



## OPPORUNITY HOUSING ORDINANCE INCENTIVES TOOL

Created **June 2019**  
Last modified **August 2019**

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

**PROJECT OVERVIEW**

*Complete each section*

*Area checks*

In Federal Opportunity Zone target area?  
In the Gateway Development District?  
In a Designated Transit Area?  
On city owned land?

*Please select*

Yes  
Yes  
Yes  
No

*Project basics*

Project type  
Unit type  
Project tenure  
Minimum 60% units met

*Please enter*

New construction  
Multi-Family  
Rental  
Yes

*Project details*

Total residential gross square feet in project  
Total retail gross square feet in project  
Total number of residential units in project  
Proposed stories of building  
Estimated parking stalls  
Estimated enclosed stalls  
Required storage units  
Average unit size (for in-lieu calculation)

*Please enter*

318,103  
0  
328  
6  
620  
328  
164  
969.8262195

FOR REFERENCE -- DISCUSS WITH PLANNING FOR DETAILS

Total stalls	620
Of which, enclosed	328

Residential stall calculations

Unit sizes	Total	1-Bd	2-Bd	3-Bd	4-Bd
Multi-Family units	328	263	59	6	0
Parking stalls	620	474	130	16	0
of which, enclosed	328				

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*

*Please select*

Proposed Ordinance satisfaction method

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 \_\_\_\_\_

	OPPORTUNITY HOUSING UNIT			IN LIEU FEES	
	AMI minimum for Opp Housing units	Required % of all units	For this project Aff units	Required \$/Rentable market SF	For this project PSF
	60.0%	9.0%	30 units	\$ 9.60	\$ -

DO NOT UNROLL OR DELETE

	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 contrib	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 Ord	#			
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**

	Total	Market	UNITS (INCLUDING ORDINANCE ALLOWABLE BONUSES)						
			120%	100%	80%	60%	50%	40%	30%
Studio	124	91	0	0	0	33	0	0	0
1-Bed	139	109	0	0	0	30	0	0	0
2-Bed	59	36	0	0	0	23	0	0	0
3-Bed	6	6	0	0	0	0	0	0	0
4-Bed	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>328</b>	<b>242</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>86</b>	<b>0</b>	<b>0</b>	<b>0</b>

ANNUAL INCOME BY UNIT TYPE & AMI										
Studio	#####	\$ 1,591,632	\$ -	\$ -	\$ -	\$ 414,612	\$ -	\$ -	\$ -	\$ -
1-Bed	#####	\$ 2,457,300	\$ -	\$ -	\$ -	\$ 403,200	\$ -	\$ -	\$ -	\$ -
2-Bed	#####	\$ 860,292	\$ -	\$ -	\$ -	\$ 369,564	\$ -	\$ -	\$ -	\$ -
3-Bed	\$	\$ 164,424	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4-Bed	\$	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total</b>	<b>#####</b>	<b>\$ 5,073,648</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>#####</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

GROSS SQUARE FOOTAGE BY UNIT TYPE & AMI									
Studio	65,626	50,584	0	0	0	15,042	0	0	0
1-Bed	98,253	80,617	0	0	0	17,636	0	0	0
2-Bed	56,632	37,781	0	0	0	18,851	0	0	0
3-Bed	#DIV/0!	8,024	0	0	0	#DIV/0!	0	0	0
4-Bed	0	0	0	0	0	0	0	0	0
Total residential GSF	#DIV/0!	177,006	0	0	0	#DIV/0!	0	0	0
Total retail GSF	86,000								
Total project GSF ex parking	#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	\$ 3,400,000				
Parking cost / stall	\$ 7,500	Parking stall: 496	\$ 51	\$ 616	\$ 305,760
Enclosed parking cost / stall	\$ 26,639	Storage unit: 164	\$ 40	\$ 480	\$ 78,720
Carport parking cost / stall	\$ 2,500	Retail 86,000	\$ 15	#####	\$ 1,290,000
Storage cost / unit	\$ 2,500				
Loaded development cost per GSF	\$ 200				
<i>Excluding dev fee, land, parking &amp; storage</i>					
Estimated development cost					
Development fee	#DIV/0!				
Land	\$ 3,400,000				
Building	#DIV/0!				
Parking	\$ 1,507,500				
Enclosed parking	\$ 7,941,107				
Storage	\$ 410,000				
In lieu fees	\$ -				
<b>Total</b>	<b>#DIV/0!</b>				

Adjusted unit-based calculations					
New parking stall estimate	Base	New	Subtotal	Bonus adj	Total
Total stalls	620	0	620	-124	496
Enclosed stalls	328	0	328	-33	295
New storage unit estimates	328	0	328	-164	164

