

4.0 - INSTITUTIONAL ANALYSIS

INTRODUCTION

The Ventura Village Comprehensive Land Use Master Plan provides a framework for moving from the present vision of the residents of Ventura Village to a real future. In other sections of the Plan, specific goals, policies and initiatives are outlined as strategies for the making the envisioned future a reality. Equally important to implementation, this institutional analysis focuses on the context within which the future of Ventura Village will take shape. Whether or not the more specific goals, policies and initiatives outlined in the Plan are adopted, the institutional structure and conditions which drive decision making and determine development possibilities will guide the course of development in Ventura Village.

Decisions made by the City of Minneapolis and its agencies, the Metropolitan Council, the State of Minnesota, and various federal agencies may all affect, in both the near and long term, the implementation of the Plan. So, too, will the actions of private sector for- and non-profit interests that operate in the neighborhood. This portion of the Plan addresses this **institutional context** within which the future of Ventura Village will be decided.

This section will discuss neighborhood vision and goals briefly, in an expanded bullet format. This discussion will be used to then identify opportunities/needs for institutional change and/or support in order to achieve these goals. For example, Ventura Village wants safe streets for everyone, yet the rape rate in Minneapolis is the highest in the nation, and Ventura Village leads the city. What are the reasons for this, and what policies/practices/attitudes need to change in order to solve this problem? Also included in this section will be a discussion of more general institutional barriers to the vision outlined in the Plan. Such barriers might include, but are not limited to, conflict between the vision outlined in the Plan and the agendas of various government agencies (such as the city, MCDA, MnDOT, etc.), as these agendas translate to their actions within the boundaries of or otherwise affecting Ventura Village.

4.1 - THE VENTURA VILLAGE VISION

As the owners of the visioning process that initiated the Ventura Village planning process, residents spoke loudly and clearly about their vision of the future. Below is a summary of the key elements (reproduced from earlier in the plan) of the Ventura Village vision:

- Low-profile, high-density housing development, including in-fill housing on vacant land in residential areas and mixed-use development along Franklin Avenue, the major commercial corridor.
- Transit-oriented and pedestrian-friendly development, including integration of commercial and residential developments in the spirit of "new urbanism" and Smart-Growth.

- A mix of home-ownership and rental housing opportunities affordable to residents at a wide range of income levels.
- The reduction of crime through strategies incorporating better land use and design practices.
- The creation of a healthy commercial corridor with the services and amenities which make communities quality places to live, shop, and play.

Implicit in these statements is the desire of the neighborhood not only to move forward, recognizing and addressing the neighborhood's problems, but at the same time to maintain the best parts of the neighborhood... those which give Ventura Village it's character and make it unique.

4.2 - THE ANALYSIS PROCESS

Focusing on the issues identified by residents during the visioning process, this analysis sought to identify the key processes, players or participants, and policies that have impacted the course of development and change in Ventura Village. The key findings are recounted below, organized according to the general area of impact/general nature of the institutional issues.

4.3 - HOUSING THE NEIGHBORHOOD

[EXAMPLE FROM GOALS: TO PROMOTE THE REHABILITATION AND DEVELOPMENT OF A DIVERSE INVENTORY OF HOUSING THAT WILL REMAIN ACCESSIBLE TO ALL CITIZENS OF OUR CITY AND REGION.]

The affordable housing crunch in the Twin Cities of the late 1990s has hit especially hard in Ventura Village. In 1990, the vacancy rate for rental properties in Ventura Village was 14%¹. Despite the fact that nearly 4 in 5 housing units in Ventura Village are rental², in 2001, the rental vacancy rate in the neighborhood has dropped to under 2%³. Low vacancy rates have been accompanied by rising relative housing prices. While neighborhood level statistics are not currently available, a January 2001 report⁴ revealed that while incomes in the Twin Cities grew by nearly 9% between 1990 and 2000, they were far outstripped by a 34% increase in housing costs. In 1990, the median income in Ventura Village was approximately ¼ of the median income for the Twin Cities metropolitan area as a whole⁵. Yet, high rental vacancy rates meant correspondingly low rental prices, and Ventura Village residents paid on average the same percentage of their income (30%) towards housing as other Twin Cities residents⁶. In 2001, incomes in Ventura Village have gained on those for the rest of the metro, now coming in at

