



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:	9955 Lyndale
ADDRESS:	10001, 10009, 10017, 10027, 10029, 9955 Lyndale Ave S, Bloomington, MN 55420
DEVELOPER:	Real Estate Equities

#	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 project is located at 9955 Lyndale Ave. S. on the site of the Wixon Jewelers property and the 4 adjoining properties to the south. The building contains 180 apartments units, consisting of 36 one (1) bedrooms, 104 two (2) bedrooms, and 40 (3) bedrooms. Parking is contained both below grade, 164 stalls enclosed below grade, and 154 surface stalls. Amenities in the building consist of a fitness room, kid's activity room, and community room for resident gatherings, and the property will also have a courtyard containing a patio and playground. All units will be rent and income-restricted to households making between 30-70% of the Area Median Income, with an average of 60% AMI. The City Council has approved a preliminary resolution for the issuance of tax-exempt conduit bonds, which allows REE to apply to the State for an allocation of bonds as soon as January 2026. The State is likely to receive more requests for bonds than are available, so it is likely that the application will not be funded and will put on a wait list for the July 2026 round. Construction will start approximately 6 months after an allocation is received from the State, and is expected to take about 18 months.</p>

2.

PROJECT METRICS

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

The project is intended to be developed, owned, operated and held affordable by REE for a minimum of 30 years, as will be required under the low-income housing tax credit LURA governed by Minnesota Housing. As required by the LIHTC award from MN Housing, the development will achieve Energy Star certification and follow the Enterprise Green Communities criteria (with MN Overlay). In addition, as required by state statute, the development will pay prevailing wages to laborers during construction of the project.

While preliminary, total development cost is estimated at \$68M (\$377k/unit). LIHTC developments do not commonly use IRR or ROE as financial metrics. Rather, the design of the building will adhere to MN Rental Housing Design and Construction Standards and project underwriting standards, as supported by an appraisal and market study.

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 § 9.32

All units are in an attached multi-family development located at 9955 Lyndale Ave S, Bloomington, MN.

36 1-Bedroom units – 702 square feet
104 2-Bedroom units – 957 square feet
40 3-Bedroom units – 1,249 square feet

All units will be affordable with an average AMI of 60%.

# 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	70% AMI TOTAL UNITS	70% AMI UNITS RENTS	70% AMI UNITS SQ FT
Efficiency												
1 Bedroom							36	1,410	702			
2 Bedroom	2	797	957	3	1,393	957	90	1,691	957			
3 Bedroom	2	919	1,249	10	1,608	1,249	12	1,952	1,249			
4 Bedroom												
TOTAL UNITS												

4.

AFFORDABILITY

Provide the income levels to which each affordable unit will be made affordable § 9.32

Rental Set Asides:

- 2-BR / 2-Bath 30% AMI – 2 Units
- 3-BR / 2-Bath 30% AMI – 2 Units
- 2-BR / 2-Bath 50% AMI – 3 Units
- 3-BR / 2-Bath 50% AMI – 10 Units
- 1-BR / 1-Bath 60% AMI – 36 Units
- 2-BR / 2-Bath 60% AMI – 90 Units

