



OPPORUNITY HOUSING ORDINANCE INCENTIVES TOOL

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| Unit plan | User enters the unit details (number, size and rent) by AMI level |
| Pro Forma | User enters development details of costs and sales |
| Eligible incentives | Shows a summary of incentives the project qualifies for |
| Transit Area Map | Shows a reference map of the Designated Transit Area |
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CITY OF BLOOMINGTON, MN -- OPPORTUNITY HOUSING ORDINANCE INCENTIVES TOOL

PROJECT OVERVIEW

Complete each section

Area checks

Please select

- In Federal Opportunity Zone target area? Yes
- In the Gateway Development District? Yes
- In a Designated Transit Area? Yes
- On city owned land? No

Project basics

Please enter

- Project type NOAH rehabilitation
- Unit type Multi-Family
- Project tenure Rental
- Minimum 60% units met Yes

Project details

Please enter

- Total residential gross square feet in project 123,174
- Total retail gross square feet in project 0
- Total number of residential units in project 229
- Proposed stories of building 14
- Estimated parking stalls 422
- Estimated enclosed stalls 229
- Required storage units 115
- Average unit size (for in-lieu calculation) 537.8777293

FOR REFERENCE -- DISCUSS WITH PLANNING FOR DETAILS

| | |
|--------------------|-----|
| Total stalls | 422 |
| Of which, enclosed | 229 |

Residential stall calculations

| Unit sizes | Total | 1-Bd | 2-Bd | 3-Bd | 4-Bd |
|--------------------|-------|------|------|------|------|
| Multi-Family units | 229 | 208 | 21 | 0 | 0 |
| Parking stalls | 422 | 375 | 47 | 0 | 0 |
| of which, enclosed | 229 | | | | |

| RESIDENTIAL | Base/du | 1-Bd | 2-Bd | 3-Bd | 4-Bd | Other | Garage | Stalls | Per SF | Based on |
|-------------------------|---------|------|------|------|------|----------------|------------|--------|--------|----------------------|
| Single-family | 4 | | | | | | 2 | | | |
| Two Family | 4 | | | | | | 2 | | | |
| Townhouse | | 2.2 | 2.6 | 3 | 3.4 | | 1 per unit | 1 | 100 | feet of partyroom SF |
| Multi-family | | 1.8 | 2.2 | 2.6 | 3 | | 1 per unit | 1 | 100 | feet of partyroom SF |
| Senior housing | 1.5 | | | | | .5 per unit | | 1 | 100 | feet of partyroom SF |
| Res. Care facility | | | | | | 1.5 per 4 beds | | | | |
| Congregate living | | | | | | 1.0 per bed | | | | |
| Manufactured home parks | 2 | | | | | | | | | |

Retail stall calculations (assumes Retail Sales Service under 10k SF)

| | |
|-----------------------|---|
| Total retail area | 0 |
| Retail parking stalls | 0 |

| NON-RESIDENTIAL | Base/du | 1-Bd | 2-Bd | 3-Bd | 4-Bd | Other | Garage | Stalls | Per SF | Based on |
|---|---------|------|------|------|------|---------------------------|--------|--------|--------|--|
| Grocery store | | | | | | | | 1 | 225 | gross square feet |
| Health club - general | | | | | | | | 1 | 250 | gross square feet |
| Health club - swimming pool | | | | | | | | 1 | 500 | gross square feet |
| Health club - tennis | | | | | | | | 2 | | per court |
| Restaurant/club - Indoor/rooftop | | | | | | | | 1 | 2.5 | seats |
| Restaurant/club - seasonal/outdoor | | | | | | | | 1 | 5 | seats |
| Restaurant/club - outdoor exception | | | | | | | | 1 | 2.5 | seats for all over 20% of indoor seating |
| Restaurant/club - w/drive through | | | | | | 6 queuing spaces per lane | | | | |
| Retail sales or service - general <10k SF | | | | | | | | 1 | 180 | gross square feet |
| Retail sales or service - 10-99,999 SF | | | | | | 55 spaces plus | | 1 | 220 | gross square feet over 10K SF |
| Retail sales or service - >100k SF | | | | | | 460 spaces + 1 / 285sf | | 1 | 285 | gross square feet over 100K SF |

Minimum Off-Street Parking Requirements

| RESIDENTIAL | | |
|---------------------------|---------------|---|
| Single-family | | 4 spaces per dwelling unit, 2 of which are within a garage (for construction after June 1, 2015) or area that could be occupied by a garage (for construction before June 1, 2015) |
| Two-family | | 4 spaces per dwelling unit, 2 of which are within a garage |
| Townhouse/rowhouse | One bedroom | 2.2 spaces per dwelling unit |
| | Two bedroom | 2.6 spaces per dwelling unit |
| | Three bedroom | 3.0 spaces per dwelling unit |
| | Four bedroom | 3.4 spaces per dwelling unit |
| | | Of which 1 space per unit must be within a fully enclosed garage, and where party room space is provided, an additional 1 space per 100 square feet of party room is required; guest parking spaces must be appropriately provided and dispersed throughout the development, subject to approval of the issuing authority |
| Multiple-family residence | One bedroom | 1.8 spaces per dwelling unit |
| | Two bedroom | 2.2 spaces per dwelling unit |
| | Three bedroom | 2.6 spaces per dwelling unit |
| | Four bedroom | 3.0 spaces per dwelling unit |
| | | Of which 1 space per unit must be within a fully enclosed garage, and where party room space is provided, an |

