

**Underwood Terrace  
Virtual Public Meeting  
May 26, 2021  
Questions & Answers Summary**

**Overview:**

This document includes a summary of questions and comments collected from the community at the Lake City, Underwood Terrace virtual public meeting via Zoom on May 24<sup>th</sup> at 6pm. The meeting was hosted by Three Rivers and included the project team consisting of Lloyd Management, the property management firm and Blumentals architecture firm. The project team presented the Underwood Terrace project to the group in a 30-40min PowerPoint presentation and then asked for community feedback. The questions/comments in bold are from the meeting participants and the responses written below are basic summaries of project team's responses but are not direct quotes from the meeting.

**Will there be any damage deposits tied to all of the units?**

Yes, each tenant will be required to pay a damage deposit during the lease signing process. The damage deposit is typically one month's rent. Upon move-out, the deposit is used to cover any damage – just like a market rate property – and the tenant then receives the rest of the deposit. If the unit is not damaged, the tenant receives the full deposit plus interest.

**I am interested in knowing about efforts to confirm worker interest. in those units. I realize there are a lot of commuters coming to LC to work, but is there any data indicating real interest?**

Three Rivers had a demand analysis conducted during the project planning process and based on current demographics and the local workforce, there is a demand for the proposed units. We did not conduct a survey/focus group with local workers; however, we will have more details about housing demand and the local workforce once the market study is complete and we can share that info with you. Finally, another important thing to note is that a significant number of local job postings on Indeed right now are at wage rates that would qualify for 60% AMI or below for Underwood Terrace.

**Has our school district weighed in on interest / need for additional students? I would guess additional students would be very appealing to them?**

We have not had a discussion directly with the School District about the need for additional students, we will share project information with them during our June 1<sup>st</sup> session and we will encourage them to share info with families, if the project is approved. We know from our conversations with City staff and other elected officials, that the school is hoping that enrollment increases and we think that this housing option may a number of families with children. This project will also help local Head Start families that Three Rivers' works with.

**Any idea how rents connected to this proposal compare to rents in Lake City? Any idea how many rental units, in total, already exist here**

Yes, we do know that Underwood rents are lower than local market-rate rents and we know from our own re-housing assistance experience that demand exceeds the supply of affordable housing units. Note: We did have an attendee at the session share with us the number of units in the area that are considered affordable and a number of them are age restricted. We will share more details about this once we have our Market Study back, very shortly.

**Will the research used to create your marking analysis be available for review?**

Yes, we will put together summary info from our Market Study and share that. We should have a draft by the first week of June.

**Who is doing your “Market Analysis”?**

Novogradac

**Would a drug arrest or drug conviction be grounds for eviction?**

This depends. A conviction could be grounds for eviction. An arrest is harder to answer because the person could be arrested and not found guilty/or charged. The bottom line is that Lloyd Management has a strict tenant screening processes and lease enforcement procedures. Lloyd would proceed with eviction if the tenant is violating the law and their lease through drug usage/selling/etc. and other activities that put the property and other tenants at risk – there are a wide-range of activities that Lloyd summarized that could result in eviction. Lloyd also provided an extensive explanation of their commitment to ensuring all properties they manage are high-quality, safe and in high-demand. Lloyd noted that tenants receive lease infractions for minor issues, but multiple infractions can result in eviction.

**Is there any reason the current ratio [unit mix between 8 supportive units and 24 workforce/affordable housing units] would be changed if.....the worker housing ratio was not met?**

No, this mix would not change. The project would have 8 supportive housing units and 24 units for the general population. We do have flexibility if local needs changed in the future and there was no longer a demand for supportive housing units – if we are unable to fill the 8 supportive housing units, these units could then be rented to the general population after about 90 days of vacancy.

**My concern had been council was voting very soon. Apparently I was wrong. That said, in talking to a former GM, commuters had indicated LC was too expensive to move into.**

**Comments?**

Yes, we hear this as a local service provider that serves Lake City and the rest of Wabasha County (Three Rivers’ core service territory is Goodhue, Rice, Wabasha, Olmsted Counties). Our housing Advocates receive calls on a regular basis from folks asking about housing options and we know from our partners like Wabasha County and others, many modest-income households cannot find housing options in Lake City and opt to live in other surrounding areas.

**Has there been any forecasting how this project will impact/burden city services on an on-going basis?**

This project has included all of the City fees associated with it, just a like a market rate project or a commercial project, etc. Sewer & Water Access Charges and other hook-up fees or city fees are all included in the Underwood Terrace project budget. The project is asking for a land donation, but that should not provide an on-going burden. The only thing that could be considered on-going could possibly be the street. The project will extend the existing street that runs between the Municipal building and the proposed project site – about 300’; this expense is covered by the project. The street will be built to City standards and then turned over to the City after the project is complete so the City can extend the road further into their Cemstone site, when they continue developing their property. The City would be responsible for maintaining the public street.