		<ul style="list-style-type: none"> • 3-BR / 2-Bath 60% AMI – 12 Units • 2-BR / 2-Bath 70% AMI – 9 Units • 3-BR / 2-Bath 70% AMI – 16 Units
5.	TERM OF AFFORDABILITY	<p><i>Provide the methods to be used to maintain affordability and the duration over which affordability will be maintained § 9.32</i></p> <p>The property will be maintained as affordable based on the Land Use Restriction Agreements in place. The property will be maintained as affordable for a minimum of 30 years.</p>
6.	AFFORDABILITY MONITORING	<p><i>Provide your plan to monitor ongoing affordability § 9.32</i></p> <p>REE employs an in-house compliance and property management team that will manage the property and monitor applications to ensure the property maintains its compliance status as affordable. In addition, the LIHTC investor will review all initial tenant files to confirm adherence with the Section 42 IRS guidelines to confirm eligibility for the tax credits, and annual reporting is due to MN Housing to ensure compliance with federal and state program requirements.</p>
7.	CONFIRMATION OF RENTAL ASSISTANCE ACCEPTANCE	<p><i>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</i></p> <p>Households with Housing Choice Vouchers will be considered for tenancy, which is also required under the LIHTC LURA and Bond Regulatory Agreement that will be put in place prior to construction.</p>
8.	INCENTIVES	<p><i>Check and provide a description of the tools and incentives that your project is eligible for § 9.15 through § 9.31</i></p> <p><input type="checkbox"/> Density bonus (Not used)</p> <ul style="list-style-type: none"> • Rezoning to RM-50 allows 196 units: not required <p><input type="checkbox"/> Site area reduction (Not used)</p> <ul style="list-style-type: none"> • Rezoning to RM-50 requires 80,000sf minimum. • Site is 170,549sf. <p><input type="checkbox"/> Site width reduction (Not used)</p> <ul style="list-style-type: none"> • Rezoning to RM-50 requires 200' minimum. • Site is 330'. <p><input checked="" type="checkbox"/> Open space reduction</p> <ul style="list-style-type: none"> • Base zoning requires 54,000sf. Balconies along Lyndale contribute to the open space requirements. • OHO allows for a reduction to 40,500 with 9% at very low income (50% AMI). <p><input type="checkbox"/> Floor area ratio bonus (Not used)</p> <ul style="list-style-type: none"> • Base zoning requires .5 maximum in RM-50 for non-residential uses. Proposed FAR is 1.37 with residential use only. No non-residential use proposed. • OHO allows for an increase; not used. <p><input checked="" type="checkbox"/> Height bonus</p> <ul style="list-style-type: none"> • Base zoning allows 3 stories. • OHO allows 10 additional feet in height, and 1 additional story. <p><input checked="" type="checkbox"/> Parking stall reduction</p> <ul style="list-style-type: none"> • Base zoning requires 345 parking stalls. 318 total are provided.


		<ul style="list-style-type: none"> OHO allows for a reduction for 9% of units at very low incomes (50% AMI). 19 units = 9.4%. <p><input checked="" type="checkbox"/> Enclosed parking space conversion</p> <ul style="list-style-type: none"> Base zoning requires 1 space per unit to be fully enclosed (180 units). OHO allows for a reduction for 9% of units at very low incomes (50% AMI) to convert 50% to unenclosed stalls. 164 enclosed stalls are provided, which exceeds the minimums. <p><input type="checkbox"/> Minimum size reduction (Not used)</p> <ul style="list-style-type: none"> Base zoning requires the following: <ul style="list-style-type: none"> 1-bedroom = 650sf 2-bedroom = 800sf 3-bedroom = 950sf OHO allows for a reduction, but units exceed the minimum square footages. <p><input checked="" type="checkbox"/> Alternative exterior materials allowance</p> <ul style="list-style-type: none"> Primary and secondary materials are provided per base city code along elevation along Lyndale. OHO allows for a reduction for 9% of units at very low income (50% AMI) on qualifying facades to up to 75% of secondary materials. <p><input type="checkbox"/> Storage space reduction (Not used)</p> <ul style="list-style-type: none"> Dedicated bicycle storage is provided in the basement (39 bicycle capacity). Size of storage units is at 3' x 3' minimum size. OHO allows for a reduction, but currently storage units are shown at 1:1; this does allow the owner to charge for storage. <p><input checked="" type="checkbox"/> Landscape fee in-lieu reduction</p> <ul style="list-style-type: none"> Building provides 9% of units at very low income (50% AMI). OHO allows for a reduction to reduce fee by 100%. <p><input checked="" type="checkbox"/> Development fee reimbursements</p> <p><input checked="" type="checkbox"/> Development fee deferment</p> <p><input checked="" type="checkbox"/> Expedited review of plans</p> <p><input type="checkbox"/> Land write down</p> <p><input type="checkbox"/> Affordable Housing Trust Fund</p> <p><input type="checkbox"/> Tax increment financing</p> <p><input type="checkbox"/> Project based housing vouchers</p>
9.	MARKETING	<p><i>Provide the methods to be used to advertise the availability of the affordable units § 9.32</i></p> <p><i>Explain how advertising methods for availability of affordable and market rate units will occur using three primary channels:</i></p> <p><i>1) Online, through the development's website and promotions through online partners</i></p> <p><i>2) Social media, through the development's Instagram, Facebook and Twitter accounts</i></p> <p><i>3) In print, through brochures that will be made available at selected affordable housing partners and non-profit organizations in Bloomington</i></p> <p>REE will establish, maintain, and follow an Affirmative Fair Housing Marketing Plan (AFHMP). The AFHMP requires that each housing provider carry out an affirmative marketing program to attract prospective buyers or tenants in the housing market area regardless of race, color, religion, sex, national origin, disability or familial status. In following the AFHMP, REE will use the forms of advertising below to reach a diverse marketing population.</p> <ul style="list-style-type: none"> Online/Electronic Media

