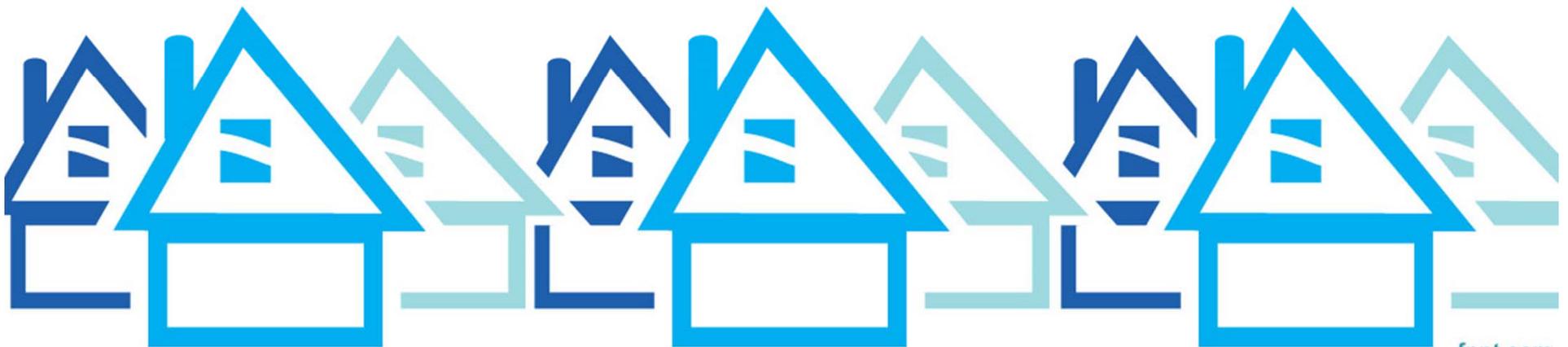


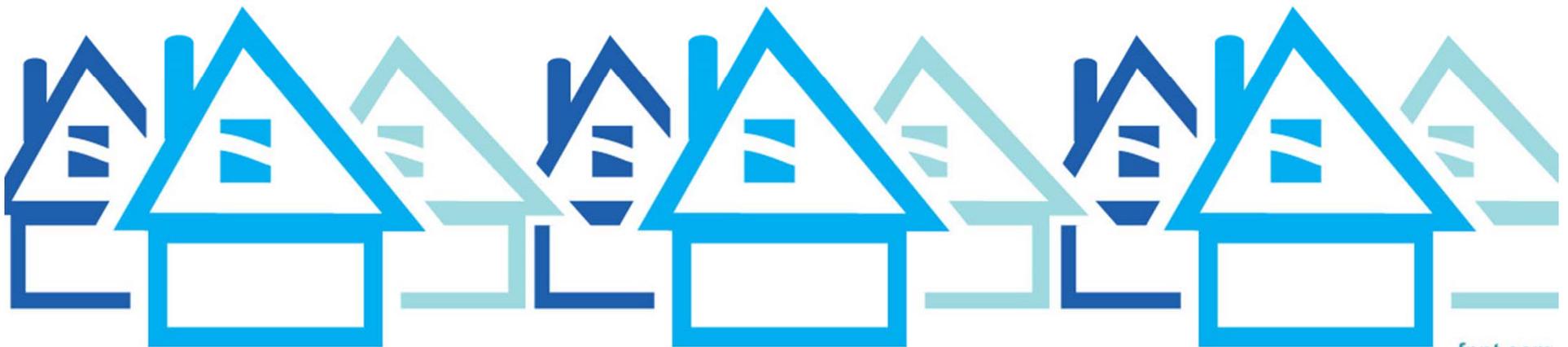
# **HOUSING IMPROVEMENT AREA (HIA)**

**March 31, 2015  
6:30 pm**



# What is a Housing Improvement Area (HIA)?

- A defined area within the City where improvements to townhome/condo Associations are made
- Provides loans for Associations unable to obtain private financing for necessary improvements
- Minnesota State Statute 428A.11 – 428A.21