| | | |
|--|--|--|
| | | additional 1 space per 100 square feet of party room is required; guest parking spaces must be appropriately provided and dispersed throughout the development, subject to approval of the issuing authority |
|--|--|--|

| | | |
|---|--|---|
| Senior citizen housing, accessibility housing | | 1.5 spaces per dwelling unit, where 0.5 spaces per unit must be available for general parking. Where party room space is provided, an additional 1 space per 100 square feet of party room is required; guest parking spaces must be appropriately provided and dispersed throughout the development, subject to approval of the issuing authority |
| Residential care facility | Group home, nursing home, rest home, adult care home | 1.5 spaces for each 4 beds |
| | | Guest parking spaces must be appropriately dispersed throughout the development |
| Congregate living facility | Licensed boarding house lodging or rooming houses | 1 space per bedroom, where spaces are not stacked in a linear row |
| Manufactured home parks | | 2 spaces per manufactured home; guest parking must be appropriately provided and dispersed throughout the development, subject to approval by the issuing authority |

| | | |
|---------------|--|---|
| Grocery Store | | 1 space per 225 square feet of gross floor area |
| Health Club | | 1 space per 250 square feet of gross floor area (not including swimming pools), and additional off-street parking for the following uses: |
| | | Swimming pool: 1 space per 500 square feet of gross floor area |
| | | Tennis, handball or racquetball: 2 spaces per court |

| | | |
|-----------------------------|---|--|
| Restaurant and/or Club | Indoor or rooftop seating | 1 space per 2.5 seats, plus spaces equal in number to 1/3 capacity in persons for meeting/banquet area; |
| | Seasonal/outdoor | 1 space per 5 seasonal outdoor dining seats |
| | Restaurant seating | Exception: if seasonal outdoor dining seats exceed 20% of indoor/rooftop seating, the required parking for outdoor dining seats exceeding 20% is one space per 2.5 seats |
| | With drive through | 6 additional queuing spaces per lane |
| Retail Sales and/or Service | General retail under 10,000 square feet of gross floor area | 1 space per 180 square feet of gross floor area |
| | 10,000-99,999 square feet of gross floor area | 55 spaces plus additional 1 space per 220 square feet of gross floor area over 10,000 square feet |
| | 100,000 square feet of gross floor area and over | 460 spaces plus additional 1 space per 285 square feet of gross floor area over 100,000 square feet |

OHO SATISFACTION

Ordinance Satisfaction

Proposed Ordinance satisfaction method

Please select
On site units

Ordinance language on the selected Ordinance satisfaction method

In consideration of and as a way of providing the developer with tools and flexibility to meet the requirements of this chapter, a developer may meet its opportunity housing requirement by the construction of all required opportunity housing units on the site of the proposed residential development.

Please indicate what is known about OHO satisfaction subconditions

- 1
- 2
- 3
- 4
- 5
- 6
- 7
- 8
- 9

| AMI | | OPPORTUNITY HOUSING UNIT | | IN LIEU FEES | |
|-----------------------|----------------|--------------------------|-----------------------|--------------|------------------|
| AMI minimum | Required | Required | For this project | Required | For this project |
| for Opp Housing units | % of all units | Aff units | \$/Rentable market SF | PSF | |
| 60.0% | 9.0% | 21 units | \$ | 9.60 | \$ - |
| | | | | | |

| | On site units | Off site units | Payment in lieu | Land dedicati | NOAH purcha | Market rate co | Collaboration | A mixture of the above |
|---|-------------------------------|-----------------|--|--|------------------------------|-----------------|---------------|------------------------|
| | In considerati | (a) In consid | (a) Based on | (a) The oppo | (a) As an alte | The opportu | The opportu | The develop |
| 1 | Are Opportun | Do you intend | Will you or h | Does the proj | Does the mar | Is the contribi | Is the combin | # |
| 2 | Does the site | Do you propos | Does the offs | Will the proje | Are at least 2 | Is the afforda | Does the proj | # |
| 3 | Is the site ph | Will you assign | Is the offsite location | physic | Have you provided or will pi | Do the level c | # | |
| 4 | Is environmental review | cor | Is sufficeint infrastructure | a | Is the property zoned for re | Has the Ordie | # | |
| 5 | Is the construction schedule | | Has an environmental revie | Does the proposed project meet building | | | # | |
| 6 | Are Opportunity Housing units | c | Is the offsite location's asse | Is the detailed physical needs assessmen | | | # | |
| 7 | | | Are Opportunity Housing units dispersed among market rate units in th | | | | # | |
| 8 | | | Is the offsite location more than 1,000 feet from tobacco, medical can | | | | # | |
| 9 | | | Are all other Ordinance guidelines met in the offsite plan? | | | | # | |

DON'T UNROLL OR DELETE

LISTS - DON'T DELETE

| | | | | | | |
|---------------------|-----|----------|---|--------------|-----------|-------------------------------|
| New construction | Yes | Rental | On site units | Single-Famil | Available | Yes; Completed |
| NOAH rehabilitation | No | For sale | Off site units | Multi-Family | TBD | In process |
| | | | Payment in lieu | | | No |
| | | | Land dedication | | | Unknown / TBD |
| | | | NOAH purchase & rehabilitation | | | Need to discuss with Planning |
| | | | Market rate conversions | | | |
| | | | Collaboration with affordable housing developer | | | |
| | | | A mixture of the above | | | |

