

PPL expands into multifamily projects

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Minneapolis-based Project for Pride in Living (PPL) began in 1972 with a mission of rehabbing houses, with the idea that stable housing could play a key role in helping low-income families achieve self-sufficiency.

PPL still does single-site rehab projects, but today the nonprofit is increasingly involved in larger, multifamily affordable housing projects.

PPL has more than 86 units of housing under construction, but has about 540 additional units at various stages on the drawing board.

"I think it's a logical progression for us.

We've been doing housing work for 33 years, and I think you never stay in the same place," said Steve Cramer, president and executive director of PPL. "You continue to try to grow. Those projects are higher impact; they will benefit more people."

PPL is one of the partners on the expansive Midtown Exchange site, where it plans to develop 52 units of affordable townhomes. While the PPL development is simply one element of the larger office/retail/hotel/housing project, the estimated \$12.9 million housing project represents the largest for-sale housing project in the nonprofit's history.

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Project for Pride in Living directors Chris Wilson, left, Barbara McCormick, and Steve Cramer stand in the shadows of the Midtown Exchange project. PPL plans to develop 52 affordable, for-sale townhomes on the site. "I think it's a logical progression for us. We've been doing housing work for 33 years and I think you never stay in the same place," said Cramer. (F&C photo by Bill Klotz)

PPL's Mission: 'There just aren't as many lots available as there once were,' says Cramer.

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"This seemed like a good opportunity. It just seemed like a good fit for us," said Chris Wilson, PPL's director of real estate development. Master developer Ryan Cos. is donating the 28,000-square-foot site to PPL.

The townhomes, which range in price from \$89,500 to \$259,900, are being marketed by Sandy Green Realty.

"Our projects are always going to hit a level of affordability that is not available in the private market," said Cramer.

Market forces have sometimes prompted increased competition for sites that would not have previously attracted private developers.

"There just aren't as many lots available as there once were. Private market forces are redeveloping some of those lots as well," said Cramer. "When I started at PPL, the only way you could redevelop some of those lots is if a group like PPL did it."

PPL began the transition to larger, multifamily projects with the Portland Place project in the Phillips neighborhood. The 47-unit project included a mix of townhomes, twinhomes and single-family houses completed in 2001.

"That was the first large-scale, ownership-focus project," said Cramer. "That specific project came out of planning that the Phillips Partnership did."

In New Hope, PPL is developing the 35-unit Linden Place Apartments, 5501 Boone Ave. N. The \$6.82 million project is slated to be completed by fall.

The Linden Park Condos, a \$7.7 million project calling for 41 units of for-sale housing on the site, is slated to be completed next spring. The project marks PPL's third in New Hope.

The combination of rental and for-sale units in a single project is increasingly common for many developments.

"You probably will see more of that around," said Wilson. "It's kind of driven

by political realities. From PPL's point of view, I think it makes for a stronger community. There's a social thing that works. We like that from kind of a mission point of view."

The units at the Linden Place Apartments range from two to four bedrooms, meant to cater to families. Half of the people who live in PPL housing are children.

In Bloomington, demand far outpaced supply for seven new single-family homes on Nicollet Circle, near Nicollet Avenue and 102nd Street.

PPL received 53 offers for the seven homes within 30 days. Prospective buyers were ranked on a point system that favored lower-income families with children. The project is slated for completion in July.

"They're very reasonably priced for the location," said Wilson. "It was also a new house in what is essentially an older part of Bloomington."

Cramer has a long resume of public service, having served as a Minneapolis City Council member, executive director of the MCDA (Minneapolis Community Development Association) and director of the Hennepin County Department of Housing, Community Works, and Transit.

Cramer rejoined PPL in 2003. From 1994 to 1999, he was director of housing and development, then chief operating officer, then president and executive director. At that time, Cramer left to run the MCDA.

"What I missed was the kind of connection to people, to projects, to communities," said Cramer. "You really feel pretty hands-on at a place like PPL. It's really what I wanted to focus on."

PPL also provides employment training and human services. Affordable housing and development accounted for 53 percent of the nonprofit's expenses in 2004.

PPL believes in investing in the community that it serves. Last fall, PPL opened its new headquarters at 1035 E. Franklin Ave., a 27,000-square-foot building that cost \$3.4 million to acquire and renovate.

Down the road, even bigger projects are looming for PPL. Near the University of Minnesota, PPL is contemplating a project much larger than the Midtown Exchange. In conjunction with the nonprofit Cabrini House, PPL would develop 88 rental units and 65 for-sale units of housing on the current site of the Bunge grain elevators. The project has been dubbed Van Cleve Court, a nod to a nearby park.

The budget for the project would top \$32 million. The first phase of the project is not slated for completion until the end of 2007.

"We really like the site very much," said Wilson. "As a site, it offered up a huge amount of possibilities." ■