



## **Richfield City Council Agenda**

**January 13, 2026 -- 6:00 PM**

**Richfield Municipal Center  
Bartholomew Conference Room  
6700 Portland Avenue South**

- 1. Call to Order**
- 2. Item Discussion**
  - a. Presentation of a revised housing development proposed by Lupe Development for the American Legion site, 6501 Portland Avenue.**
- 3. Adjournment**

Auxiliary aids for individuals with disabilities are available upon request. Requests must be made at least 96 hours in advance to the City Clerk at 612-861-9739.

Includes Materials - Materials relating to these agenda items can be found in the Council Chambers Agenda Packet book located by the entrance. The complete Council Agenda Packet is available electronically on the City of Richfield website.



**City Council Meeting 1/13/2026**  
**Agenda Section:** Item Discussion  
**Agenda Item:** 2.a.

**Report Prepared By:**

Julie Urban, Assistant Community Development Director  
Melissa Poehlman, Community Development Director  
Sam Crosby, City Planner

**Department Director:**

Melissa Poehlman, Community Development Director

**Item for Consideration:**

**Presentation of a revised housing development proposed by Lupe Development for the American Legion site, 6501 Portland Avenue.**

**EXECUTIVE SUMMARY**

On June 10, 2025, Lupe Development (Developer) presented a development concept for the American Legion site, 6501 Portland Avenue, at a joint work session. The development concept included two phases. Phase I proposed a 6-story, 177-unit affordable building with 129 parking spaces and Phase 2 proposed a 5-story, 152-unit affordable senior building with 98 parking spaces. The overall development concept included 329 units with a parking ratio of 0.69 spaces per unit.

Policymakers shared concerns about the amount of parking proposed and the potential spillover into parking lots at Vets Park, the height and mass of the buildings, a fully income-restricted development, the relationship of the buildings to Portland Avenue, and pedestrian connections from Portland Avenue and throughout the site.

Several questions were also raised, including what impact the project might have on City infrastructure, how the project could accommodate a future roadway to the south, if a commercial component was considered, and whether park land along Portland Avenue to the north could be "swapped" with part of the development site.

The Developer has made revisions to the plans, lowering the building height to the five stories allowed by the Zoning Code, adding step backs, and increasing the overall parking ratio to 1.07 spaces per unit (note that this parking would be reduced by accommodation of the Code-required north-south roadway connection). The total number of housing units has been reduced to 296 (136 units in Phase I and 160 units in Phase 2). The office and activity areas of the senior building have been moved to the Portland Avenue side of the building.

The Developer requested a second work session to focus exclusively on the site and building design (land use requirements). The Zoning Code provides for Council flexibility without a variance on some items (parking, step backs, green space buffering) and based on the Developer's submittal, variances are also anticipated (EV charging requirements, accommodation for a future north-south roadway connection, and potentially more). Typically, this level of project design review is addressed at a staff level through the land use entitlement process. Work sessions are opportunities for

policymakers to provide general feedback on a development concept to help guide the design review process. The Developer is requesting additional Council direction on items over which they have flexibility, and design concerns raised at the June work session. Additional details from staff's review of the revised plans are provided in Attachment A; however, many of these items still require additional study.

The Developer is asking that discussion of the project's financial viability and affordability levels wait to take place until after design parameters are identified. They are, however, asking policymakers to consider resolutions of support for upcoming, non-City funding applications. Because several of the applications require specific information about a project's affordability, staff would not recommend that the policymakers support applications until further clarity is provided and affordability and tax-base implications have been considered.

While a request for land use entitlements alone allows for limited discretion by the Council, a request for partnership with the City through infrastructure cost-sharing, HRA financial assistance, or in-kind assistance through staff time to apply for and administer grant funding, allows for the highest levels of discretion.

### **RECOMMENDED ACTION**

No formal action is to be taken. However, policymakers should consider the revised proposal and provide feedback, especially on the following questions:

#### **1. The Zoning Code allows for Council flexibility without a variance in some areas. Does the revised plan warrant Council flexibility?**

- Lower parking ratio;
- One missing building step back (south wall of east building); and
- Parking in green buffer space adjacent to the park.