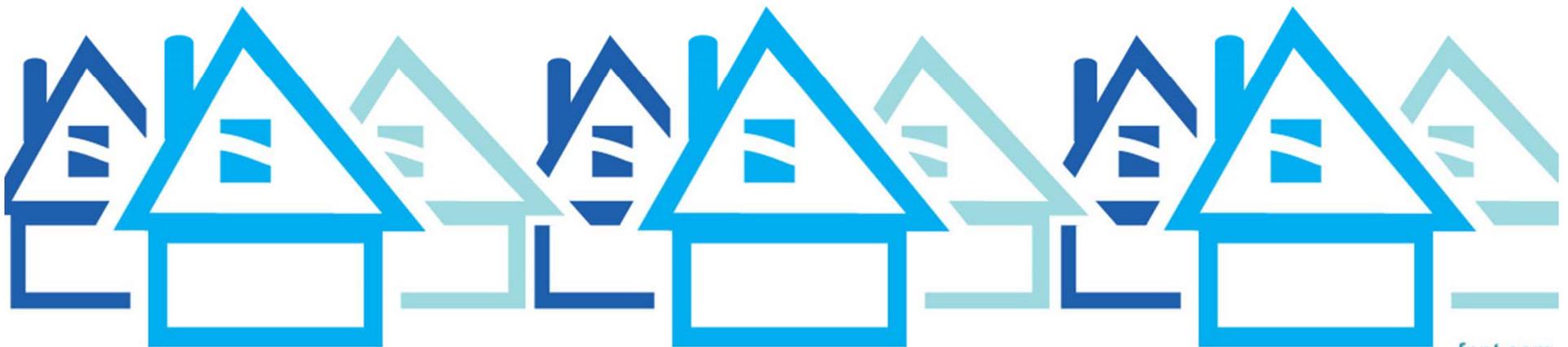
# What is a Housing Improvement Area (HIA)?

- Property owners repay the loan through fees imposed by the HIA and collected with property tax payments over a period of time (typically 10-15 years)
- Improvements are for common areas only



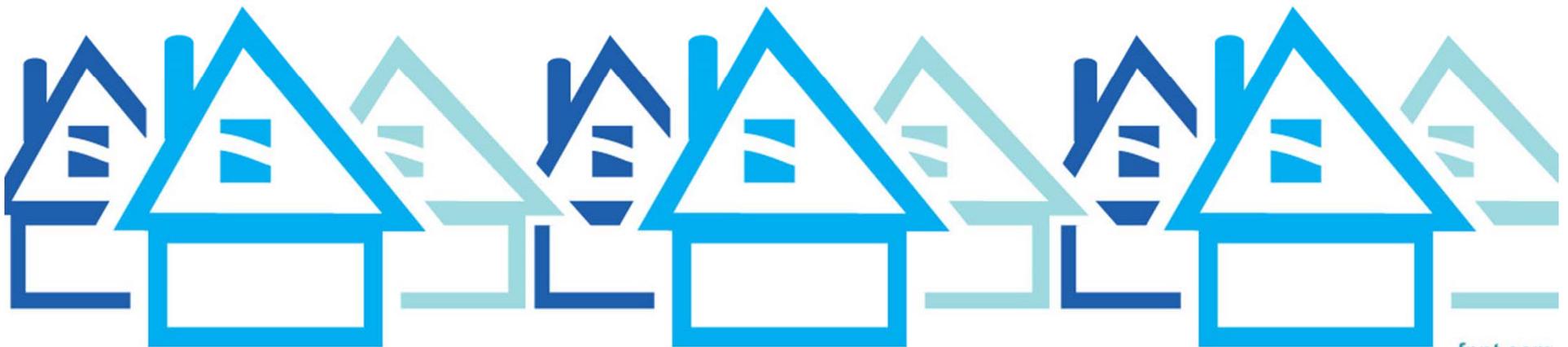
# What Types of Improvements are Eligible?