¹ 1990 U.S. Census

² 1990 U.S. Census

³ 2000 U.S. Census

⁴ Minnesota Legislative Auditor – Affordable Housing Program Evaluation Report

⁵ Ritzdorf paper

⁶ Ibid

approximately X% of the regional median income⁷. However, rapidly rising housing prices have far outstripped these gains, and Ventura Village residents now pay on average XX% of their income towards housing⁸.

4.3.1 - INSTITUTIONAL ASSETS AND LIABILITIES

REGULATORY ISSUES

Research has identified a number of institutional factors that may act to limit the supply of affordable housing⁹. Among these are:

- Cost of land, labor and materials
- Local zoning/subdivision ordinances
- Other land use policies
- Development and construction fees
- Building code standards
- Financing issues
- Taxes
- Other government policies and programs

In particular, the primary institutional factors impacting the housing supply in Ventura Village are the Minneapolis zoning and building codes and the housing investment policies of the Minneapolis Community Development Agency (MCDA) and the Metropolitan Council.

Most notably, zoning codes presently prevent the construction of accessory units, a potentially important source of additional, affordable housing units in Ventura Village. In addition, zoning codes have limited new affordable housing by disallowing second-story residential units in commercial buildings along Franklin and Chicago Avenues. Overly restrictive building codes have discouraged renovation of residential properties in the neighborhood by unnecessarily raising the cost of improvement, causing further erosion of the supply of quality, affordable housing.

FINANCING

MCDA policies have contributed to the affordable housing shortage primarily by what they have not done. Starting in the early 1980s, MCDA began to focus housing expenditures primarily on single-family homes. As a result, housing initiatives that might help to relieve the shortage of affordable housing in Ventura Village, such as the rehabilitation of multi-family properties or the

⁷ 2000 U.S. Census

⁸ Ibid

⁹ Leg Auditor – Affordable Housing Report

construction of new multi-family units, have gone unfunded.

Although Metropolitan Council policy, as directed by both the 1977 Land Use Planning Act and the 1995 Livable Communities Act, has in theory advocated affordable housing, this has translated into limited effort directed at urban neighborhoods such as Ventura Village. Between 1996 and 2000, Livable Communities

In part, these spending priorities reflect a long-term strategy to increase the amount of affordable housing options available outside the urban core, in theory providing more choice for metropolitan residents. However, the result in Ventura Village has been a loss of choice, with a decrease in the quality and amount of affordable housing occurring either through loss of quality housing stock or loss of affordability. Moreover, this theory ignores the importance of quality, affordable housing in the neighborhoods where people already live. Many neighborhood residents have chosen to live in Ventura Village because it is close to their job or school, because other family members or persons with whom they share culture and language live in the neighborhood, or because specific goods and services are available.

4.3.2 - RECOMMENDATIONS

Specific remedies that will help to improve the institutional context for the implementation of the Plan's housing goals include:

- Amendment of zoning code to allow accessory units (see the Carriage House Initiative)
- Building code provisions that relax non-safety essential code requirements for the renovation of older, existing structures (25+ years old?). Example: In Jersey City, NJ, building codes have been altered to remove the requirement that doorframes be exactly level, allowing many otherwise habitable structures to be cheaply renovated as affordable, high-quality housing.
- Parity between multi-family and single-family housing in MCDA housing expenditures.
- Targeting of other public and private sector funds to housing rehabilitation, renovation, and/or construction in Ventura Village.

In addition, Ventura Village endorses the findings of a November 2000 report released by the Mayor's Regional Housing Task Force¹⁰, co-chaired by Minneapolis Mayor Sharon Sayles-Belton.