Pro Forma

INPUTS AND WORKINGS

| | | UNITS (INCLUDING ORDINANCE ALLOWABLE BONUSES) | | | | | | | | |
|--------------|------------|---|----------|----------|----------|-----------|-----------|----------|----------|----------|
| | | Total | Market | 120% | 100% | 80% | 60% | 50% | 40% | 30% |
| Studio | 164 | 131 | 0 | 0 | 0 | 8 | 25 | 0 | 0 | 0 |
| 1-Bed | 44 | 35 | 0 | 0 | 0 | 2 | 7 | 0 | 0 | 0 |
| 2-Bed | 21 | 17 | 0 | 0 | 0 | 1 | 3 | 0 | 0 | 0 |
| 3-Bed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4-Bed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 229 | 183 | 0 | 0 | 0 | 11 | 35 | 0 | 0 | 0 |

| | | ANNUAL INCOME BY UNIT TYPE & AMI | | | | | | | | |
|--------------|----------------|----------------------------------|-------------|-------------|-------------|-------------------|-------------------|-------------|-------------|-------------|
| Studio | ##### | \$ 1,591,632 | \$ - | \$ - | \$ - | \$ 100,512 | \$ 259,800 | \$ - | \$ - | \$ - |
| 1-Bed | ##### | \$ 2,457,300 | \$ - | \$ - | \$ - | \$ 26,880 | \$ 77,784 | \$ - | \$ - | \$ - |
| 2-Bed | \$ 914,160 | \$ 860,292 | \$ - | \$ - | \$ - | \$ 16,068 | \$ 37,800 | \$ - | \$ - | \$ - |
| 3-Bed | #DIV/0! | #DIV/0! | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 4-Bed | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total | #DIV/0! | #DIV/0! | \$ - | \$ - | \$ - | \$ 143,460 | \$ 375,384 | \$ - | \$ - | \$ - |

| | | GROSS SQUARE FOOTAGE BY UNIT TYPE & AMI | | | | | | | | |
|-------------------------------------|----------------|---|----------|----------|----------|--------------|---------------|----------|----------|----------|
| Studio | 65,793 | 54,758 | 0 | 0 | 0 | 2,675 | 8,360 | 0 | 0 | 0 |
| 1-Bed | 31,481 | 26,110 | 0 | 0 | 0 | 1,194 | 4,178 | 0 | 0 | 0 |
| 2-Bed | 20,968 | 17,646 | 0 | 0 | 0 | 830 | 2,491 | 0 | 0 | 0 |
| 3-Bed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 4-Bed | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total residential GSF | 118,242 | 98,514 | 0 | 0 | 0 | 4,699 | 15,029 | 0 | 0 | 0 |
| Total retail GSF | 81,000 | | | | | | | | | |
| Total project GSF ex parking | 199,242 | | | | | | | | | |

STABILIZED PRO FORMA

| Development value | | |
|-------------------------------|----------------|----------------|
| Potential income | \$ | % EGI |
| Market | #DIV/0! | #DIV/0! |
| Non-market | \$ - | #DIV/0! |
| ##### | \$ - | #DIV/0! |
| ##### | \$ - | #DIV/0! |
| 80% | \$ - | #DIV/0! |
| 60% | \$ 143,460 | #DIV/0! |
| 50% | \$ 375,384 | #DIV/0! |
| 40% | \$ - | #DIV/0! |
| 30% | \$ - | #DIV/0! |
| Other income | #DIV/0! | #DIV/0! |
| Parking income | \$ 126,600 | #DIV/0! |
| Storage income | \$ 54,960 | #DIV/0! |
| Retail income | \$ - | #DIV/0! |
| Potential income | #DIV/0! | #DIV/0! |
| Vacancy / bad debt | #DIV/0! | #DIV/0! |
| Effective gross income | #DIV/0! | #DIV/0! |
| Opex | #DIV/0! | #DIV/0! |
| NOI | #DIV/0! | #DIV/0! |
| | \$ | |
| Net sales value | #DIV/0! | |
| Development cost | \$ - | |
| Development Profit | #DIV/0! | |
| Development yield | #DIV/0! | |
| Yield on cost | #DIV/0! | |

OTHER INPUTS

| Density or FAR bonus eligible? | Yes |
|--------------------------------|-----------|
| Which bonus will be taken? | FAR Bonus |

| Cost item | Amount | Units | Rent - M | Rent - Yr | Total |
|---|-------------|---------------------|----------|----------------------|------------|
| Land cost | \$ - | | | | |
| Parking cost / stall | \$ - | Parking stall: 211 | \$ 50 | \$ 600 | \$ 126,600 |
| Enclosed parking cost / stall | \$ - | Storage unit: 114.5 | \$ 40 | \$ 480 | \$ 54,960 |
| Carpport parking cost / stall | \$ - | Retail | \$ - | \$ - | \$ - |
| Storage cost / unit | \$ - | | | | |
| Loaded development cost per GSF | \$ - | | | | |
| <i>Excluding dev fee, land, parking & storage</i> | | | | | |
| Estimated development cost | | Development | 2.75% | of Development costs | |
| Development fee | \$ - | Other income | 2.50% | of Potential Income | |
| Land | \$ - | Vacancy | 6.00% | of Potential Income | |
| Building | \$ - | Expenses | 32% | of Effective Income | |
| Parking | \$ - | Sales cap ra | 5.75% | on stabilized NOI | |
| Enclosed parking | \$ - | Cost of sales | 2.50% | on sales value | |
| Storage | \$ - | | | | |
| In lieu fees | \$ - | | | | |
| Total | \$ - | | | | |

| Adjusted unit-based calculations | | | | | |
|----------------------------------|------|-----|----------|-----------|-------|
| New parking stall estimate | Base | New | Subtotal | Bonus adj | Total |
| Total stalls | 422 | 0 | 422 | -211 | 211 |
| Enclosed stalls | 229 | 0 | 229 | -80 | 149 |
| New storage unit estimates | 229 | 0 | 229 | -114.5 | 115 |

