



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.

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.

#	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</i></p> <p>The proposed project is a redevelopment of an existing surface parking lot into 146 units of new construction multi-family rental units. To meet the requirements of Chapter 9 of the City Code, 14 units, or 9% of in the redevelopment will be affordable to households at or below the 60% AMI level.</p>
2.	PROJECT METRICS	<p><i>Provide the development philosophy and description of project performance metrics including, but not limited to, 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>The proposed project is intended to be held for 10 years from completion. The project will be built to a 5% Yield to Cost, with a targeted unleveraged IRR of 8%. We do not envision any public participation beyond the allowed incentives.</p>
3.	PROPOSED MARKET RATE AND AFFORDABLE UNITS	<p><i>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 § 9.32</i></p> <p>The proposed development will consist of 1 contiguous multifamily building containing all 146 units. The development will be located at 8131 34th Avenue South, Bloomington, MN. The current unit mix for the project is as follows:</p> <p>56 1-Bedroom Units; 739 square feet</p> <p>29 1-Bedroom + Den Units; 865 square feet</p> <p>55 Two-Bedroom Units; 1,143 square feet</p> <p>6 Two-Bedroom + Den Units; 1,258 square feet</p>

The total cost for the project is approximately \$280 per rentable square foot.

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

The proposed development will contain 14 affordable units, which will all be restricted to the 60% AMI level:

5 One-Bedroom units; 739 square feet

3 One-Bedroom + Den units; 865 square feet

5 Two-Bedroom units; 1,143 square feet

1 Two-Bedroom + Den units; 1,258 square feet

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.

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

Core Living, and affiliate of this project's sponsor, will be managing the project and is experienced in implementing and complying with affordability requirements. As management agent, they will ensure that the tenant income verification and ongoing annual recertifications are done in accordance with the City's Opportunity Housing ordinance and this project's specific agreement.

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 will be open to tenant 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
- Floor area ratio bonus
- Height bonus
- Parking stall reduction

The development is inside a designated transit area and qualifies for a 20% outdoor parking stall reduction with 9% of the units qualifying as low income or below.

- Enclosed parking space conversion
- Minimum size reduction
- Alternative exterior materials allowance
- Storage space reduction
- Landscape fee in-lieu reduction
- Development fee reimbursements
- Development fee deferment
- Expedited review of plans

Check the "Alternative exterior materials allowance" box in the Affordable Housing Plan. This flexibility is needed for the proposed building.

- Land write down
- 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*

Advertising for availability of units will occur using two primary channels:

1) Online, through the development’s website and other online rental-oriented search sites.

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*

This development is in the City’s South Loop District, which is centered on providing an urban center with access to a unique mix of transit options. By providing 13 units of Opportunity Housing this project will encourages racial and economic integration through its proximity to numerous job opportunity and convenient transit access. Providing Opportunity Housing units at this location assists with the distribution of affordable housing 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 affordable housing units will be located on each floor and side of the building. Please see the attached floor plans.

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 units are designed and will be constructed to the same specifications and standards as the rest of the project. The Opportunity Housing units will be indistinguishable from the market rate units.

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*

Please see attachments that include the site plan and the floorplan of the proposed development. Affordable and market rate units are fully dispersed and clearly marked on the plan.

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 James Riley Date 12/22/2020