#### **2. Does the proposed affordability levels of, "80% of each building being at or below 60% Area Median Income (AMI) with the remaining 20% to be determined pending further design review and financing," address the Housing and Redevelopment Authority's (HRA's) concern that the project not be 100% income-restricted?**

#### **3. Does the project design meet the HRA's expectations for funding consideration?**

#### **4. Are Council and HRA members willing to consider resolutions of support for funding applications at this time, given the lack of specificity regarding the project's affordability and tax-base implications?**

### **HISTORICAL CONTEXT**

- The American Legion site was first proposed for redevelopment in 2020. Recognizing the value of the site to Veterans Memorial Park to the community as a whole, the City Council adopted the Veterans Park Area Overlay Zoning District (Overlay District) for the Legion site and other properties located in and around Vets Park.

- The Legion originally proposed to redevelop the site itself as a "Veterans Village," including Legion offices, a restaurant, banquet space, and 180 units of rental housing. Unable to obtain financing for the proposal, the Legion began marketing the property for sale in 2024.
- In December of 2024, MSP Commercial, in cooperation with Lupe Development (Developer), purchased the property. The Developer presented a development concept at a work session on June 10, 2025. The concept included 329 units in a two-phased housing development. Phase I included 177 units of family housing with a mix of bedroom sizes (studio to four bedrooms). Phase II included 152 units of senior housing. Proposed housing affordability levels were between 30% and 80% of the AMI with an average just under 60% AMI.
- In June 2025, the Metropolitan Council awarded a TBRA-SEED grant to the City on behalf of the Developer for environmental investigations of the Legion site. The City entered into a Subgrantee Agreement with the Developer in August 2025. The City supported the TBRA-SEED grant application because the program did not require a specific development project to be associated with the application.
- In July, the Developer offered to provide policymakers tours of an income-restricted senior building they developed in Edina.

## **EQUITABLE OR STRATEGIC CONSIDERATIONS OR IMPACTS**

- Redevelopment of the Legion site offers the opportunity to diversify the City's tax base, as envisioned by the Strategic Plan; however, any units restricted to households earning less than 60% AMI will qualify for 4(d) tax status, which taxes qualified affordable units at a reduced tax class rate of 0.25%. Market rate multifamily units have a regular tax class rate of 1.25%.
- The Strategic Plan also seeks to maintain Richfield as an affordable place to live, and the proposed plan offers a range of affordability levels and includes larger units for families and units specific to seniors.

## **POLICIES (RESOLUTIONS, ORDINANCES, REGULATIONS, STATUTES, ETC.)**

- The 2040 Richfield Comprehensive Plan recognizes Veterans Memorial Park as one of the City's premier destinations and envisions ways to strengthen development in the area.
- The property is zoned MR-3 and guided high-density residential and is also subject to the Veterans Park Area (VPA) Overlay Zoning District.
- A "swap" of development and park land was not considered feasible by either the Recreation Department or the Developer.
- The Developer is also asking for Council feedback regarding stormwater management requirements. However, the site is located within the Minnehaha Creek Watershed District, and while administered by the City, the requirements are those of the District and not subject to Council discretion.
- Additional details related to Code compliance can be found in Attachment A.

## **CRITICAL TIMING ISSUES**

The request for Council support of enabling resolutions and applications for grant

funding will have deadlines throughout 2026.

**FINANCIAL IMPACT**

- The Developer has not requested any financial assistance at this time, but the Developer's Attorney states in the attached letter that they will be fully prepared to discuss the Affordable Housing Trust Fund and tax increment financing following final design approval.
- High density development cannot occur on the site without improvements to the current sanitary sewer system. The cost for increasing capacity could be borne by the City, by the development, or through a cost-sharing agreement.
- Affordable housing that receives financial assistance will qualify for a reduced 4(d) tax classification. A City Council / HRA work session to discuss the impact of the 4(d) tax classification on the City's tax capacity and potential policy considerations is scheduled for February 17.

**LEGAL CONSIDERATIONS**

- The project's affordability is not a criterion the City Council can use to approve or deny land use entitlements.
- When determining whether to adopt resolutions of support and/or agree to apply for grant funding, the City Council / HRA can request information regarding the project's affordability and assess whether a project furthers City goals and policies.
- The HRA has discretion over the use of financial assistance and can and should consider affordability when considering the use of any public funding.