- Maintenance and capital improvement repairs which are the responsibility of the Association (must be defined by the governing documents)



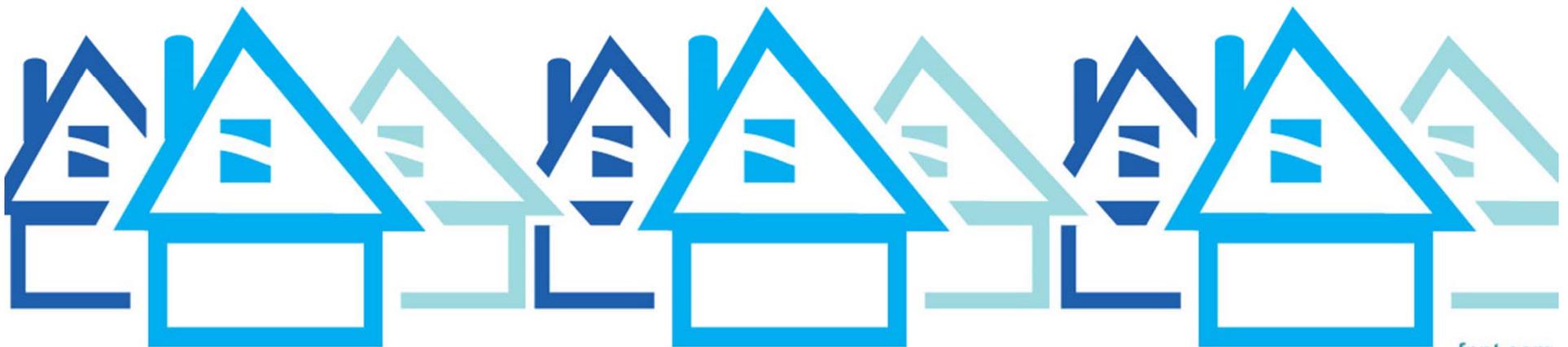
# What Types of Improvements are Eligible?

- Examples of items that may be eligible
  - Windows
  - Siding
  - Roofing
  - Parking lot resurfacing
  - Common entry doors
  - HVAC
  - Elevators



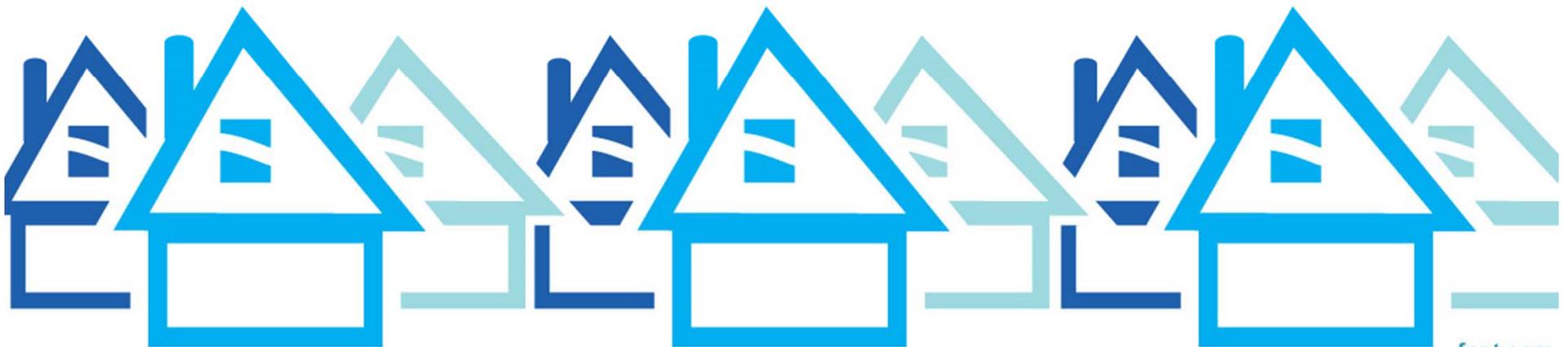
# What Types of Improvements are not Eligible?