Among the report's findings were:

- Higher densities are necessary to produce affordable housing
- Most affordable housing will not be produced in the market place without incentives; and funding partnerships are needed
- Cities should have the flexibility to customize their affordable housing strategies

- Quality and accessible human and social services play an important role, in solving the affordable housing crisis

As important first steps in creating affordable housing on a local and regional level, among the report's recommendations were that local planning and zoning regulations should enable affordable housing, and that a support structure for those in need be present.

4.3.3 - RELATED POLICY CHANGES AND INITIATIVES ADVOCATED IN THE PLAN:

- Amendments to the Minneapolis Plan (pg. X)
- Amendments to Minneapolis Zoning Code (pg. X)
- Carriage (Accessory) Housing initiative (pg. X)

4.4 - THE LAND USE - TRANSPORTATION LINK

[EXAMPLE FROM GOALS: TO INCREASE TRANSIT USE AND TRANSPORTATION SYSTEM EFFICIENCY.]

No neighborhood is an island. Efficient and usable transit connections to locations both within and between communities are essential to the long-term livability and economic viability of all communities. Nowhere is this more true than in Ventura Village, where low automobile ownership rates¹¹ mean a greater dependence on transit for access to jobs, services, shopping and recreation than in other parts of the metropolitan area. For this reason, adopting a transit-oriented model of development and establishing a strong functional relationship with light rail transit (LRT) and bus transit systems in the area, are key elements of the Plan.

At present, Ventura Village is served by Metropolitan Council Transit Operations (MCTO) bus routes, which serve both residents traveling within the neighborhood, and, through connecting routes, those traveling to locations elsewhere in the city and region. In the near future, transit options for Ventura Villagers will increase with the construction and operation of the Hiawatha Corridor Light-Rail Transit (LRT) line. The LRT line will run between downtown Minneapolis, the Minneapolis/St. Paul International Airport, and the Mall of America. Those who live and/or work in Ventura Village will be served primarily by the Franklin Avenue Station, located at the eastern end of the neighborhood at the intersection of Franklin Avenue and Hiawatha Avenue/Minnesota Highway 55.

¹⁰ Mayor's Regional Housing Task Force Report, November 2000

¹¹ need 2000 census number

4.4.1 - INSTITUTIONAL ASSETS AND BARRIERS

Despite a noticeable increase in interest in recent years in the idea of transit-oriented development practices and related ideas such as those promoted by the Congress for New Urbanism, both the way in which transportation planning decisions are made and the philosophy which guides these decisions continue to be in conflict with the Ventura Village vision.

Generally, transportation planning and investment decisions are made at the state, county and metropolitan level. While the City of Minneapolis does have planning authority within the city limits, these decisions are made in the context of larger, regional transportation networks, and seem to share the same guiding philosophy which has led to the current state of affairs in transportation in the Twin Cities metropolitan area.

Transportation planning in the Twin Cities and in Minneapolis has traditionally placed a great emphasis on moving people (particularly commuters) in and out of the central business district. With large-scale suburban growth in the latter half of this century, this philosophy has been expanded to include high-capacity limited-access roadways designed to carry traffic around and between outlying suburban areas as well.

There are two significant negative impacts of this approach for Ventura Village. First, large amounts of traffic, some of it moving at high-speeds, have been funneled through the neighborhood, creating a safety hazard, bringing large amounts of noise and air pollution, and generally leading to a decrease in quality of life. Second, construction of the Interstates 35W and 94, along with the Hiawatha/Highway 55 Corridor, have cut-off Ventura Village on almost all sides from the surrounding neighborhoods. This no-mans land of concrete and automobiles may as well be 100 miles wide, so effectively has it economically and socially isolated Ventura Village.

Despite these negative impacts, Ventura Village has seen very little benefit from this approach to transportation, as few residents commute to outlying areas, much less by means of their own automobile.

