

MINNEAPOLIS

Tenants in NE. Minneapolis building mobilize to keep their home

Section 8 residents worry that sale of Mpls. building will force them out

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

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The sale of the Stonehouse Square Apartments in northeast Minneapolis forced tenants who didn't know each other into action.

The owner wasn't going to renew a contract that set aside apartments for 19 low-income tenants. They had a year to find a new apartment.

Residents called Home Line, an organization focused on tenant advocacy and legal services, for help. And they put up fliers, knocked on doors and met with the building's owner.

Now a nonprofit potential buyer has emerged, and residents are hopeful that a new owner will let them stay.

"We've all realized if we don't help each other, no one's going to," said Trish Turek, a three-year resident living under the Section 8 contract who helped with the organizing.

Across the Twin Cities, building conversions and rent hikes have displaced low-income tenants and caused intense discussions among state and local leaders over how to stop the hemorrhaging of affordable housing. Amid the anxieties, residents are mobilizing.

What's happening at Stonehouse Square, once a senior home run by Catholic nuns, is unusual. The Section 8 subsidies are connected to the apartments, not the individual tenants. Many of the tenants have lived in the building for decades. Many are seniors and receive Social Security or disability benefits as their main sources of income. Many need to go to a church or food bank to fill their fridge.

"We don't have time to just go and find a place," said Carin Peterson, one of the organizers in the Stonehouse Square Apartments Tenants' Association who has lived there for 4½ years.

The tenants have an affinity for their community beyond the low cost. It's quiet, the bus is "right there," there's a dental office across the street and it's close to Art-A-Whirl, the annual art festival in the neighborhood. They also appreciate the history of their building at 215 NE. Broadway St.

It was built in 1895 and operated for 80 years as the Little Sisters of the Poor Home for the Aged, where Catholic nuns cared for impoverished older adults. The home closed but was turned into a 71-unit apartment complex with a mix of subsidized and market-rate units. The owner, Diversified Equities Corp., had to set aside the Section 8 units in exchange for the Minnesota Housing Finance Agency helping finance the deal.

Turek remembers passing the building and seeing the nuns every day on her way to elementary school at St. Boniface.

"When my friend told me she was living there, I was like, 'The nuns' building, you're kidding me,'" Turek said.

Three years ago, she moved in. Now Turek pays \$265 a month for a two-bedroom apartment that she shares with her 19-year-old son.

Barb Lindman worked as a candy striper for the Little Sisters of the Poor nursing home. Now the building is her home. "I've lived here my whole life," she said. "I don't want to leave the neighborhood."



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"It's a great place to live ... When I moved in, I said I'd die here," said Trish Turek, who has helped mobilize fellow Section 8 tenants.

In an interview, Jon Dickerson, founder of Diversified Equities Corp., said he wants the next owner to decide whether to renew the Section 8 contract.

"The effect of having the subsidized folks in the building sometimes rubbed the market-rate people the wrong way, and some of the restrictions that go along with Housing and Urban Development lease and contract requirements [are] a little bit onerous from an owner's point of view," Dickerson said.

The residents met with the owners March 1 and talked about what the building meant to them and how their lives would be upended without the safety of the contract, and the residents urged the owners to sell to a nonprofit developer with a mission for affordable housing. Dickerson turned down their request to renew the contract, they said.

The residents left the meeting feeling discouraged but still energized.

"The owners almost got a letter from the nuns," Peterson said.

If the contract is not renewed, the residents would receive "enhanced vouchers" that would allow them to stay in their units and raise the subsidy amount that could be applied to their rent if it goes up. However, if the Minneapolis Public Housing Authority says the rent is "unreasonable," then residents could be priced out and have to move to a place that meets the new voucher requirements.

If the housing complex is converted to condos, residents would be given traditional Section 8 Housing Choice Vouchers.

Unreasonable rent raises don't happen often, but the possibility still gives people fear, according to Ivory Taylor, lead tenant organizer and Volunteers in Service to America program director for Home Line.

"It's part of a lack of security and stability — 'Could this happen? Could someone raise our rent so high?' That's why it's important nonprofit buyers get in there because the chance of them raising rent to being unreasonable is much lower," Taylor said.

Finding a new place that they could afford that accepts Section 8 vouchers is increasingly difficult. Many landlords say "No Section 8" in their listings. In the apartment buildings in the few blocks around Stonehouse Square, one-bedrooms are going for \$1,400 and studios as much as \$1,300. For the couple of buildings in the area that do accept Section 8 tenants, screening requirements include having income two or three times the rent. Other screenings include credit checks, eviction history or criminal background checks. Being on a fixed income puts many of the apartments out of reach with or without the voucher.

"Go look? Go look at what? There's nothing to look at," Turek said when talking about the idea of looking for a new place to live.

Tenants are hoping that CommonBond Communities, a nonprofit developer focused on affordable housing, will buy the building. Alicia Cordes-Mayo, marketing communications director for CommonBond, confirmed that the organization has a purchase agreement for Stonehouse Square. They're still working out financing.

"We want to preserve this beautiful building and retain affordable housing," Cordes-Mayo said.

In Stonehouse Square's recent quarterly newsletter, the owners said they had multiple offers for the property but "selected a buyer that is committed to continuing the property as affordable housing." They expect to close the deal by late summer.

The tenants said they have reached out to CommonBond but have not heard anything. For now, they're cautiously optimistic that the deal will go through.

"I'll be doing cartwheels," Turek said. "I can't do one, but I'll try."



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"I love the northeast ... I haven't felt at home like this in years, which is lovely," said Carin Peterson, who has lived in her subsidized apartment for 4

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