

## A YEAR IN REVIEW: HOUSING AND REDEVELOPMENT AUTHORITY

It's been a big year for Bloomington when it comes to housing. In 2019, a new opportunity housing ordinance was approved and implemented as was a 90-day tenant protection ordinance. In this spread you'll find more about new housing projects and additional facts about housing in Bloomington. For more information, visit [blm.mn/hra](http://blm.mn/hra).

### AFFORDABLE HOUSING IN BLOOMINGTON

The City Council put new ordinances in place and created an affordable housing trust fund in 2019. Many of these initiatives were derived from the work of volunteers on the Bloomington Housing Action Team. Its members include apartment owners, managers and tenants, affordable housing advocates and housing developers. To learn more, visit [blm.mn/bhat](http://blm.mn/bhat).

#### OPPORTUNITY HOUSING ORDINANCE

This ordinance promotes the development of new affordable housing and the preservation of existing naturally occurring affordable housing while furthering private market development in the city. As a result of the ordinance, developers will now offer at least 9% affordable units in all newly constructed and renovated housing developments of 20 units or more. The City has also increased flexibility in building and design requirements, reduced fees, expedited the approval process and increased financial resources available to housing developers as incentives to produce affordable housing.

#### 90-DAY TENANT PROTECTION ORDINANCE

The City Council adopted an ordinance that provides protections for existing residents when a sale of a rental property occurs. The protections include a 90-day period limiting rent increases, a rule preventing non-renewal of leases without cause, and a requirement to provide relocation assistance upon failure to comply with the ordinance.

#### AFFORDABLE HOUSING TRUST FUND

In late 2019, the City launched a \$15 million Affordable Housing Trust Fund. The City worked to identify a strategy to raise the needed capital for the affordable housing trust fund without placing any financial burden on taxpayers by leveraging existing City resources. This is a significant and innovative investment that will support economic diversity in Bloomington. Few suburban cities have trust funds dedicated to the creation and preservation of affordable housing. Hennepin County only recently approved \$15 million for a similar countywide trust fund.

## AFFORDABLE HOUSING GOAL FOR THE CITY 845 NEW UNITS

### WHAT'S AFFORDABLE? RENT BY INCOME LEVEL (PER MONTH)

BEDROOMS	HOUSEHOLD OF FOUR EARNING \$30,000 A YEAR	HOUSEHOLD OF FOUR EARNING \$60,000 A YEAR
Efficiency	\$525	\$1,050
1 bedroom	\$562	\$1,124
2 bedroom	\$675	\$1,350
3 bedroom	\$780	\$1,560
4 bedroom	\$870	\$1,740

#### WHAT IS AFFORDABLE?

Housing is considered affordable when rent or mortgage costs are equal to 30% or less of the tenant's or owner's post-tax income. The above graph shows rent that is affordable to household incomes of \$30,000 and \$60,000. See the "2019 cost to rent in Bloomington" graph to the right to get an idea of the current rental market in Bloomington.



### HRA NEW DEVELOPMENT PROJECTS

With more than 1,600 residential units in the pipeline, it's been a busy year for new housing development in Bloomington. Check out the map above to learn more about new multifamily housing coming to the community.

#### VILLAGE CLUB APARTMENTS

Village Club preserves 306 units of naturally occurring affordable housing and will provide 165 new affordable units. The City awarded \$7 million in Affordable Housing Trust Funds to assist affordable housing developer Aeon in purchasing Village Club. This development is within walking distance of Mall of America and the light rail station.

#### HOMES WITHIN REACH

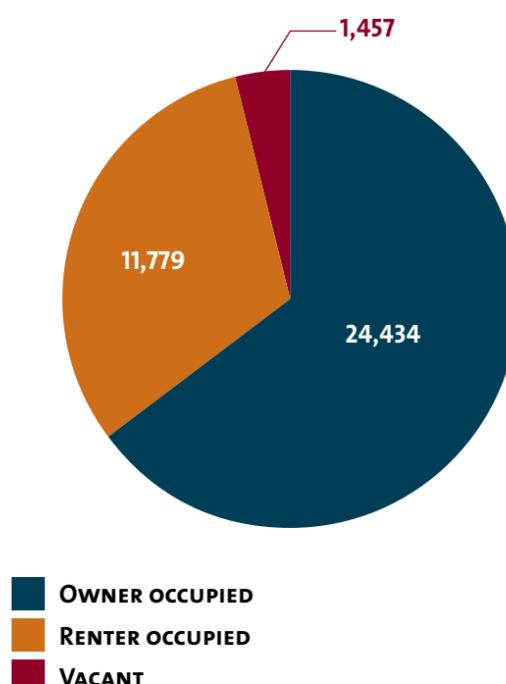
The Homes Within Reach program provides homeownership opportunities to low- and moderate-income, first-time homebuyers in Bloomington using the land trust model. Each year HRA provides funding to reduce the costs of the purchase and rehab expenses for two homes.

