CASE #PL2020-69

aeon
home changes everything

Memorandum

To:	City of Bloomington
From:	Leslie Roering, Aeon
Date:	April 1, 2020, Updated April 21, 2020
Re:	Aeon Village Club 172 – DRC Submission

Aeon is a mission-driven, nonprofit provider of quality apartment homes for low- and moderate-income individuals and families. Aeon was founded in 1986 to replace 350 apartment homes that were demolished to build the Minneapolis Convention Center. Our first development, Buri Manor, provided 38 homes for low-wage workers. Driven by our belief that everyone deserves a home, Aeon's portfolio has grown to 58 properties that nearly 12,000 residents call home each year.

Aeon's mission is to create and sustain quality affordable homes that strengthen lives and communities. Aeon prides itself on acting boldly to create and preserve affordable homes. We encourage residents to take ownership of their home and connect with their community.

Project Background:

In December of 2019, Aeon worked side by side with the City of Bloomington to acquire a 306-unit NOAH (naturally occurring affordable housing) project call Village Club of Bloomington. The project sits on 17 acres of land just south of the Mall of America and the MSP Airport in East Bloomington, near the Minnesota River Valley National Wildlife Refuge. The 17 acres is home to one large building housing all of the 306 units, a courtyard for resident enjoyment and parking – both surface stalls and garage buildings.

In acquiring the existing project, we and the City intended that the excess land be used for new construction to add affordable density in the City of Bloomington. The City made an application for bonds from Minnesota Management and Budget, on behalf of Aeon and we were awarded approximately $24 million in January 2020.

CASE #PL2020-69

aeon
home changes everything

Memorandum

Project Summary:
Aeon is proposing construction of 172 new construction affordable housing units, spread over two buildings. The buildings will be located in the northeast corner of the existing Village Club site.

Building A:

Building A is located along the eastern edge of the property. The building will have 8 1-bedrooms, 30 2-bedrooms, 28 3-bedrooms and 8 4-bedrooms for a total of 74 units. The building will also have room for community space, fitness area and meeting space.

The building will be broken into neighborhoods to encourage residents to know their neighbors and promote the feeling of home and safety. Each floor will have a central lobby that contains the main staircase, elevator, trash chute and laundry.

Additionally, Building A will have underground parking for residents. Each parking stall will also have a bike rack for unit storage.

Building B:

Building B is located along the northern edge of the property in the northeast corner. The building will have 12 1-bedrooms, 36 2-bedrooms, 39 3-bedrooms and 11 4-bedrooms for a total of 98 units. The building will also have room for community space, fitness area with kids space, management office and meeting space.

The building will be broken into neighborhoods to encourage residents to know their neighbors and promote the feeling of home and safety. Each floor will have a central lobby that contains the main staircase, elevator, trash chute and laundry.

Additionally, Building B will have underground parking for residents. Each parking stall will also have a bike rack for unit storage.

CASE #PL2020-69

aeon
home changes everything

Memorandum

The proposed project provides significant benefit to the public:

- The proposed project will bring new affordable housing units to the City of Bloomington, a City that has not seen newly constructed affordable housing in years.
- It is also located within a transit-rich area with many employment opportunities, providing affordable housing opportunities in a thriving area of the City.
- The project will contribute financially to the existing Village Club property. By providing financial support, the existing Village Club is able to proceed with needed renovations to help stabilize the aging property.
- The new development is removing blight and areas where safety is a major concern, particularly in the northeast corner of the site. By adding additional units, eliminating dilapidated garages and installing more exterior lighting, the Village Club campus will be a safe and inviting home for all of our residents.

Opportunity Housing Ordinance:

In December of 2019, Aeon purchased the 306-unit NOAH (naturally occurring affordable housing) project called Village Club of Bloomington. The rents were naturally affordable, but through the acquisition of the property, an affordable covenant was placed on the land that restricts 60% (184) of the units to 60% AMI and then remaining 40% (122) of the units to 80% AMI.

