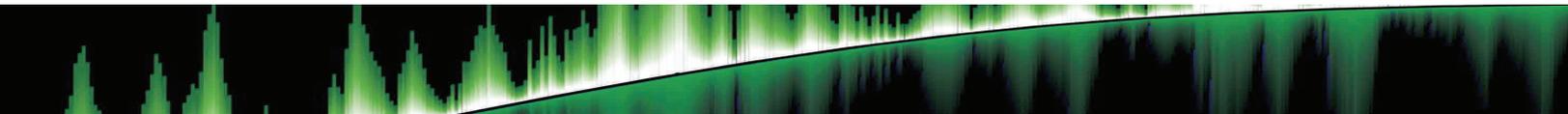
Before



After



After



MARKETING

Marketing and advertising of the HRA Housing Rehabilitation Loan Program, began in the second quarter with two ads in the *Star News* inviting people to attend an informational meeting facilitated by Central Minnesota Housing Partnership. Advertising continued throughout the year with seven, quarter page, color ads in the *Star News*. The ads ran the last seven weeks of the year as a kick-off to the upcoming spring home improvement season.

Holiday cards have been a huge success in past years, and have received positive feedback from residents. In 2018, over 400 holiday cards were sent to eligible homeowners in the expanded targeted area. The rehab program was also marketed in the 2018 Elk River Area Community Guide featuring a quarter page, full color ad. The guide was sent out to all Elk River residents will be distributed throughout the year in various venues.

Advertising			
Housing Rehabilitation Loan Program			
2018			
Magazine	Subscribers	Rate	Cost of Impressions
Elk River Community Guide	15,000	\$750.00	\$0.05
Star News November 5	20,500	\$274.58	\$0.01
Star News November 12	20,500	\$274.58	\$0.01
Star News November 19	20,500	\$274.58	\$0.01
Star News November 26	20,500	\$274.58	\$0.01
Star News December 3	20,500	\$274.58	\$0.01
Star News December 10	20,500	\$274.58	\$0.01
Star News December 17	20,500	\$274.58	\$0.01
Total	158,500	\$2,672.06	\$0.02



A Wealth of Housing Opportunities

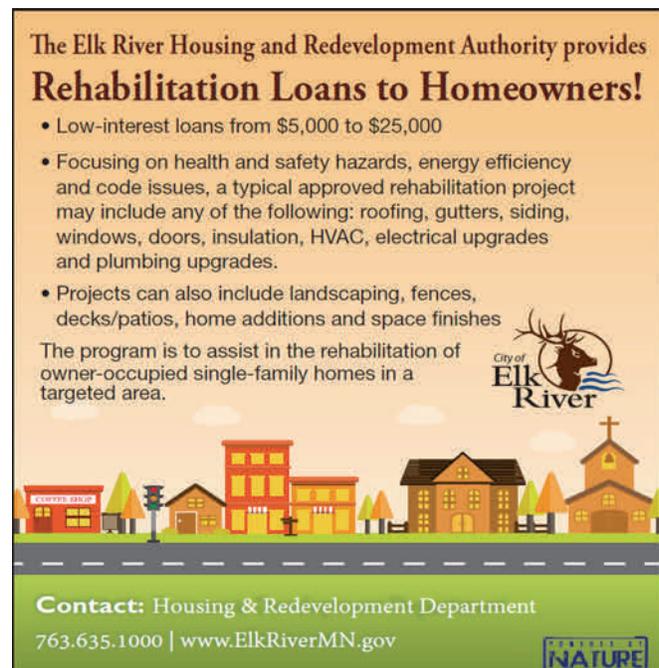
The Elk River Housing & Redevelopment Authority (HRA) offers a rehabilitation loan program for owner-occupied houses in a defined targeted area. HRA is empowered to undertake certain types of housing and redevelopment projects.

City of Elk River

Elk River's Housing & Redevelopment Authority
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The Elk River Housing and Redevelopment Authority provides **Rehabilitation Loans to Homeowners!**

- Low-interest loans from \$5,000 to \$25,000
- Focusing on health and safety hazards, energy efficiency and code issues, a typical approved rehabilitation project may include any of the following: roofing, gutters, siding, windows, doors, insulation, HVAC, electrical upgrades and plumbing upgrades.
- Projects can also include landscaping, fences, decks/patios, home additions and space finishes

The program is to assist in the rehabilitation of owner-occupied single-family homes in a targeted area.

City of Elk River

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NATURE