INCENTIVES SUMMARY

OHO Incentives

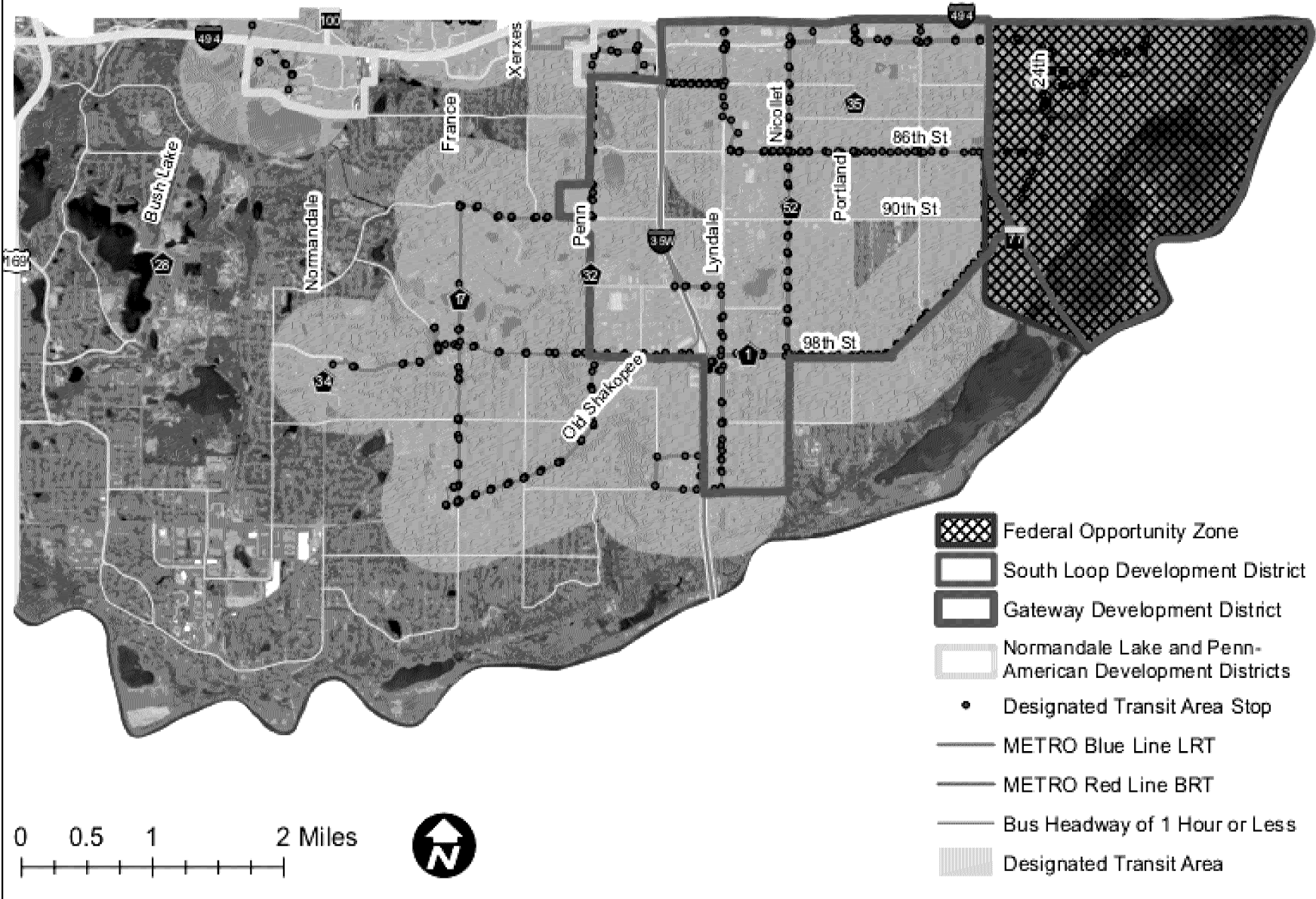
| Incentive | Inp | Incentive |
|-----------|---|--|
| 81 | Density bonus | 81 additional units |
| 50% | Parking reduction | 50% reduction in parking stalls |
| 35% | Enclosed parking space conversion allow | 35% reduction in enclosed parking stalls |
| 20% | Minimum unit size reduction | 20% reduction in the minimum unit size |
| 50% | Storage space reduction | 50% reduction in the required storage spaces |
| 30% | Development fee reimbursement | 30% possible development fee reimbursement |