**Are the special needs cases segregated from the say, young family participants?**

No, Underwood Terrace will reflect the community and will integrate tenants so there will be a mix of supportive housing units (8), along with the other 24 units that are not supportive housing. With this model, we are providing opportunities for persons with disabilities to access housing in the community, live as part of the community and have the supports they need/want right on site. In addition to Three Rivers’ approach to housing access for everyone, the state and federal government have embraced the need for protections for persons with disabilities to ensure that all persons in our communities have access to safe, decent, quality housing – and have a choice of where they want to live – therefore, rules/regulations have been put in place to ensure housing providers are not segregating persons with disabilities.

**In Three Rivers’ other properties are the residents from local community, outside or mixed?**

Properties in communities like Northfield, Red Wing, etc (locations closer to the metro, for example) have a mix. In other locations like Plainview, Pine Island, Austin, for example, most residents are from the local community. We can conduct target marketing for projects to ensure that local households have access to the property. For Underwood Terrace, Lloyd Management would work with Three Rivers and local contacts to start generating a list of households that are interested in living at the property; this list can be generated early on. Local contacts that could help refer households to the list could be: the school, local businesses/the Chamber, the City, Three Rivers’ own local Head Start/Transit/Housing/Outreach staff, local provider partners, and more. This marketing strategy will help us both advertise the property early and generate local interest for tenancy.

**Persons working as aides at the school or nursing home, working at Kwik Trip, Hearth and Homes or at downtown retail businesses would qualify income wise to rent these units.**

Yes, this is an excellent point. We have been watching jobs on Indeed and if you take a look at the listing today, you will see that there are a significant number of local jobs that would provide incomes that qualify for Underwood Terrace (60% AMI).

**Are the existing properties like Pepin Apts full ?**

We can check on this with the HRA, but a participant in the meeting chatted us saying that yes, they are full.

**Do you know how many total units exist that offer rental assistance or low rent based on income?**

SEMMCHRA owns Pepin Apartments, Lake Pepin Plaza and what use to be Oak Court Apartments. We are only aware of the SEMMCHRA units and that they offer Section 8 vouchers if a household can find an affordable housing unit in the community. There are also a number of units that are age restricted for older adults. Note: We were not able to share an exact count – a participant did share their knowledge about the number of these units in the community but we did not post it here, since we did not confirm it. We should also have some of this information in our Market Study.

**As part of the above question...Currently transportation is provided. Will more be needed?**

Three Rivers operates Hiawathaland Transit Dial-a-Ride services in Lake City. Management has confirmed that Underwood Terrace could provide a number of new riders to the service and this works well for Hiawathaland. There are no concerns with the service keeping pace with the projected increase in demand, if Underwood Terrace is built. In fact, the drivers often wait for Dial-a-Ride calls in the parking lot of Underwood Park, which is across the street from the proposed location of Underwood Terrace, so we think this will be a great fit/great location for the project. Transit also noted that this could be a great housing option for local drivers.

**Will there be an elevator?**

No, all ADA (accessible) units will be on the first floor. The building will be two floors; therefore an elevator was not required if we have accessible units located on the first floor.

**What are ADA/universal units?**

ADA = units that are accessible for folks that need to use a wheelchair. Universal Design units incorporate accessibility features like wider hallways, levered doors, accessible routes, etc.; essentially, they are a 'step down' from a fully wheel-chair accessible unit (ADA) but are more accessible than the standard units.

**How many entrances?**

One main entrance and two side doors - one on each end of the building.

**How will units be heated/cooled?**

The project will use a MagicPak system – single package vertical units combine heating and cooling applications for apartments, condominiums and other multiple occupancy buildings.

**A question came up about how scoring works...**

MHFA scoring is extremely competitive and only 1 in 4 projects (or less) a year are selected; last year MHFA received over 100 applications. MHFA selects projects based on a scoring system

and Lake City scores well in several categories such as: Workforce Housing and the community has not had a tax credit project funded yet.

**It was noted by an attendee that just because a person is unstably housed, does not mean they are not working.**

Yes, this is true. We often see a mix of situations in supportive housing and other programs that involve housing with support services for folks that have challenges; some people have a job and are working while they are staying on someone's couch or living in a camper or car, while some people are on SSI or SSDI (Social Security) and need a safe, decent affordable place to live with services to live well. Some people do not have an income because they lost a job or cannot find a job because they do not have a stable place to live and perhaps are unable to practice good hygiene or access transportation because of their living situation. Even though households accessing supportive housing meet us in different spots in their lives, the on-site Advocate will work with each person to create an independent living plan to help folks reach their goals, stabilize and live well.