The impact of years of automobile- and commuter-centric transportation planning has been reinforced by zoning and an approach to development which reinforces the dominance of the automobile. In particular, off-street parking requirements, set-back rules and other development ordinances have contributed to strip mall-like development that is inappropriate for urban neighborhoods like Ventura Village.

4.4.2 - RECOMMENDATIONS

While transportation/transit infrastructure and spending in Ventura Village should continue to be compatible with regional and city plans, transportation/transit planning and investment should take into greater account the needs and desires of those who work and/or live in the neighborhood, particularly a greater dependence on transit. For example, while Portland and Park Avenues should and will continue to serve as an important route in and out of downtown, this utility should not come at the expense of the safety and quality of life of those residents whose neighborhoods the Portland/Park corridor passes through. The section of the plan that addresses transportation and transit issues includes a number of specific actions which could bring about a fairer balance between the needs of the residents of Ventura Village and those of the rest of the region. Generally, transportation/transit investment decisions should include formal mechanisms for soliciting, and incorporating into final decisions, input from neighborhood residents. This notion of neighborhood-based planning underlies the entire Ventura Village Comprehensive Land Use Master Plan; it is discussed more fully in next section of this analysis.

Land use and transportation decisions are intimately related, and changes in land-use policies must occur in order to maximize the benefit associated with the construction of the Hiawatha LRT line (and Franklin Avenue Station) and the changes proposed in the transportation section of the Plan. Specifically, the Plan advocates both revisions to zoning codes, including parking requirements, and the adoption of urban design standards that encourage, among other things, pedestrian and transit friendly design. Specific recommendations can be found elsewhere in the plan, as indicated below.

Among the most crucial changes to land-use policy are to lay the groundwork for the development of vacant and underutilized land adjacent to the Franklin Avenue LRT Station. One of the greatest benefits of public investment in light rail and other forms of fixed-corridor transit is the boost to development potential at station sites. This benefit figured substantially in the decision to build the Hiawatha LRT line.

At present, almost all of the land adjacent to the site of the Franklin Avenue Station has been earmarked for either empty right-of-way or the LRT maintenance yards. This decision virtually guarantees that the anticipated benefit to Ventura Village and the rest of Minneapolis, in the form of increased development potential and property taxes, will not be realized. Ventura Village has strongly opposed this outcome since the initial plans for the LRT line became available.

As an alternative, the Plan includes the proposed Crystal Park development for the current maintenance yards location. Under this proposal, the LRT maintenance facility would either be

relocated, or be incorporated into an alternative development plan.

4.4.3 - RELATED POLICY CHANGES AND INITIATIVES ADVOCATED IN THE PLAN:

- Changes to Zoning Code (including reduction of off-street parking requirements) – pg. X
- Ventura Village Urban Design Guidelines – pg. XX
- Crystal City Development Plan – pg. XX

4.5 - BUILDING ON COMMUNITY

[EXAMPLE FROM GOALS: TO CREATE A DIVERSE, HARMONIOUS, AND SELF-SUFFICIENT COMMUNITY.]

Preserving and building upon the existing assets of the neighborhood is at the core of the Ventura Village vision. Building on assets means recognizing and respecting the varied cultural contributions and traditions of our population, which includes American Indians, African Americans, European Americans, Asian, African and Latino immigrants. It also means maintaining the affordability of the neighborhood, preserving historic buildings (including many houses), enhancing social and cultural resources, and expanding and improving existing recreational resources.

4.5.1 - INSTITUTIONAL ASSETS AND BARRIERS

The primary impediment to community building in Ventura Village, both through the planning process that produced this Plan and other means, is the lack of voice for the community. For several years, the community has struggled to gain recognition from the City of Minneapolis as an official neighborhood and official neighborhood organization. Yet, despite the repeated failure of organizations seeking to represent the whole of the Phillips community, a clear difference in neighborhood focus for Ventura Village as compared to other parts of Phillips, and near unanimous neighborhood support, this recognition has not been forthcoming. This ongoing dispute is representative of the larger challenges facing Ventura Village as the neighborhood seeks to take control of its own future.