Not included in this example. These incentives are to be discussed with the Planning Department

| | | |
|--------|---|---|
| 81,000 | Floor area ratio bonus | 81,000 additional SF |
| 1 | Height bonus | 1 extra story for a total of 15 stories |
| 125% | Alternative exterior materials allowance | 125% reduction in alternative materials allowance |
| 100% | Landscape fee in-lieu reduction | 100% landscape fee in-lieu reduction |
| 24 | Development fee deferral | 24 month development fee deferral |
| 1 | Expedited review of plans | Expedited plan review |
| No | Land write-down for affordable housing (w | No qualifying incentive is due |
| yes | Housing tax increment financing (TIF) | Housing Tax Increment Financing (TIF) consideration |
| Yes | Project based housing vouchers | Project based voucher consideration |

| OHO Section | Title | Incentives that the project may qualify for | Consideration |
|-------------|---|---|---|
| 9.16 | Density bonus | 81 additional units | No bonus units in areas the comp plan limits to less than 5 units. Applies only in zoning districts that regulate density through units/acre. Can use FAR or Density bonus. |
| 9.17 | Floor area ratio bonus | 81,000 additional SF | No bonus FAR in areas the comp plan limits to less than 5 units. Applies only in zoning districts that regulate density through floor area ratio. Can use FAR or Density bonus. |
| 9.18 | Height bonus | 1 extra story for a total of 15 stories | Applies to multiple-family developments only. Does not apply in areas limited to two stories in height. No height bonus can exceed the FAA or the MSP Airport Zoning Ordinance limitations. |
| 9.19 | Parking reduction | 50% reduction in parking stalls | Non-cumulative |
| 9.20 | Enclosed parking space conversion allowa | 35% reduction in enclosed parking stalls | Non-cumulative. Converted spaces must have carports. Affordable units cannot be charged for garage/carport spaces. |
| 9.21 | Minimum unit size reduction | 20% reduction in the minimum unit size | Non-cumulative |
| 9.22 | Alternative exterior materials allowance | 125% reduction in alternative materials allowance | Non-cumulative. Applies to facades not facing public streets. See Code language for details. |
| 9.23 | Storage space reduction | 50% reduction in the required storage spaces | Affordable units cannot be charged for storage |
| 9.24 | Landscape fee in-lieu reduction | 100% landscape fee in-lieu reduction | Applies only where in lieu landscape fee is approved by City Council |
| 9.25 | Development fee reimbursement | 30% possible development fee reimbursement | Requires a showing of demonstrated need. Geographic and numeric limits apply. See Code language for details. |
| 9.26 | Development fee deferment | 24 month development fee deferment | Specific details of waiver component costs after application. Interest charges apply |
| 9.27 | Expedited review of plans | Expedited plan review | Geographic limits apply |
| 9.28 | Land write-down for affordable housing (w/ city council approval) | No qualifying incentive is due | Requires City Council approval & 20 year deed restrictions on affordable units on city-owned land |
| 9.30 | Housing tax increment financing (TIF) | Housing Tax Increment Financing (TIF) consideration | Cannot be used to finance market rate units |
| 9.31 | Project based housing vouchers | Project based voucher consideration | Annual allocations with limits |

Designated Transit Areas and Opportunity Zones



CITY OF BLOOMINGTON, MN -- OPPORTUNITY HOUSING ORDINANCE INCENTIVES TOOL

INCENTIVE DETAILS FOLLOW THIS TAB

9.16

Density Bonus

Ordinance text

(a) To incentivize the creation of opportunity housing units, a residential development within a designated transit area and within zoning districts regulating development intensity through units per acre maximums qualify for the following density bonuses for each affordable unit provided at varying household income levels as follows:

(1) Each extremely low and very low income household unit qualifies the overall development for two (2) bonus dwelling units up to a maximum of a fifty percent (50%) increase over current zoning; and

(2) Each low income household unit affordable to households at or below sixty percent (60%) of AMI qualifies the overall development for one (1) bonus dwelling unit up to a maximum of a fifty percent (50%) increase over current zoning.

(b) In no instance may density bonus units be allocated to parcels designated by the comprehensive plan for residential densities of less than five (5) dwelling units per gross acre.

Qualifying tests for the incentive

Satisfaction method eligible for incentives?

Yes

| AMI Level | Total Aff. | Workforce | LI | VLI | ELI |
|---------------------|------------|-----------|----|-----|-----|
| Units | 46 | 0 | 11 | 35 | 0 |
| Incentive allowance | | | 1 | 2 | 2 |
| Qualifying trigger | | | 1 | 1 | 1 |
| Possible incentive | 81 | | 11 | 70 | 0 |

Result

81 additional units

9.17

Floor Area Ratio Bonus

Ordinance text

(a) To incentivize the creation of opportunity housing units, a residential development within a designated transit area and within zoning districts regulating development intensity through floor area ratio maximums qualify for the following floor area ratio bonuses for each affordable unit provided at varying household income levels as follows:

(1) Each extremely low and very low income household unit qualifies the overall development for 2,000 square feet of bonus floor area ratio up to a maximum of a fifty percent (50%) increase over current zoning.

(b) In no instance may floor area ratio bonuses be allocated to parcels designated by the comprehensive plan for residential densities of less than five (5) dwelling units per gross acre.

Qualifying tests for the incentive

Satisfaction method eligible for incentives?

