



OPPORTUNITY HOUSING - AFFORDABLE HOUSING PLAN

Residential developments of 20 units or more must submit an Affordable Housing Plan to the City of Bloomington as a part of the application for a final site and building plan, a final development plan or for NOAH preservation. An Affordable Housing Plan is not required for a development in which the affordable housing obligation is satisfied by a payment in lieu. The developer's commitment to meet the requirements of the Opportunity Housing Ordinance and the description of the affordable housing tools and incentives requested in the Affordable Housing Plan will be included in the development agreement with the city, Port Authority or Housing and Redevelopment Authority.

Fill in a response beneath the italicized text for each section below and submit this document with your application to serve as your Affordable Housing Plan.

DEVELOPMENT NAME:	Knox and American II (Final name TBD)
ADDRESS:	1801 American Blvd.
DEVELOPER:	Stuart Development Corporation

#	Section	Ordinance Requirement (text in grey) and Responses
1.	OPPORTUNITY HOUSING REQUIREMENTS SUMMARY	<p><i>Provide a summary of the tools, methods, and related approaches used to meet the requirements of § 9.06 and include options in § 9.07 to § 9.13 to construct rental or for sale residential development on-site or off-site, purchase and rehabilitate Naturally Occurring Affordable Housing, or acquire and rehabilitate existing market rate units, conversion or other option</i></p> <p><i>Provide a project summary paragraph including the type of development, number of buildings and stories, number of affordable and market rate units, amenities, proximity to jobs and transit and estimated construction start and completion dates</i></p> <p>The proposed construction of a mixed income, multi-family rental development consisting of 99 units that will include 9 affordable housing units on-site. 9 affordable housing units are required to comply with the Opportunity Housing Ordinance.</p>
2.	PROJECT METRICS	<p><i>Provide the development philosophy and description of project performance metrics including, but not limited to, total development cost, development cost per unit, development returns such as return on costs, return on equity, and both leveraged and unleveraged internal rate of return to assist the city in analyzing public participation § 9.06 and § 9.32</i></p> <p>Stuart Development Corp is a long-term holder of its rental assets. We still own the first project we developed in 1972. We would like to see a return of 6% although current market conditions prevent us from hitting that at this time. Our goal would be to obtain approvals price in more favorable conditions.</p>

3. PROPOSED MARKET RATE AND AFFORDABLE UNITS

Provide the number, location, description of the structure such as but not limited to attached, semi-attached, or detached, size and cost of the proposed market rate and affordable units § All units are in an attached multi-family development located at 1801 American Blvd, Bloomington, MN.

23 - Studios; 538-601 square feet, 3 of which will be affordable.

25 - Alcoves; 589-602 square feet 3 of which will be affordable

45 - 1-bedroom units; 678-809 square feet, 3 of which will be affordable.

6 - 1-bedroom plus den units; 842-874

There are 9 affordable housing units within our development.

# BEDROOMS	30% AMI TOTAL UNITS	30% AMI UNITS RENTS	30% AMI UNITS SQ FT	50% AMI TOTAL UNITS	50% AMI UNITS RENTS	50% AMI UNITS SQ FT	60% AMI TOTAL UNITS	60% AMI UNITS RENTS	60% AMI UNITS SQ FT	MARKET RATE TOTAL UNITS	MARKET RATE UNITS RENTS	MARKET RATE UNITS SQ FT
Efficiency/ Alcove				6		538-602					42	538-602
1 Bedroom				3		678-874					48	678-874
2 Bedroom												
3 Bedroom												
4 Bedroom												
TOTAL UNITS				9							90	

4. AFFORDABILITY *Provide the income levels to which each affordable unit will be made affordable § 9.32*

5. TERM OF AFFORDABILITY *Provide the methods to be used to maintain affordability and the duration over which affordability will be maintained § 9.32 We commit to maintaining the affordability limits shown here for the Opportunity Housing units for a minimum of 20 years. We'd like to match the expiration date of this project with the TIF expiration of the District.*

6. AFFORDABILITY MONITORING *Provide your plan to monitor ongoing affordability § 9.32*

We would annually provide our standardized reports to the HRA; similar to the compliance required for at the District.

7. CONFIRMATION OF RENTAL ASSISTANCE ACCEPTANCE *Provide written confirmation that households with U.S. Department of Housing and Urban Development (HUD) Housing Choice Voucher rent assistance will be considered for tenancy in rental development § 9.32*

We confirm that the proposed development would be open to tenant(s) use of HUD Housing Choice Vouchers for the life of the tenant voucher or a minimum of 20 year affordability period.