In addition, Aeon is proposing construction of 172 new construction affordable housing units, spread over two buildings. The new buildings will be located in the northeast corner of the site. Of the 172 units, 17 will be affordable at 30% AMI or 9.8% of the new construction units. Additionally, 104 will be affordable at 60% AMI or 60.5%. The remaining units will be affordable at 70% AMI.

The project will qualify for incentives under both Extremely Low Income – At or Below 30% AMI because more than 9% of the units are restricted to 30% AMI and Low Income – 51% to 60% AMI because more than 60% of the units are restricted to 60% AMI.

Included with the Planning Commission Development Review submission is the Affordable Housing Plan, detailing the projects affordability requirements.

CASE #PL2020-69

home changes everything

Memorandum

Zoning Request:
The current zoning for the Village Club site is Multiple Family R-4 District.

Aeon is requesting that the zoning be changed to:
1. Multiple Family R-24 District
2. Planned Unit Development

Aeon requests that the City of Bloomington preadvertise for the City Council public hearing for May 18, 2020.

The Multiple Family R-24 District comes with standard code requirements, including 600 sq.ft. of open space per dwelling unit and other multiple family performance standards. Below is detailed information with regards to the deviations that we are requesting:

1. Number of Dwelling Units per Acre

   The R-24 code allows for 24 dwelling units per acres. The existing building consists of 306 units and the new project will add 172 units to the 17.68 acre site.

   Number of units allowed under R-24 code: 17.68 acres x 24 units/acre = 424 units

   Proposed number of units: 306 units + 172 units = 478 units or 27.03 units/acre

   Deviation from code: 54 units or 3.05 units/acre

   The new construction project qualifies for an Opportunity Housing Incentive under Extremely Low Income – At or Below 30% AMI, which allows for a density bonus of 2 additional units allowed per extremely low income unit provided capped at 50% density increase. And, the project qualifies for Low Income – 51% to 60% AMI, which allows for a density bonus of 1 additional unit per low income unit provided capped at 50% density increase.

home changes everything

Memorandum

OHO Incentive: 34 additional units under the extremely low income incentive. 106 additional units under the Low Income incentive. The OHO incentive covers the anticipated deviation from code.

2. Trash Enclosures

   City Code requires that for multiple family buildings, the solid waste containers must be stored within a fully enclosed space, which must be attached to the principal structure. That structure must also be attached to the building.

   Because the project is altering the existing site by more than 25% this requirement is also triggered for the existing property.

   Both Building A and Building B have trash chutes with receptacles located in the underground parking garage, meeting the City Code requirements.

   The existing property currently has four trash enclosures located away from the property. Three of the four are disrupted by the proposed project and will be relocated.

   Two of the enclosures along the northern portion of the project have been relocated to align with the code requirements and are attached to building.

   Deviation from code: The third enclosure located in the southeast corner will be relocated adjacent to the existing project. The deviation is needed due to the existing grading for the area and the accessibility for the garbage trucks.

   Additionally, we are requesting not to relocate the enclosure in the southwest corner of the site, as it is not impacted by the proposed scope of work.

   Details regarding the trash enclosures can be found in the attached plan sets. Additionally, the trash encolosures will be surrounded with a mesh or perforated screen at the top that will allow for natural ventiliation.

3. Resident Storage

home changes everything

Memorandum

City Code requires a fully enclosed lockable storage space outside, located outside of the unit must be provided for each dwelling unit. The proposed project has dedicated bike storage at each parking stall within the garage (at a nearly 1:1 ratio), therefore the additional storage space must have at least three feet horizontal dimensions and a four foot vertical dimension and be at least 96 cubic feet.