Yes

| AMI Level | Total Aff. | Workforce | LI | VLI | ELI |
|---------------------|------------|-----------|--------|--------|-------|
| Units | 46 | 0 | 11 | 35 | 0 |
| Incentive allowance | | | 1,000 | 2,000 | 2,000 |
| Qualifying trigger | | | 1 | 1 | 1 |
| Possible incentive | 81,000 | | 11,000 | 70,000 | 0 |

Result **81,000 additional SF**

9.18

Height Bonus

Ordinance text

(a) To incentivize the construction of a mixture of opportunity housing units for households at or below sixty percent (60%) of AMI, the developer of a multiple-family development with at least nine percent (9%) of its total dwelling units affordable to households at or below sixty percent (60%) of AMI qualifies for the height bonuses as follows:

- (1) Qualifying development with a maximum height of three (3) stories or fifty (50) feet may increase to four (4) stories or sixty (60) feet equal to one (1) additional story.
- (2) Qualifying development with a maximum height of four (4) stories or sixty (60) feet may increase to five (5) stories or seventy (70) feet equal to one (1) additional story.
- (3) Qualifying development with a maximum height of six (6) stories or eighty (80) feet may increase to seven (7) stories or ninety (90) feet equal to one (1) additional story.

(b) This section may not be interpreted to allow a height bonus that exceeds the requirements and limitation of the Federal Aviation Administration or the MSP Airport Zoning Ordinance.

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| | |
|--------------------------|---------------|
| Stories in current propa | 14 |
| Incentive allowance | 1 extra story |
| Qualifying trigger | 1 |
| Possible incentive | 1 |

Result **1 extra story for a total of 15 stories**

9.19

Parking reduction

Ordinance text

(a) To incentivize the creation of opportunity housing units, a residential development with at least nine percent (9%) of its total dwelling units affordable to households at or below sixty percent (60%) of AMI qualifies for car parking reductions based upon the level of affordability provided as follows:

(1) A development with nine percent (9%) of its units qualifying as extremely low income affordable housing qualifies for a twenty percent (20%) parking reduction when outside a designated transit area and a forty percent (40%) parking reduction when within a designated transit area provided that the affordable housing agreement required pursuant to section 9.32 provides that the owner will not charge the opportunity housing units for access to parking;

(2) A developments with nine percent (9%) of its units qualifying as very low income affordable housing qualifies for a fifteen percent (15%) parking reduction when outside a designated transit area and a thirty percent (30%) parking reduction when within a designated transit area provided that the affordable housing agreement required pursuant to section 9.32 provides that the owner will not charge the opportunity housing units for access to parking; or

(3) A development with nine percent (9%) of its units qualifying as low income affordable housing qualifies for a ten percent (10%) parking reduction when outside a designated transit area and a twenty percent (20%) parking reduction when within a designated transit area provided that the affordable housing agreement required pursuant to section 9.32 provides that the owner will not charge the opportunity housing units for access to parking.

(b) The car parking reductions provided in this section are not cumulative. Each qualifying development is eligible for only one (1) parking reduction of ten to forty percent (10 to 40%) depending upon the level of affordability provided.

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes
In Designated Transit Area? Yes

| AMI Level | Total Aff. | Workforce | LI | VLI | ELI |
|----------------------------|------------|-----------|-----|-----|-----|
| Units | 46 | 0 | 11 | 35 | 0 |
| % of total units | 20% | 0% | 5% | 15% | 0% |
| <i>Incentive allowance</i> | | | | | |
| Outside transit zone | | | 10% | 15% | 20% |
| Qualifying trigger | | | 0 | 0 | 0 |
| Inside transit zone | | | 20% | 30% | 40% |
| Qualifying trigger | | | 1 | 1 | 0 |
| Possible incentive | 50% | | 20% | 30% | 0% |

Result **50% reduction in parking stalls**

9.20 **Enclosed parking space conversion allowance**

Ordinance text

(a) To incentivize the creation of opportunity housing units, a residential development that includes at least nine percent (9%) of its total dwelling units affordable to households at or below sixty percent (60%) of AMI may convert required enclosed parking spaces to carport covered parking spaces depending on the level of affordability provided as follows:

(1) A development with nine percent (9%) of its units qualifying as extremely low income affordable housing qualifies to convert fifty percent (50%) of required enclosed parking spaces to carport covered parking spaces provided that the affordable housing agreement required pursuant to section 9.32 provides that the owner will make enclosed or carport covered parking spaces accessible to the opportunity housing units without charge;

(2) A development with nine percent (9%) of its units qualifying as very low income affordable housing qualifies to convert twenty-five percent (25%) of required enclosed parking spaces to carport covered parking spaces provided that the recorded affordable housing agreement required pursuant to section 9.32 provides that the owner will make enclosed or carport covered parking spaces accessible to the opportunity housing units without charge; or

(3) A development with nine percent (9%) of its units qualifying as low income affordable housing qualifies to convert ten percent (10%) of required enclosed parking spaces to carport covered parking spaces provided that the recorded affordable housing agreement required pursuant to section 9.32 provides that the owner will make enclosed or carport covered parking spaces accessible to the opportunity housing units without charge.

(b) The enclosed parking space conversion allowances provided in this section are not cumulative. Each qualifying development is eligible for only one (1) enclosed parking space conversion allowance of ten to fifty percent (10 to 50%) depending on the level of affordability provided.