**INCENTIVES SUMMARY**

**OHO Incentives**

Incentive	inp	Incentive
86	Density bonus	86 additional units
20%	Parking reduction	20% reduction in parking stalls
10%	Enclosed parking space conversion allow.	10% reduction in enclosed parking stalls
10%	Minimum unit size reduction	10% reduction in the minimum unit size
50%	Storage space reduction	50% reduction in the required storage spaces
40%	Development fee reimbursement	40% possible development fee reimbursement

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

86,000	Floor area ratio bonus	86,000 additional SF
1	Height bonus	1 extra story for a total of 7 stories
50%	Alternative exterior materials allowance	50% 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
No	Project based housing vouchers	No qualifying incentive is due

**STABILIZED PRO FORMA**

Development value		
Potential income	\$	% EGI
Market	\$ 5,073,648	65%
Non-market	\$ 1,347,915	17%
#####	\$ -	0%
#####	\$ -	0%
80%	\$ -	0%
60%	\$ 1,187,376	15%
50%	\$ -	0%
40%	\$ -	0%
30%	\$ -	0%
Other income	\$ 160,539	2%
Parking income	\$ 305,760	4%
Storage income	\$ 78,720	1%
Retail income	\$ 1,290,000	17%
<b>Potential income</b>	<b>\$ 8,256,582</b>	<b>106%</b>
Vacancy / bad debt	\$ (495,395)	-6%
<b>Effective gross income</b>	<b>\$ 7,761,187</b>	<b>100%</b>
Opex	\$ (2,483,580)	-32%
<b>NOI</b>	<b>\$ 5,277,607</b>	<b>68%</b>
<b>\$</b>		
Net sales value	\$ 89,489,863	
Development cost	#DIV/0!	
<b>Development Profit</b>	<b>#DIV/0!</b>	
Development yield	#DIV/0!	
Yield on cost	#DIV/0!	

OHO Section	Title	Incentives that the project may qualify for	Consideration
9.16	Density bonus	86 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	86,000 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 7 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	20% reduction in parking stalls	Non-cumulative
9.20	Enclosed parking space conversion allowance	10% 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	10% reduction in the minimum unit size	Non-cumulative
9.22	Alternative exterior materials allowance	50% 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	40% 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	No qualifying incentive is due	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	86	0	86	0	0
Incentive allowance			1	2	2
Qualifying trigger			1	1	1
Possible incentive	86		86	0	0

**Result**

**86 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**

<i>Satisfaction method eligible for incentives?</i>					Yes
AMI Level	Total Aff.	Workforce	LI	VLI	ELI
Units	86	0	86	0	0
Incentive allowance			1,000	2,000	2,000
Qualifying trigger			1	1	1
Possible incentive	86,000		86,000	0	0
<b>Result</b>	<b>86,000 additional SF</b>				

**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	6
Incentive allowance	<u>1 extra story</u>
Qualifying trigger	1
Possible incentive	1

**Result** **1 extra story for a total of 7 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	86	0	86	0	0
% of total units	26%	0%	26%	0%	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	0	0
Possible incentive	20%		20%	0%	0%

**Result** **20% 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**

<i>Satisfaction method eligible for incentives?</i>					Yes
AMI Level	Total Aff.	Workforce	LI	VLI	ELI
Units	86	0	86	0	0
% of total units	26%	0%	26%	0%	0%
Incentive allowance			10%	25%	50%
Qualifying trigger			1	0	0
Possible incentive	10%		10%	0%	0%

**Result**                      **10% 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	86	0	86	0	0
% of total units	26%	0%	26%	0%	0%
Incentive allowance			10%	20%	30%
Qualifying trigger			1	0	0
Possible incentive	10%		10%	0%	0%

**Result**                      **10% 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	86	0	86	0	0
% of total units	26%	0%	26%	0%	0%
Incentive allowance			50%	75%	100%
Qualifying trigger			1	0	0
Possible incentive	50%		50%	0%	0%

**Result**                      **50% 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	86
% of total units	26%
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	86
% of total units	26%
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%	0
40%	x
50%	0
75%	0
100%	0

**Qualifying tests for the incentive**

*Satisfaction method eligible for incentives?* Yes

AMI Level	Total Aff.
Units	86
% of total units	26%
Incentive allowance	0.4
Qualifying trigger	1
Possible incentive	40%

**Result**                      **40% possible development fee reimbursement**

**9.26**

**Development fee deferment**

*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	86
% of total units	26%
Incentive allowance	24
Qualifying trigger	1
Possible incentive	24

**Result** **24 month development fee deferment**

**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	86
% of total units	26%
Qualifying trigger	1
Possible incentive	1

**Result** Expedited plan review





**9.30** **Housing Tax Increment Financing**

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*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	26%
Threshold trigger	20%
Possible incentive reached?	yes

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

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

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**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	0
Percentage of 50% AMI or lower units	0%
Possible incentive reached?	No

**Result** **No qualifying incentive is due**