Deviation from code: The unit plans for the proposed new construction project have a significant amount of excess storage located within the unit, above what is typical for an apartment unit. Below is the calculation of additional storage within each unit type:

ADDITIONAL STORAGE PER EACH UNIT TYPE		
Given bicycle storage is provided at the front of each garage parking stall as per 21.302.09 (B) below the required additional storage for each unit is 96 cubic feet with minimum dimensions of 3' x 4'		
UNIT TYPE	ADDITIONAL STORAGE PROVIDED	
1 BR/XB.0	7-0" x 8'-0	288 cubic feet
2 BR/XB.1	8'-2" x 5'-0"	369 cubic feet
2 BR/XB.4	8'-9 x 6'-0"	477 cubic feet
4 BR/XB.5	9'-4' x 6'-1"	511 cubic feet
4 BR/XB.6	5'-7" x 3'-6"	176 cubic feet
	4'-3" x 3'-8"	140 cubic feet
3 BR/XB.7	8'-2" x 6'-2"	450 cubic feet
	5'-2" x 4'-3"	198 cubic feet

Details regarding resident storage can be found in the attached plan sets.

4. Parking
   a. Total Parking Stalls
      City Code indicated that the proposed project and the existing project should have 1054 parking stalls to meet the demand. The proposed project is indicating 710 parking stalls. The OHO incentive allowed for a 20% deviation from code, but the proposed number of stalls was over the allowable deviation.

      The City of Bloomington commissioned a parking study that indicated the required number of stalls for the property to be between 627 and

aeon
home changes everything

Memorandum

732 parking stalls. The proposed 710 stalls fit within the anticipated parking demand and also allows for 83 (710-627= 83 stalls) parking stalls that could be available for snow storage during the winter months.

Deviation from Code: 13% above the OHO incentive of 20%, as demonstrated the by the parking study performed by the City of Bloomington.

b. Enclosed Parking
City Code requires that each dwelling unit have one enclosed parking stall. The proposed new construction project will offer 154 enclosed parking spots within the underground garage. Additional parking will be available to those households and their guests as surface parking.

The existing Village Club property has a series of garages across the 17 acres. Many of these garages are in disrepair and are inoperable. After a request for information in February 2020, Management determined that only 48 of 320 garage spaces are being leased. Additionally, the repairs that are needed to make the garages operable are cost prohibitive to the existing project.

OHO Incentive: The new construction project received a deviation from code of a 50% reduction.

478 enclosed spaces / 2 = 239 enclosed spaces

239 requires spaces – 154 newly constructed = 85 spaces

Deviation from code: 85 parking stalls from code, after the OHO incentive. The proposed project requests that enclosed parking only be provided within the new construction building by way of underground parking. Based off of lack of utilization, the existing garages will be demolished to remove blight and safety concerns, while also making a more efficient parking configuration.

aeon
home changes everything

Memorandum

c. Distance from Entrance
City Code requires that all parking for the property must be located within 400' of the main entrance to the building.

Deviation from code: Because of the scale of the all 3 of the buildings, there are multiple main entrances to each of the project. If the calculation is done from an alternative entrance, each building has adequate parking for their project.

The enclosed submission shows a 400' radius around the most commonly used entrances for the 17 acre site. The exhibit indicates that there is adequate parking within 400' of the new and existing properties.

- Existing Building West is able service over 165 stalls (1:1 ratio) within 400' of its two main entrances.
- Existing Building East is able to service over 166 stalls (1:1 ratio) within 400' of its two main entrances.
- Building A is able to service 102 parking stalls (66 underground, 36 surface) within 400' of its main entrance.
- Building B is able to service over 132 parking stalls (88 underground, 44 surface) within 400' for its main entrance.

Additionally, Aeon Management will consider alternative strategies to limit the distance from the residents unit, including but not limited to:

- Assigning parking stalls for residents who are traveling the furthest
- Establishing 15 minute drop off stalls. This would allow households to drop off groceries, etc. before having to park.
- Parking gates at each entrance to limit stalls to residents only
- Additional enforcement of fire lanes, guest stalls and drop off space.

5. Existing Nonconformities:
The exisiting building has several nonconformities that Aeon is requesting flexibility under the Planned Unit Development. The new project has a limited area of distruption, mainly concentrated to the northeast corner of the site

home changes everything

Memorandum

and areas where there are existing garages. Aeon is requesting flexibility because the nonconforming items are outside of the area of disruption.