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| AMI Level | Total Aff. | Workforce | LI | VLI | ELI |
|---------------------|------------|-----------|-----|-----|-----|
| Units | 46 | 0 | 11 | 35 | 0 |
| % of total units | 20% | 0% | 5% | 15% | 0% |
| Incentive allowance | | | 10% | 25% | 50% |
| Qualifying trigger | | | 1 | 1 | 0 |
| Possible incentive | 35% | | 10% | 25% | 0% |

Result **35% reduction in enclosed parking stalls**

9.21

Minimum unit size reduction

Ordinance text

(a) To incentivize the construction of opportunity housing units affordable to households at or below sixty percent (60%) of AMI, a residential development that includes at least nine percent (9%) opportunity housing units affordable to households at or below sixty percent (60%) of AMI, may reduce minimum unit size by the following amounts:

- (1) Each extremely low income opportunity housing unit qualifies for a thirty percent (30%) unit size reduction;
- (2) Each very low income opportunity housing unit qualifies for a twenty percent (20%) unit size reduction; or
- (3) Each low income opportunity housing unit that is affordable to a household at or below sixty percent (60%) of AMI qualifies for a ten percent (10%) unit size reduction.

(b) The minimum unit size reductions provided in this section are not cumulative. Each qualifying development is eligible for only one minimum unit size reduction of ten percent (10%), twenty percent (20%), or thirty percent (30%) for the opportunity housing units depending on the level of affordability provided.

Qualifying tests for the incentive

| | | | | | |
|---|------------|-----------|-----|-----|-----|
| <i>Satisfaction method eligible for incentives?</i> | | | | | Yes |
| AMI Level | Total Aff. | Workforce | LI | VLI | ELI |
| Units | 46 | 0 | 11 | 35 | 0 |
| % of total units | 20% | 0% | 5% | 15% | 0% |
| Incentive allowance | | | 10% | 20% | 30% |
| Qualifying trigger | | | 1 | 1 | 0 |
| Possible incentive | 20% | | 10% | 20% | 0% |

Result **20% reduction in the minimum unit size**

9.22

Alternative exterior materials allowance

Ordinance text

(a) To incentivize the construction of opportunity housing units affordable to households at or below sixty percent (60%) of AMI, a residential development that includes at least nine percent (9%) of its total dwelling units affordable to households at or below sixty percent (60%) of AMI may use the alternative exterior materials of fiber cement, exterior insulation finishing system (EIFS), and twenty (20) year warranty metals on facades not facing public streets where otherwise not allowed by the city code as follows:

(1) A development with nine percent (9%) of its units qualifying as extremely low income affordable housing may cover up to one hundred percent (100%) of qualifying façades with the listed alternative exterior materials;

(2) A development with nine percent (9%) of its units qualifying as very low income affordable housing may cover up to seventy-five percent (75%) of qualifying façades with the listed alternative exterior materials; or

(3) A development with nine percent (9%) of its units qualifying as low income affordable housing may cover up to fifty percent (50%) of qualifying façades with the listed alternative exterior materials.

(b) The alternative exterior material allowances provided in this section are not cumulative. Each qualifying development is eligible for only one alternative construction material allowance of fifty percent (50%), seventy-five percent (75%), or one hundred percent (100%) depending on the level of

Qualifying tests for the incentive

| | | | | | |
|---|------------|-----------|-----|-----|------|
| <i>Satisfaction method eligible for incentives?</i> | | | | | Yes |
| AMI Level | Total Aff. | Workforce | LI | VLI | ELI |
| Units | 46 | 0 | 11 | 35 | 0 |
| % of total units | 20% | 0% | 5% | 15% | 0% |
| Incentive allowance | | | 50% | 75% | 100% |
| Qualifying trigger | | | 1 | 1 | 0 |
| Possible incentive | 125% | | 50% | 75% | 0% |

Result **125% reduction in alternative materials allowance**

9.23

Storage space reduction

Ordinance text

To incentivize the construction of opportunity housing units, a multiple-family development that includes at least nine percent (9%) of its total dwelling units affordable to households at or below sixty percent (60%) of AMI may reduce the required number of storage spaces outside the dwelling unit by fifty percent (50%) provided that the affordable housing agreement pursuant to section 9.32 provides that the owner will make storage space accessible to the opportunity housing units without charge.

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| | |
|---------------------|------------|
| AMI Level | Total Aff. |
| Units | 46 |
| % of total units | 20% |
| Incentive allowance | 50% |
| Qualifying trigger | 1 |
| Possible incentive | 50% |

Result **50% reduction in the required storage spaces**

9.24

Landscape fee in-lieu reduction

Ordinance text

To incentivize the construction of opportunity housing units affordable to households at or below sixty percent (60%) of AMI, a residential development that includes at least nine percent (9%) of its total dwelling units affordable to households at or below sixty percent (60%) of AMI may reduce the fee in lieu for providing landscaping on a constrained site, where such fee in lieu is approved by the city council, as follows: developments with nine percent (9%) mix of its total units qualifying as extremely low or very low income opportunity housing units may reduce the fee by one hundred percent (100%).