- Improvements that are not eligible include items that are the responsibility of individual homeowners



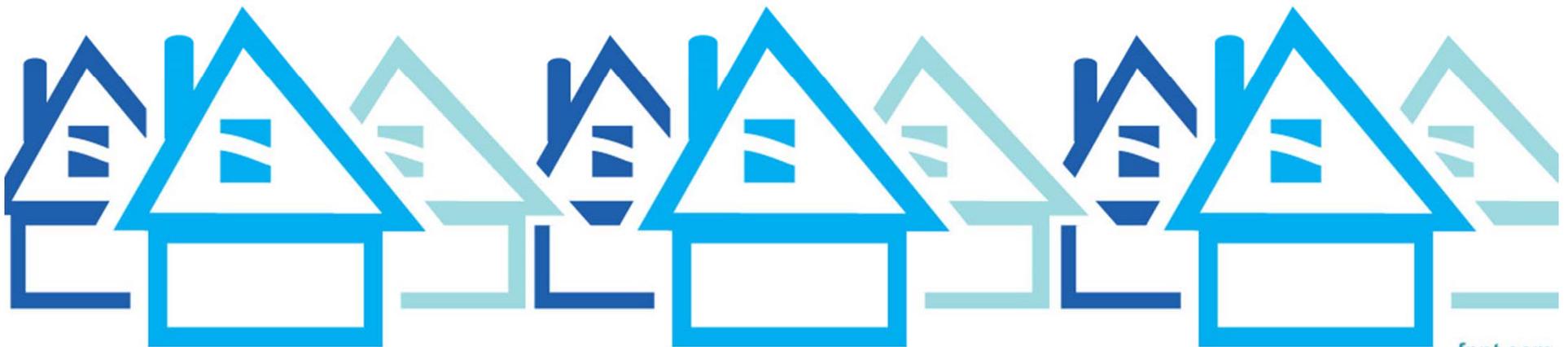
# What to consider for an HIA Designation

- Association membership determines needed improvements
  - Reserve Study
- What are the costs of needed improvements?



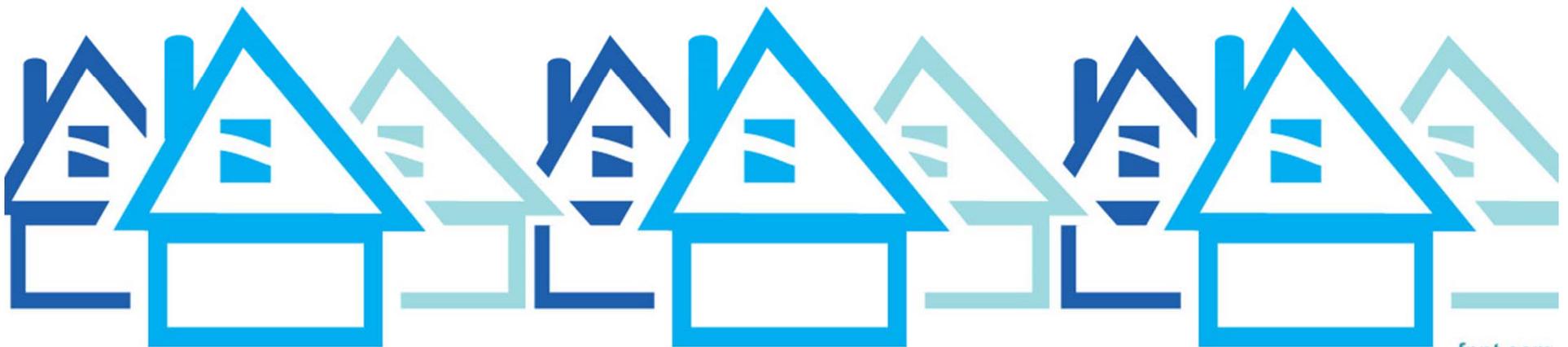
# What to consider for an HIA Designation

- Have we exhausted all means of financing?
- Submit petition with at least 60% of the owners included in the proposed area requesting a Housing Improvement Area designation.