Establishing an area of disruption is important because of the financing on the existing project and the proposed financing for the new project. Although Aeon is involved in both transactions, the projects will be under two partnerships with two separate budgets that cannot overlap. Any existing nonconforming items would need to be addressed by the renovation budget for the existing property, taking away from funds that are necessary to do much needed repairs. The new project is able to some work outside of the proposed property line because the area of disturption is defined.

The following are nonconforming issues that are outside of the area of disruption:

a. Code requires a 20-foot setback for front yard landscape. The area along 86th street is currently only 13.3 feet and goes all the way down to 7.3 feet where the property abuts the adjacent right-of-way property.
b. Code requires a setback from the building of 40 feet. The existing building is only 30.3 feet away from the property line in the southwest corner of the site where it abuts the adjacent right-of-way property.
c. Code requirements for existing parking islands and sidewalks.

6. Parking Lot Islands:
Code requires that each parking lot island has a tree planted in it. Buildings A and B both have a sidewalk island that connects the new property to the old property. Aeon is requesting a deviation from code for those two areas where a tree is not able to be planted.

Project Notes from Preliminary DRC Comments:

Building Location

Staff comments and the Parking Study initiated by the City of Bloomington indicated a desire to move Building B from the northeast corner of the property to the northwest corner of the property in an effort to distribute parking throughout the site. Aeon has continued with Building B in the northeast corner for the following reasons:

CASE #PL2020-69

aeon
home changes everything

Memorandum

1. As indicated above and within the parking study, the parking for the project is adequate within 400' of the buildings main entrances.
2. The project is being financed as a Low Income Housing Tax Credit Project. If the building were to move to the northwest corner, the land for the project would expand and encompass parking for the existing building. Tax Credit financing does not allow households from adjacent properties to utilize amenities, including parking, that are financed by the program.
3. Aeon intends to be a long term owner of the entire Village Club property. By concentrating the new project in the northeast corner, it leaves the northwest corner available for future development opportunities.
4. Currently the northeast corner is home to old tennis courts and parking. Because there is not regular use of that area, it becomes a target for criminal activity. By locating the buildings in that area, we are eliminating the "dead zone" and making it an active and safer space. The parking lot on the western side will be heavily used as there is only one entrance from that side of the property, again creating an active space to mitigate any unwanted behavior.

Right of Way

Currently, the existing property has a couple of parking stalls that fall within the right of way owned by the City of Bloomington. This was an existing condition when Aeon purchased Village Club in December 2019. The plans submitted as part of the land use application do not account for the parking in that area. Aeon will continue conversations with the City of Bloomington to decide how to best proceed with the parking in the right of way.

Shadow Study

In accordance with the City Code, the proposed project does not have a shadow that impacts adjacent properties at both of the specified dates and times.

Landscaping

In accordance with Code, the project will have a minimum of 308 trees and 770 shrubs. James R. Hill, the project surveyor, performed an inventory of trees, identifying trees that are on the prohibited list. The new project will plant an additional 155 trees to meet the City Code.

Additionally, shrubs are still in the process of being inventoried. The project anticipates adding any additional shrubs needed to meet the City Code requirement.

CASE #PL2020-69

aeon
home changes everything

Memorandum

Parking Lot and Exterior Lighting

In accordance with code, the project is providing a minimum of 1.0 foot-candle on the parking surface. The project is also evaluating exterior lighting to promote safety across the entire site.

FAA Submittals

Aeon is currently commissioning a noise consultant to review what noise mitigation strategies need to be implemented for the new construction project. This is also to ensure that the project complies with the noise attenuation requirements within the City Code.

The project has submitted plans and construction crane information to the FAA for review. Typical review timeline is 6-8 weeks.

Open Space

Open space calculations are detailed within the plan set. The project utilizes the existing balconies and grassy areas to meet the open space requirements.

Required Open Space: (306 + 172 units) x 600 SF = 286,800 SF

Open Space from plan: 289,022 SF

Attachments for DRC Submission:

- Plan Set
    - Shadow Study
    - 400' Distance Study
    - Resident Storage
    - Open Space
- Project Narrative
- Affordable Housing Plan

Deferred Submission:

- Tree and Shrub Inventory