8. INCENTIVES

Check and provide a description of the tools and incentives that your project is eligible for § 9.15 through § 9.31

☐ Density bonus **n/a**

☒ Site area reduction

The development qualifies for the site area reduction (25%) with 9% units at very low income.

☒ Site width reduction

The development qualifies for the site width reduction (25%) with 9% units at very low income.

☐ Impervious surface reduction

☒ Open space reduction

The development qualifies for the open space reduction (25%) with 9% units at very low income.

☐ Floor area ratio bonus **n/a**

☐ Height bonus **n/a**

☒ Parking stall reduction

The development is inside a designated transit area (Transit Tier I) and qualifies for a 15% parking stall reduction with 9% of the units at very low income.

☒ Enclosed parking space conversion

The development qualifies for and will utilize the enclosed parking space reduction (50%) with 9% units at very low income.

☐ Minimum unit size reduction

☒ Alternative exterior materials allowance

The development qualifies with 9% units at very low income. Requesting the Opportunity Housing allowance on the west façade for alternative, exterior building materials (20-yr warranty metals) which may cover up to 75% of facades not facing public streets.

☒ Storage space reduction

The development qualifies for and will utilize the storage unit reduction (50%) with 9% units at or below 60% AMI.

☐ Landscape fee in-lieu reduction

☐ Development fee reimbursements **n/a**

☐ Development fee deferment **n/a**

☐ Expedited review of plans **n/a**

☒ Land write down

☐ Affordable Housing Trust Fund

☐ Tax increment financing

☐ Project based housing vouchers

9. MARKETING

Provide the methods to be used to advertise the availability of the affordable units § 9.32

Explain how advertising methods for availability of affordable and market rate units will occur using three primary channels:

1) Online, through the development's website and promotions through online partners including Housing, Link, Craig's List, Google Ad Work Campaigns

- 2) Social media, through the development's Instagram and Facebook
- 3) In print, through brochures that will be made available at selected affordable housing partners and non-profit organizations in Bloomington

10. DISPERSION

Describe how the Opportunity Housing units encourage racial and economic integration and distribute affordable housing units throughout the city § 9.36

The development meets the Penn American District plan by providing a mixed-income project located on the Orange Line transit corridor and will encourage further racial and economic integration. The addition of 9 Opportunity Housing units in a mixed income building on this site assists in the distribution of affordable housing units throughout the City.

11. INTEGRATION

Describe how the affordable housing units in the development are mixed with and not clustered together or segregated in any way from market rate units § 9.36

The Opportunity Housing units are located throughout the development are available on each floor and on each side of the building and will float throughout the project upon availability.

12. DESIGN

Describe how the affordable housing units are comparable in construction quality and exterior design to the market rate units constructed as part of the development § 9.36

The Opportunity Housing affordable units are designed and will be constructed to the same high quality of construction as the remainder of the development.

13. PHASING PLAN

For a phased development, describe how your phasing plan provides for the concurrent development of the number of affordable units proportionate to the number of market rate units for each proposed phase of development § 9.32 and § 9.36

The proposed project will be built in a single phase and no additional phases are envisioned.

14. CONSTRUCTION TIMING

Describe how the construction and occupation of affordable units will be proportionate construction and occupation of market rate units § 9.36

Construction and completion of all units will occur on the same schedule. The request for a certificate of occupancy will be for 100% of the units on the same date.

15. PROJECT PLANS

Provide a site plan and a floor plan depicting the location of the affordable and the market rate units § 9.32

9 Affordable units intended to float throughout the building (3-Studios, 3 Alcoves, 3-1BR).

**16. ADDITIONAL
INFORMATION**

Provide any additional information reasonably requested by the community development department to assist with evaluation of the affordable housing plan. Check with the community development department to discuss additional information requested. § 9.32

We do not have additional information to submit at this time, but are open to submitting any information requested of us by the City of Bloomington

A developer or owner may propose an alternative method to meet the opportunity housing requirement. Based on evidence specified in the Affordable Housing Plan, the community development department may approve such an alternative if the alternative will provide as much or more affordable housing at the same or lower income levels, and of the same or superior quality of design and construction, and will otherwise provide greater public benefit than compliance with the requirements of this chapter.

Upon submittal, the community development department will determine if the affordable housing plan is complete and conforms to the provisions of this chapter and the opportunity housing guidelines. The Developer will receive written comments on their Affordable Housing Plan at the next scheduled Pre-Application or Post-Application Development Review Committee Meeting. The decision of the community development department may be appealed.

Applicant Name  Date 6/2/23