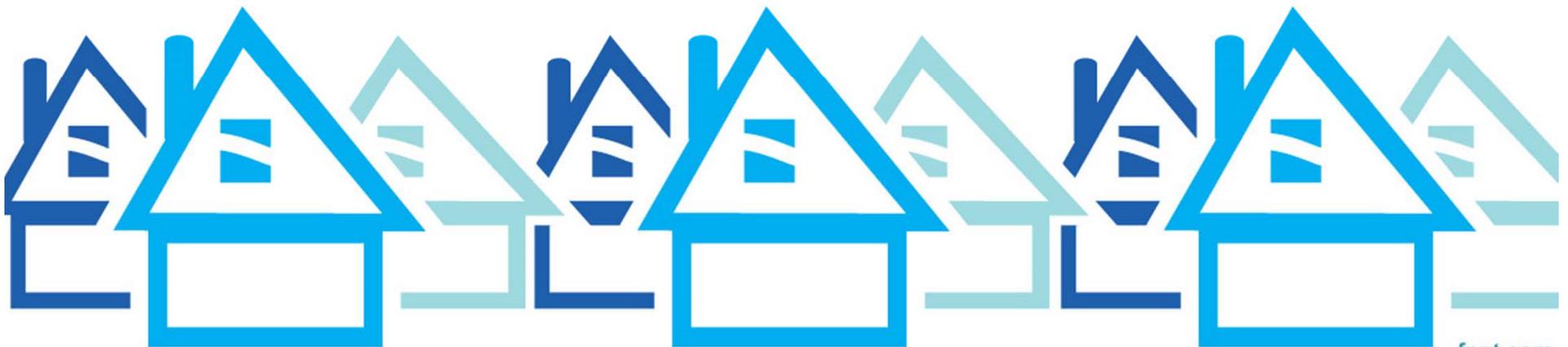
# Process for Establishing an HIA

- Determine level of homeowner support for HIA application
- Submission of application, bylaws, audited financial statements, fee
- Application package due May 15



# Process for Establishing an HIA

- Submission of reserve study
- Provide evidence of no other option for financing improvements
- Submission of project scope
- Receive petition forms from residents



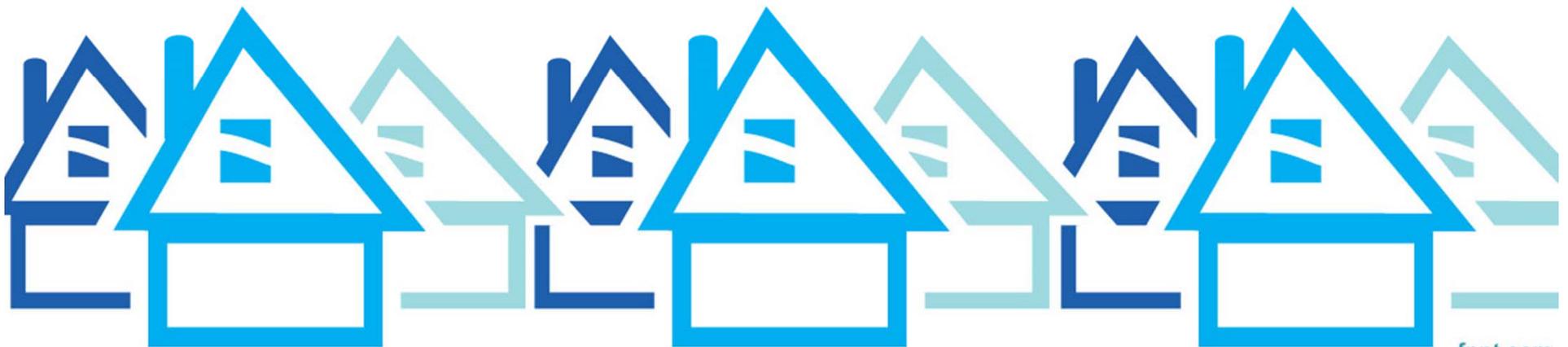
# Process for Establishing an HIA

- Seek competitive bids
- Submit final scope/cost to HRA
- Review draft development agreement
- City Council meeting/public hearing
- Execute development agreement between HRA and Association
- Funds available for rehab



# Key Points

- Petition (60% approval)
- Reserve study
- Public hearing
- Veto period (45 days)
- Fee structure



# Key Points

- How much will each unit be responsible to pay and for how long?
- Minimum project size is \$250,000
- Competitive application process
- Due date for applications
- Visit our website: [www.BloomingtonMN.gov](http://www.BloomingtonMN.gov)



# Questions?

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# Thank You!