		<ul style="list-style-type: none"> ○ HousingLink ○ Property's website • Newspapers <ul style="list-style-type: none"> ○ REE may identify a local area newspaper to promote the property. • Radio Station <ul style="list-style-type: none"> ○ REE may use a local radio station to promote the property. • TV Station <ul style="list-style-type: none"> ○ REE may use a local TV station to promote the property. <p>On-site staff are provided with a copy of the approved AFHMP along with the corresponding marketing information in a session where the details of the plan are reviewed by the assigned trainer with the staff. Fair Housing training is given to newly hired caretakers and maintenance staff at the new hire orientations by third party trainers. Additional fair housing training is given to all newly hired property managers, leasing consultants, compliance techs and marketing staff by the assigned peer trainer. Fair Housing training involves a review and explanation of the Fair Housing Act; directions on how to handle specific situations, and how to avoid common pitfalls that may occur.</p>
10.	DISPERSION	<p><i>Describe how the Opportunity Housing units encourage racial and economic integration and distribute affordable housing units throughout the city § 9.36</i></p> <p>This development's location is in a mixed-income area and will provide 180 units of market-rate quality affordable housing across four income levels to the city. Real Estate Equities believes everyone should feel at home where they live and work and we are committed to cultivating diversity, equity, inclusion and belonging both for our employees and residents we serve. We believe that providing a community of diverse and welcoming employees along with high-quality affordable apartments will promote an environment that encourages racial and economic integration in both our immediate apartment community, as well as the surrounding community as a whole. Based on data from Community Profiles, 29% of all households in the area are cost burdened and 49% of all renter households are cost burdened. We believe the addition of these 180 affordable units will help to provide the residents of Bloomington with more affordable living options and help to alleviate some of this cost burden.</p>
11.	INTEGRATION	<p><i>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</i></p> <p>All units will be subject to affordability requirements, and there will be no material difference in sizes, finishes, etc. for the units based on their income set-aside. All units will be of the same quality.</p>
12.	DESIGN	<p><i>Describe how the affordable housing units are comparable in construction quality, in-unit amenities, and exterior design to the market rate units constructed as part of the development § 9.36</i></p> <p>All units are designed and will be constructed to the same high-quality as can be found in similar market rate buildings in the area. These units will feature stainless steel appliances, luxury vinyl plank flooring, granite countertops, in-unit washer/dryer. Additionally, type A and sensory accessible units will be incorporated throughout the building.</p>
13.	PHASING PLAN	<p><i>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</i></p>

		The proposed project will be built in a single phase, and no additional phases are envisioned at this time.
14.	CONSTRUCTION TIMING	<i>Describe how the construction and occupation of affordable units will be proportionate construction and occupation of market rate units § 9.36</i> 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	<i>Provide a site plan and a floor plan depicting the location of the affordable and the market rate units § 9.32</i> <i>Provide a jpeg project design rendering</i> Please see site and floor plans attached. All units will be affordable.
16.	ADDITIONAL INFORMATION	<i>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</i> No additional information at this time.

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 12/23/2025 | 11:37 AM CST