

New owner will preserve affordable housing in historic Minneapolis building

Commonbond Communities bought Stonehouse Square for \$11 million and will renew a Section 8 contract for 19 low-income units.

By Marissa Evans (<http://www.startribune.com/marissa-evans/508696281/>) Star Tribune |

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A nonprofit affordable housing developer has bought the Stonehouse Square Apartments in northeast Minneapolis, a move that will preserve 19 subsidized units in an increasingly pricey neighborhood.

CommonBond Communities bought the building at 215 NE. Broadway for \$11 million this month and will seek funding to renovate the property.

Carin Peterson, [one of the organizers for the Stonehouse Square Apartments Tenants Association](http://www.startribune.com/tenants-in-ne-minneapolis-building-mobilize-to-keep-their-home/509674192/) (<http://www.startribune.com/tenants-in-ne-minneapolis-building-mobilize-to-keep-their-home/509674192/>), said in an interview that CommonBond coming into the neighborhood is “a beautiful thing” and is a “complete relief” for residents who use Section 8 vouchers in the building.

Peterson, who moved in four years ago, said it’s a victory for more than those who live in the Section 8 units. “For everyone else it means rent is not going to skyrocket because someone is not going to come in and throw in a granite countertop and raise it,” she said.



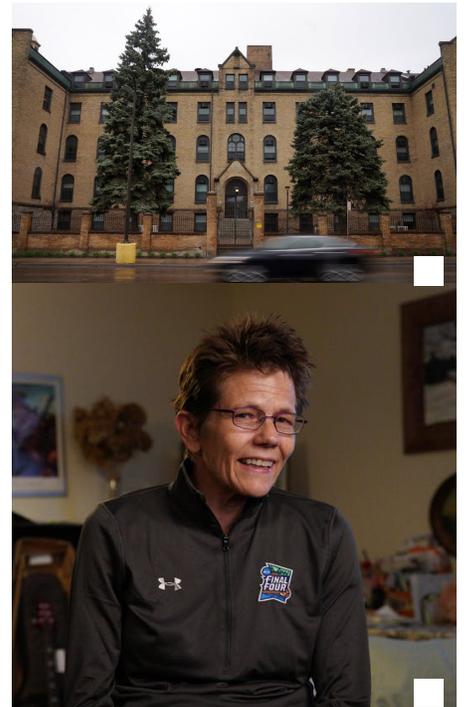
While there were other interested buyers, the sellers were drawn to CommonBond’s mission and commitment to residents, said Cecile Bedor, CommonBond’s executive vice president of real estate, in a statement about the sale.

“CommonBond is excited to preserve this historic building in the heart of the Northeast neighborhood of Minneapolis,” Bedor said. “It will provide affordable housing long into a future in a highly desirable neighborhood that is quickly gentrifying.”

The 124-year-old building has a special status among those who grew up in this part of Northeast. The Little Sisters of the Poor Home for the Aged, where Catholic nuns cared for impoverished older adults, occupied the building for 80 years. The home closed and eventually became a 71-unit apartment complex with a mix of subsidized and market-rate units.

The former owner, Diversified Equities Corp., had to set aside the Section 8 units in exchange for the Minnesota Housing Finance Agency’s support.

Peterson and other tenants rallied earlier this year out of fear that they would be forced out of their homes if a new building owner failed to renew the Section 8 program that helps them afford their apartments. Residents called Home Line, an organization



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Carin Peterson is among the subsidized renters who feared eviction from Stonehouse Square Apartments.

focused on tenant advocacy and legal services, for help and organized the Stonehouse Square Apartments Tenants Association.

Nineteen units in the building use federal Section 8 subsidies that are tied to the apartments, not the individual tenants. Many of the tenants in these units are older adults who live on Social Security or disability benefits.

Everyone at Stonehouse Square has felt more comfortable now that they know don't have to leave in December, said Barb Lindman, who has lived there for three years using the voucher.

"I'm really relieved that I have my own home and nothing is changing," Lindman said. "Time will tell, but so far I feel comfortable with them."

Marissa Evans writes about social issues for the Star Tribune.

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