#### HABITAT FOR HUMANITY

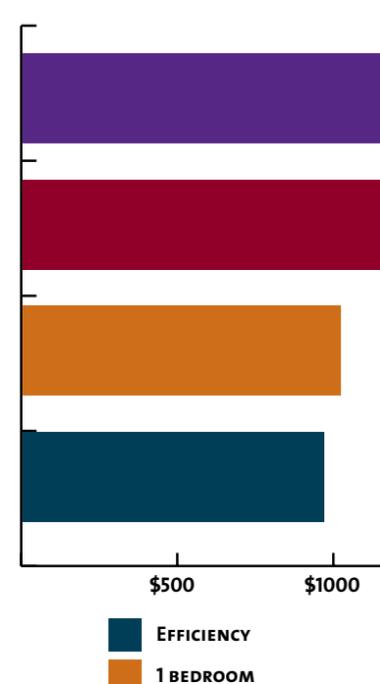
In 2019, HRA partnered with Twin Cities Habitat for Humanity on the development of a single-family home for a low- to moderate-income, first-time homebuyer. HRA removed a substandard home from the lot, which it sold to Twin Cities Habitat for Humanity at a reduced price. The new home will be completed in spring 2020.

### BLOOMINGTON HOUSING AT A GLANCE

#### HOMEOWNERSHIP VS. RENTAL



#### 2019 COST TO RENT IN BLOOMINGTON



# A BETTER BLOOMINGTON



## THE GATEWAY DEVELOPMENT DISTRICT

In 2019, the City Council approved the creation of the Gateway Development District, *see map on page 1*, beginning a transformational opportunity in an area of the city where development and redevelopment has lagged. By encouraging the redevelopment of Bloomington's aging neighborhood commercial centers within the district, the City increases the likelihood of more business owners and residents naming Bloomington as their community of choice. More importantly, the district's focus is on creating a quality place for current residents and businesses by building on past successes, present opportunities and future trends. Bloomington HRA provided a large portion of the funds used to make this project happen. They are also involved in a number of the projects that are underway or in the pipeline.

*Read about current projects in the district on page 1.*



## HRA SERVICES FOR RESIDENTS

### HOUSING REHABILITATION LOAN PROGRAM

Bloomington HRA provides home rehabilitation loans ranging up to \$35,000 to Bloomington homeowners. Rehabilitation loans do not include monthly payments and they accrue interest at a low rate of 2% for 10 years. Borrowers do not have to pay back the loan until the home is transferred, or sold, or is no longer the owner's principal place of residence.

The loans are available only to Bloomington homeowners. They are meant to help make repairs to meet health and safety requirements, such as bringing lead paint, heating, electrical and plumbing conditions up to City code, making homes more energy efficient, and making exterior improvements such as roofing upgrades.

For more information or to apply for a loan, call 952-563-8937 or visit [blm.mn/loans](http://blm.mn/loans).

### HOUSING REHAB LOANS BY THE NUMBERS

**94** Loans approved in 2019  
**2.2** Millions of dollars in investment

### RENTAL HOMES FOR FUTURE HOMEBUYERS

The Rental Homes for Future Homebuyers program helps families save money for future home purchases. Eligible families of 3 – 6 members may apply for the program waiting list. The waiting list is approximately 3 – 5 years long and each year 3 – 5 new families enter the program.

Families accepted into the program rent one of 21 houses owned by the Housing and Redevelopment Authority. All the houses are three-bedroom single family houses located in Bloomington.

To help aspiring homeowners achieve their goals, HRA saves a portion of the families rent each month, which is placed in escrow. After five years, those funds are used by the family toward a down payment to buy their own home. Over the period of five years, HRA works with families to set goals and prepare to purchase and maintain their own home.

### RENTAL ASSISTANCE

The Housing Choice Voucher Rent Assistance Program is one of the HRA's biggest programs. Also known as Section 8, the program helps very low-income households with rent payments. Each month, Bloomington HRA assists renters in 550 low-income households to pay rent.

### RENTAL ASSISTANCE BY THE NUMBERS

**550** Households assisted with Housing Choice Vouchers  
**405** Households assisted with Project Based Section 8  
**21** Households assisted with Rental Housing for Future Homebuyers



## A HOUSE FOR HOMELESS VETERANS

Last fall, an open lot on Penn Avenue transformed into a place for homeless veterans to live, thanks to a three-party partnership including the HRA. The HRA acquired the property because it had a substandard, foreclosed home on it. Once the house was removed, the HRA donated the property to the BATC Housing First Minnesota Foundation. The nonprofit partnered with Lennar, a housing developer, to build a four-bedroom home for homeless veterans. The home will provide an affordable, temporary place for veterans to live for up to two years while receiving resources from the Minnesota Assistance Council for Veterans. The home will serve four veterans at a time.

## COST TO BUY A HOME IN BLOOMINGTON



	2018	2019	+/-
Median sales price	\$260,000	\$276,000	+6.2%

