

August 26, 2015

Dear St. Paul City Council Members:

As the vote on the zoning issue pertaining to 1784 La Crosse Avenue approaches, I want to reiterate People Incorporated's commitment to and history of being a good neighbor in the areas across the Twin Cities in which we operate. While community-based care for those with mental illnesses is a necessity in our society, providers of this care succeed best when they act as integrated community members. We attribute much of our success and reputation to living out this philosophy in all of our program locations.

The District Two Neighborhood Council has expressed concerns around the zoning issue at hand, which have been deemed non-material by city sources, as well as others. Despite this, if the zoning issue is approved, I would be willing to meet monthly with the Council to address any concerns that may arise once our program is operating. Such a forum would ensure any concerns could be discussed and addressed appropriately.

In closing, we respectfully request the St. Paul City Council move forward with approval of our petition for rezoning. We look forward to continuing to serve the needs of the residents of St. Paul.

Sincerely,

Jill Wiedemann-West, CEO

CC: Mayor Christopher Coleman

Commissioner Jim McDonough

People Incorporated Board of Directors

Item 9



August 26, 2015

Dear Councilman Thune:

Subsequent to the close of the Council's public hearing on Wednesday, August 19, we received your request to consider buying an additional property on Case Avenue for use as parking. Subsequent to your request, Chuck Repke let us know the specific property you mentioned was not an option, as it is currently not on the market.

On Monday this week, Repke contacted the realtor for a different property on La Crosse Avenue that is currently undergoing substantial renovation for eventual sale as a four bedroom, two bath family home with a target price of \$224,900. Repke requested we meet the realtor and view the site, which we did yesterday afternoon. It appears this renovated property would be a nice single family housing addition to the neighborhood, and that the renovations are well underway. While the renovation continues, the asking price is increasing by \$6,000 per week due to the ongoing rehab costs.

One obvious question we have at this point is why, at this point in the renovation of this property, someone would move in the direction of tearing the property down and seeking rezoning for the creation of a parking lot? However, the larger question for us is whether or not we could justify such significant additional cost for a parking lot project which would also require rezoning in an area already concerned about spot zoning? Simply put, the additional costs this option would add to our relocation effort would be untenable for the program to carry. The programs we operate have payment rates associated solely with reimbursement for client and program cost. Overhead is not provided for, and this substantial additional overhead would cause this program to be unsustainable as a result of the depreciation involved alone. Finally, we are on record as agreeing with the City of St. Paul in its determination that we already have adequate parking for our anticipated needs. Thus, we cannot certify to lenders and regulators that we need this additional property for parking at such an untenable cost.

We sincerely appreciate the Second District Council bringing to our attention other properties that might be potentially developable for new direct service programs in the future. There is far greater need for individuals living with mental illness than there are resources available to adequately meet. We are always interested in forging a community partnership around properties you are looking to redevelop or better utilize, and we welcome these conversations moving forward.

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Today, we respectfully request the St. Paul City Council move forward with approval of our petition for rezoning, so that we can continue serving the people of St. Paul and mitigate further delay in meeting the needs of some of our most vulnerable community members.

Sincerely,

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CC: Mayor Christopher Coleman

Commissioner Jim McDonough

Council President Russ Stark

Council Member Dai Thao

Council Member Chris Tolbert

Council Member Amy Brendmoen

Council Member Dan Bostrom

Council Member Bill Finney

People Incorporated Board of Directors