

# Inspiring Communities / Small Scale Development Update

November 6, 2024



**SAINT PAUL**  
MINNESOTA

[STPAUL.GOV](http://STPAUL.GOV)



# History of Inspiring Communities

- 2006 – 2007: Invest Saint Paul Initiative
  - \$15 million STAR bonds
  - "to strengthen and revitalize neighborhoods challenged by recent economic downturns and persistent disinvestment..."
  - Reduce number of vacant houses
  - Rehab, strengthen the housing stock
- 2007 – 2008: National foreclosure crisis
- 2009 – 2013: Neighborhood Stabilization Program
  - 5 grants totaling \$31.4 million
  - First Look acquisition program
  - Rehabs first, then redevelopment of demolished homes
  - HRA as developer
- 2013: Pause, assess, adjust
  - Ceased acquisition activity
  - Moved to a developer partnership model
  - Inspiring Communities program branding



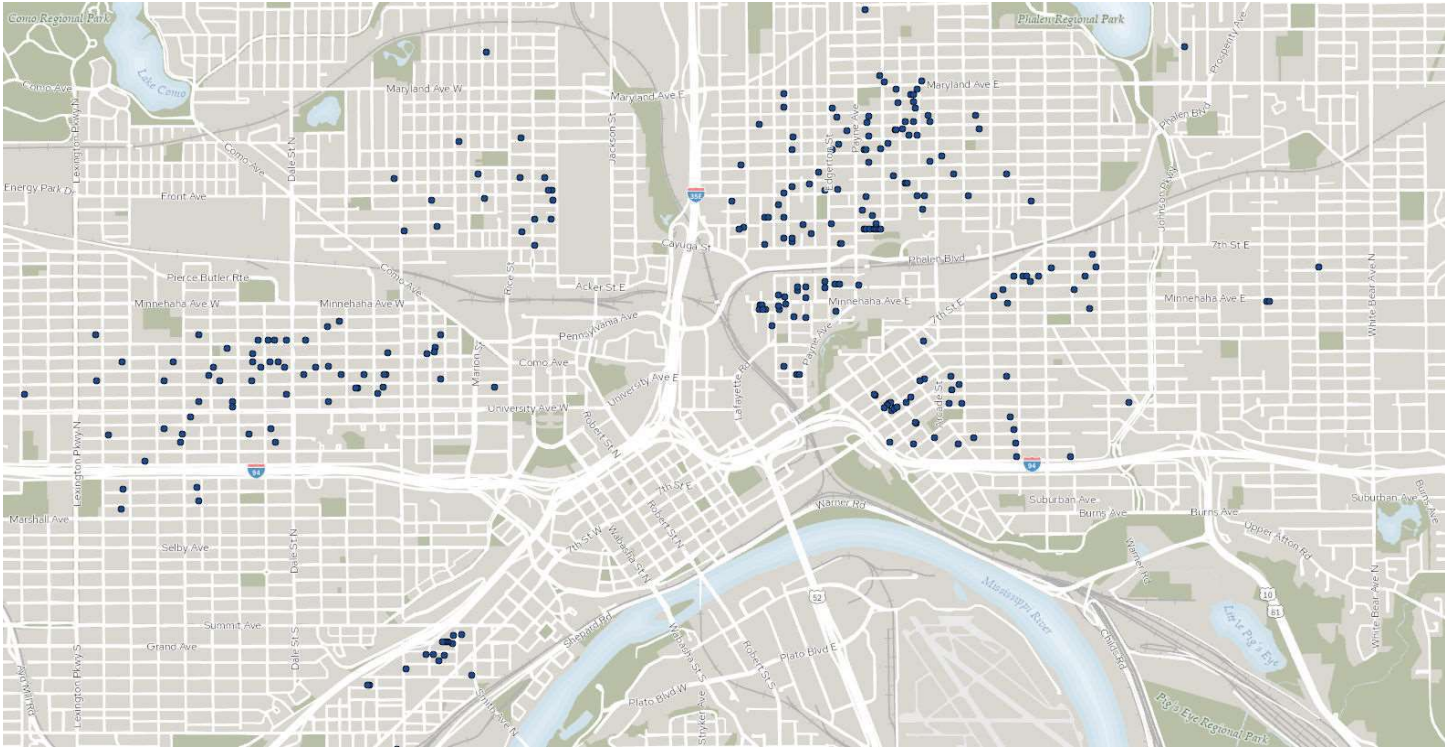
# Successes in Investment in Single Family Development

- Affordable, safe, low-maintenance housing, back on the tax rolls
- Re-established distressed market
- Economic stimulus
- Neighborhood stabilization
- Developer development
- Owner-occupied duplexes
- Reduced homeownership disparities





# Completed Projects





## Why do we need to change our focus?

- The subsidy for single family homes has become very high
- Most single family lots have been upzoned and can support more units of housing with greater levels of density
- Opportunity exists for greater level of community partnership
- Property in the HRA inventory that has unrecognized potential



## Pivot to Small Scale Development

The housing team identified what needs a small-scale development program could fulfill for Saint Paul; the following common themes arose:

- Increased density/ more units of housing
- Less subsidy per unit
- Wealth creation for homeowners and emerging developers
- Being a “proving ground” for a variety of housing types through a focus on missing middle, and exploring homeownership models like Co-Op housing;
- Partnership opportunities with community organizations



## How would this be different from Inspiring Communities?

- Move away from Single Family development, focus on 2-6 or more units
- Move away from RFP process. Developers or consortium of developers can already propose on a parcel or a group of parcels through our disposition policy at any time.
- Enables a greater variety in project types
- Projects are more responsive to the needs of community
- Proactive visioning of certain parcels in partnership with community organizations



# Program Opportunities

- Increased density/"Missing middle"
- Homeownership variety







## Example: Geographic-based Development

- Opportunity to partner with community-based development corporations and community groups
- Collectively, we own multiple sites that could be grouped together and are well suited for a neighborhood approach





## One more RFP for time sensitive lots

- Early 2025
- Remaining NSP properties





**Questions?**