A Letter From the Board Chair and Chief Executive Officer

For 50 years, Model Cities has been working in community, trying to do some good for as many as we can. Community work can be very difficult and challenging. We are not always thanked for what we do, sometimes we are openly criticized or misunderstood. But still we persevere, not so much for the glamour of it, because, there isn’t much. Nor do we continue to work in this most difficult area because we are glory seekers, because there isn’t much of that either.

We do this work because somebody needs to do it. There are still young people looking for a new way to keep them from becoming another statistic, and somebody needs to help them. There are still families that are literally being torn apart because of the problems and pressures of living in these times, and somebody has to care. We do this work because we care enough about somebody else that we are willing to go the extra mile. And, we are making a difference. In fact, we are saving lives...daily. We are changing hearts and minds...daily.

Although there are some whose lives may not be changed as a result of our work, there is at least one who will. And it is this thought that urges us to see the end of our many plans and programs as not just year-end reports and audits, but instead as the one life that has been spared because of our dogged persistence to save. We will not disappoint the one whose need awaits our perseverant activity.

Of course we do not work alone. Over these 50 years, there have been many donors and friends who have joined us in this work with your gifts of time, talent, and resources. Our thanks and gratitude to you for five decades of support.

Our Mission
To provide social and economic prosperity by providing access to opportunities that stabilize and develop families and communities.
Family Support Services

Supportive services were provided to 274 individuals through our Family Support Services programs. Program include supportive housing, crisis intervention, and children’s mental health case management services. In 2016, 87% of households served through our supportive housing maintained housing stability.

Youth Services

Community Coaches worked with 99 youth ages 10 - 22 living in Dakota and Ramsey Counties to support and give opportunity for youth to be encouraged and empowered through extracurricular activities. There was an 82% successful completion rate of the program in both counties.

Housing Opportunities

27 families are now living in newly constructed or rehabilitated single family homes. 66 households received pre-purchase counseling, 85% of whom improved their credit score. 208 households completed Home Stretch, 85% went on to close on a home purchase.
Community Based Initiatives

In partnership with the Minnesota Organization on Fetal Alcohol Syndrome (MOFAS), Model Cities and other community based organizations helped 30 young women to clearly understand the causes of Fetal Alcohol Syndrome through the consumption of alcohol.

FACT:
• 1 in 10 women drink alcohol while pregnant.
• Each year 7,061 babies are born in MN with prenatal alcohol exposure.
• FASD Matters in Minnesota www.mofas.org.

In partnership with the Saint Paul Promise Neighborhood, Model Cities’ Family Coaches served 15 families with over 250 hours of wrap around services. 90% of participating students showed improvement in one or more areas of attendance, grades, homework, and retentiveness.

Contributors

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Corporations and Foundations

• Anchor Bank
• Allina Health
• Associated Bank
• F.R. Bigelow Foundation
• Franchise Food Systems
• Knight Foundation
• Larkin Hoffman Daly and Lindgren Ltd. Foundation
• Louis Henry Franchise Food Systems
• Mardag Foundation
• Midwest Housing Development Fund
• Midwest Housing Equity Group
• Northwest Area Foundation
• PACE of The Saint Paul Foundation
• The Emil and Emily Slowinski Fund of The Saint Paul Foundation
• The McKnight Foundation
• The Saint Paul Foundation
• The Scoular Foundation
• The Snedeker Fund of the Vanguard Charitable
• Greater Twin Cities United Way
• Western Insurance Agency

Organizations

• Association for NonSmokers, MN
• Camphor United Methodist Women
• Camphor United Methodist Church
• Saint Paul Promise Neighborhood
• Thomson Reuters Community Program
• Twin Cities LISC
• Twin Cities Community Land Bank
• MOFAS

Government

• Capitol Region Watershed District
• Dakota County Community Corrections
• Metropolitan Council
• Minnesota Department of Education
• Minnesota Department of Human Services
• Minnesota Housing
• Ramsey County Children’s Mental Health Collaborative
• Ramsey County Community Human Services
• Ramsey County Corrections
• Ramsey County Environmental Response Fund
• St Paul Department of Planning and Economic Development
• U.S. Department of Housing and Urban Development
• U.S. Department of Human Services, Office of Community Services

Individual Donors

• 2 Anonymous Donors
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Summary of the Model Cities BROWNstone

Model Cities BROWNstone, located at the Victoria Street Light Rail Transit (LRT) Station of St. Paul’s Green Line, is a 4-story, mixed-use transit oriented development. The new building will include 35 units of affordable rental housing; approximately 20,000 square feet of retail, office and community space; and close to 7,000 square feet of outdoor space to be dedicated to a pocket park. The BROWNstone development represents a $14.9 million investment in a community that has been impacted by years of disinvestment, and will significantly improve this section of the Central Corridor.

BROWNstone’s total development budget uses several financing tools, including Low Income Housing Tax Credits through the Midwest Housing Equitable Group, Tax Increment Financing through the city of St. Paul, a Program Related Investment through the Otto Bremer Trust, and Livable Communities Act funding through the Metropolitan Council. In addition philanthropic support was provided by Twin Cities LISC, the F.R. Bigelow Foundation, St. Paul Foundation, and Mardag Foundation. The arts component is supported by the Mardag Foundation, Knight Foundation, and McKnight Foundation. The lender in the project is Anchor Bank.

BROWNstone closed on financing in the summer of 2016 and construction started shortly thereafter. The expected completion is October 2017. Flannery Construction and Booker Construction are the general contractors and Trossen Wright Plutowksi Architects, PA is the project architect.
One of the most distinctive features of the BROWNstone is its integration of public art within the real estate. Public art is used to highlight the history and legacy of African American railroad workers, including Pullman Porters, Sleeping Car Porters and Dining Car Waiters. A focal point is the Reading Room, an exhibit community space located within the BROWNstone building that houses artwork, artifacts and information related to this cultural aspect of the rail history. While providing the community a place to learn about this local history, the Reading Room is also expected to attract a customer base to support the businesses located in the building.

The impact of this project is evidenced at various levels. At the neighborhood level, Model Cities’ BROWNstone project improves an area needing revitalization along a major transit corridor by bringing an underutilized property to its full economic potential. BROWNstone is the signature gateway to this section of St Paul’s World Cultural Heritage District, a section of the Central Corridor that is rich in the arts and cultural diversity. It also meets a critical demand for affordable housing to an area wherein a significant percentage of the low-income households are cost-burdened in terms of housing. The commercial space on the site provides an opportunity for small-scale and ethnically diverse entrepreneurs to locate their businesses in an area with much potential for growth. This development should also serve as a catalyst for other development in the area, improvements to adjacent commercial properties, and start-ups of additional businesses along University Avenue.

2016 Consolidated Financial Profile
For the year ended December 2016

Support and Revenue
- Government - 42%
- Foundation and Corporation - 29%
- Earned Income - 19%
- United Way - 10%

Expenses
- Facilities Management and Other - 45%
- Program Services - 32%
- Management and General - 19%
- Economic and Community Development - 4%