While city- and region-wide planning efforts undoubtedly intend the greatest possible good for all residents of Minneapolis and the rest of the Twin Cities metro area, it is not clear that this is always the result. Over time, the City of Minneapolis, and neighborhoods such as Ventura Village in particular, have borne the cost of development while others have reaped the benefits.

Two inter-related institutional factors have contributed to this trend. First, in many cases, there is a lack of agreement between the opinions and views of neighborhood residents and the population at large (as represented by planning agencies) about what assets of value exist in the

neighborhood and what the desired future looks like. Secondly, top-down planning (i.e. planning being done at the state, county, regional and city level) has tended to favor solutions that result in more harm than good for neighborhoods like Ventura Village; in most cases, those doing the planning have either been woefully ignorant of the consequences of their plans, or simply have chosen to relegate these neighborhoods to second class status.

Ventura Village's lack of voice extends beyond planning to other aspects of governmental function. For example, for the past several years, the rate of sexual crimes and rape has been higher in Minneapolis than any other city in the nation, and a disproportionate number of these crimes have taken place in Ventura Village. Yet, the City has been slow to respond to calls for action, and there has been little to no coverage of this horrifying problem in the local media. The City also continues to approve the location of new group housing facilities for at risk populations in the neighborhood.

4.5.2 - RECOMMENDATIONS

The lack of influence of the neighborhood over policy, planning and development decisions that may drastically affect its future is neither a unique nor easily solved problem. Rather, it is a symptom of an over-centralized approach to decision-making and of the biases and inequities that have been incorporated into this system. While there is no simple solution to this problem, the Plan advocates two strategies, the formation of a citizen-based Redevelopment Oversight Committee and the development of a relationship with a local law school or firm, which can begin to remedy this situation 1) by giving the neighborhood better access and more influence in regards to public decision-making processes and 2) making available to the neighborhood the knowledge and power necessary to effectively compete with the paid staff of government agencies and private sector interests when conflicts arise.

Redevelopment Oversight Committees (ROCs) are a commonly used tool in efforts to revitalize underdeveloped and/or blighted urban neighborhoods. However, they are generally made up of developers, city staff and officials, and others who neither work nor live in the neighborhood in question. As discussed in the section on planning process, the Ventura Village ROC would stem from the citizen committee which oversaw the development of the Plan, and would report to the Ventura Village Neighborhood Organization. The ROC would be responsible for prioritizing and staging development strategies, reviewing development applications, reviewing MCDA land disposition actions, and updating or amending the Plan as appropriate.

The Ventura Village ROC would provide the institutional means for the neighborhood to manage redevelopment. However, it cannot overcome the inherent imbalance in power discussed above.

The development of a relationship with local law school and/or firm to provide legal services and advice, and potentially litigate on behalf of the neighborhood, on a pro bono basis, would begin to level the playing field. The knowledge and legal weight gained through this relationship would allow the neighborhood to ensure that government agencies and private sector redevelopment partners met all legal obligations throughout the redevelopment process. It would also trump the ability of government agencies to use procedural maneuvering and other less-than-forthright tactics to advance their own agenda or block neighborhood initiatives.

4.5.3 - RELATED POLICY CHANGES AND INITIATIVES ADVOCATED IN THE PLAN:

- Redevelopment Oversight Committee – pg. X

4.6 - FUNDING

Funding comes from a variety of sources: all levels of government, non-profits and foundations, and private sector for-profit interests.

Funding may come as direct investment in a project, funding for a specific initiative, or as a program that operates within the neighborhood. It may benefit the general public, specific segments of the population, groups, individuals, or private interests (public, private, individual, group).

Attached is an appendix of government agencies, grant-listing services, and private sector funding sources, and other potential sources of funding for redevelopment efforts.