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| | |
|---------------------|------------|
| AMI Level | Total Aff. |
| Units | 46 |
| % of total units | 20% |
| Incentive allowance | 100% |
| Qualifying trigger | 1 |
| Possible incentive | 100% |

Result **100% landscape fee in-lieu reduction**

9.25

Development fee reimbursement

Ordinance text

For any development located within the area bounded by Interstate 35W, Interstate 494, Trunk Highway 77, and the Minnesota River, upon a showing of demonstrated need, the city will consider reimbursing all or a portion of the zoning application fees, building permit fees, park dedication fees, sewer availability charge (SAC) fees and related infrastructure fees from available funds in the housing trust fund, not to exceed the fees for a cumulative total of three hundred twenty (320) housing units, within the geographic area, for a development in which a minimum twenty percent (20%) of units are affordable to a mix of households with incomes at or below sixty percent (60%) of AMI, as follows

Developer provides at least:

Affordable Units per building

| From | To |
|------|--------|
| 20% | 24.9% |
| 25% | 29.9% |
| 30% | 39.9% |
| 40% | 49.9% |
| 50% | 100.0% |

The city provides

| Fee reimbursement % | |
|---------------------|---|
| 30.0% | x |
| 40% | 0 |
| 50% | 0 |
| 75% | 0 |
| 100% | 0 |

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| AMI Level | Total Aff. |
|---------------------|------------|
| Units | 46 |
| % of total units | 20% |
| Incentive allowance | 0.3 |
| Qualifying trigger | 1 |
| Possible incentive | 30% |

Result **30% possible development fee reimbursement**

9.26

Development fee deferral

Ordinance text

(a) The city may offer development fee deferrals for zoning application fees, building permit fees, park dedication fees, sewer availability charge (SAC) fees and related infrastructure fees to a qualifying development under the following circumstances:

(1) When a residential development includes more than the required nine percent (9%) of its total dwelling units as opportunity housing affordable to households at or below sixty percent (60%) of AMI, when calculated before any applicable density bonus, the development may be eligible to defer up to the full amount of its development fees until twelve (12) months after the development obtains its certificate of occupancy. The city will charge an annual interest of five percent (5%) during the deferral period.

(2) When a residential development includes at least a twenty percent (20%) of its total dwelling units as opportunity housing affordable to households at or below sixty percent (60%) of AMI, when calculated before any applicable density bonus, the development may be eligible to defer up to the full amount of its development fees until twenty-four (24) months after the development obtains its certificate of occupancy. The city will charge an annual interest of five percent (5%) during the deferral period.

(b) The interest paid to the city during the deferral will be deposited into the city's affordable housing trust fund.

| Affordable Units per building | | Deferral period | |
|-------------------------------|--------|-----------------|---|
| From | To | Months | |
| 9% | 20.0% | 12 | 0 |
| 20% | 100.0% | 24 | x |

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| AMI Level | Total Aff. |
|--------------------------|------------|
| Units at 60% AMI or less | 46 |
| % of total units | 20% |
| Incentive allowance | 24 |
| Qualifying trigger | 1 |
| Possible incentive | 24 |

Result 24 month development fee deferral

9.27

Expedited review of plans

Ordinance text

The developer of a residential development that provides a minimum of fifteen percent (15%) opportunity housing affordable to households at or below sixty percent (60%) of AMI located within the opportunity zone or within the area bounded by Interstate 35, Interstate 494, Trunk Highway 77, and the Minnesota River will be eligible for expedited plan review for building permit applications by the community development department.

| Affordable Units per building | | Deferral period | |
|-------------------------------|--------|-----------------|---|
| From | To | Months | |
| 9% | 20.0% | 12 | 0 |
| 20% | 100.0% | 24 | x |

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| AMI Level | Total Aff. |
|--------------------------|------------|
| Units at 60% AMI or less | 46 |
| % of total units | 20% |
| Qualifying trigger | 1 |
| Possible incentive | 1 |

Result Expedited plan review

9.28 **Land write-down for affordable housing (w/ city council approval)**

Ordinance text

For a developer proposing a development with a mix of opportunity housing affordable to households at or below sixty percent (60%) of AMI for multiple-family developments and moderate income up to one hundred ten percent (110%) of AMI for home ownership projects, at a minimum threshold of twenty percent (20%), the city may, upon a showing of demonstrated need, reduce land costs to achieve the twenty percent (20%) threshold to support the development reaching affordability.

Any sales price reduction must be allowed by the city charter and city code and approved by the city council. Where a land write-down is approved, the city will require at least a twenty (20) year deed restriction on those units identified as affordable for extremely low, very low, and low income households to ensure long-term affordability.

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| | |
|---|------------|
| AMI Level | Total Aff. |
| Use | Rental |
| AMI threshold | 60% |
| Current units at or below AMI threshold | 20% |
| Threshold trigger | 20% |
| Possible incentive reached? | No |

Result **No qualifying incentive is due**

9.30 **Housing Tax Increment Financing**

Ordinance text

Where eligible under applicable state laws and when consistent with the city's TIF policy, the city may, upon a showing of demonstrated need, consider the use of a housing TIF district as a way to incentivize the creation of housing developments that are affordable at a minimum twenty percent (20%) of units which include a mix of opportunity housing units affordable to households at or below sixty percent (60%) of AMI.

TIF will only be used proportionately in exchange for more affordable units or a greater level of affordability or both, and will not be used to finance market rate projects.

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| AMI Level | Total Aff. |
|------------------------------|------------|
| Total 60% AMI or lower units | 20% |
| Threshold trigger | 20% |
| Possible incentive reached? | yes |

Result **Housing Tax Increment Financing (TIF) consideration**

9.31 **Project based vouchers**

Ordinance text

The City, through its HRA, shall allocate project-based vouchers annually in support of the creation of opportunity housing units for households at or below the extremely low and very low median income limits at or below fifty percent (50%) of AMI).

Qualifying tests for the incentive

Satisfaction method eligible for incentives? Yes

| AMI Level | Total Aff. |
|--------------------------------------|------------|
| Total 50% AMI or lower units | 35 |
| Percentage of 50% AMI or lower units | 15% |
| Possible incentive reached? | Yes |

Result **Project based voucher consideration**