**ALTERNATIVE RECOMMENDATION(S)**

NA

**ATTACHMENTS**

1. MSP-Lupe Richfield, LLC - Richfield - LT to M. Poehlman, Comm Dev Director, and J. Urban, Asst Comm Dev Director 2025.12.01
2. 011316 - 6501 Portland Avenue Development\_Lupe PDG
3. 011326 - Lupe Market Study Key Notes
4. Code Compliance Details

December 1, 2025

City of Richfield  
Attn: Melissa Poehlman, Community Development Director  
6700 Portland Avenue  
Richfield, MN 55423

**VIA EMAIL**

mpoehlman@richfieldmn.gov

City of Richfield  
Attn: Julie Urban, Assistant Community Development Director  
6700 Portland Avenue  
Richfield, MN 55423

**VIA EMAIL**

jurban@richfieldmn.gov

Re: MSP Lupe Richfield, LLC – Request for City Council Work Session Review

Dear Ms. Poehlman and Ms. Urban:

Our firm represents MSP Lupe Richfield, LLC (“Lupe”) with respect to its proposed multi-family project (“Project”) located at 6501 Portland Avenue South, Richfield, MN 55423. On behalf of Lupe, we respectfully request that the City Council schedule the Project for its January 13, 2025 work session to review the updated concept plan, foster collaboration, and align on the design elements critical to timely approvals. We believe a focused work session will help resolve design-dependent variables, clarify the City’s expectations, and position the Project for success. We appreciate the comments and suggestions of City staff to this point and are committed to continued collaboration with City staff and the Council to address any ongoing concerns. As such, we write to outline the items we would like to address to chart a clear path forward.

### **Financial Need**

A revised pro forma cannot be finalized until the Project’s design-dependent costs are known. Key cost drivers remain contingent on City Council discretionary determinations, including (i) step-back requirements, which effects unit bedroom design; (ii) parking counts and associated stall configuration; and (iii) stormwater management requirements. Until those design parameters are identified, any financial model would be preliminary and subject to substantial revision. A work session will provide valuable guidance on these elements and allow the Lupe team to develop an accurate financial model.

### **Affordability and Grant Funding**

The current proposal provides that 80% of each building will be restricted at 60% area median income (AMI), with the remaining 20% to be determined based on design and financing outcomes. We request that the work session proceed on this basis so that design can advance in parallel with financing.

To explore non-City financial support, we respectfully request that the City Council consider taking the following enabling actions to facilitate the Project and related applications:

- Adoption of enabling resolutions for Housing Revenue Bonds;
- Authorization to apply for Metropolitan Council Livable Communities Demonstration Account (LCDA) grant funding;
- Authorization to apply for Hennepin County Environmental Response Fund (ERF) grant funding; and
- Authorization to apply for Department of Employment and Economic grant funding.

These items do not carry a cost for the City, but will require action from the City Council to facilitate. Pursuing funding from these sources, with enabling action from the City Council, will give greater certainty to the ultimate Project costs. We are happy to discuss the need for these actions in more detail at the requested work session.

### **City Financial Assistance**

We acknowledge that potential financial assistance from the City of Richfield—specifically the Affordable Housing Trust Fund and Tax Increment Financing—have been identified as tools that could be applicable to the Project. Consistent with prior discussions, we will submit formal requests for such assistance after final design review, when the design-dependent cost elements are sufficiently defined to finalize Project costs and needs. We are fully prepared to discuss Affordable Housing Trust Fund and Tax Increment Financing considerations following final design approval.

### **Next Steps**

To efficiently achieve an agreeable design, we request that the work session proceed on the basis of 80% of each building being at or below 60% AMI, with 20% undetermined pending further design review and financing. We are prepared to submit an updated site plan and attend a City Council work session as soon as possible to receive design feedback. We believe scheduling a work session as soon as possible will allow finalization of the design elements (including step-back, parking, and stormwater parameters) necessary to fix project costs and complete the revised pro forma. We would be willing to come back for a third work session to discuss the Affordable Housing Trust Fund and Tax Increment Financing considerations once we have an approved final design with ascertainable costs.

We appreciate the City's continued collaboration and stand ready to coordinate scheduling and materials for the working group. Please let us know as soon as you can confirm that the Project is scheduled for the January 13<sup>th</sup>, 2026 work session.

Sincerely,



Jacob W. Steen, for  
Larkin Hoffman

Direct Dial: 952-896-3239  
Direct Fax: 952-842-1738  
Email: [jsteen@larkinhoffman.com](mailto:jsteen@larkinhoffman.com)

cc: Steve Minn (via email - [Steve.Minn@lupedevelopment.com](mailto:Steve.Minn@lupedevelopment.com))  
Mary D. Tietjen (via email – [mtietjen@kennedy-graven.com](mailto:mtietjen@kennedy-graven.com))

4897-7491-2889, v. 2

# AMERICAN LEGION SITE

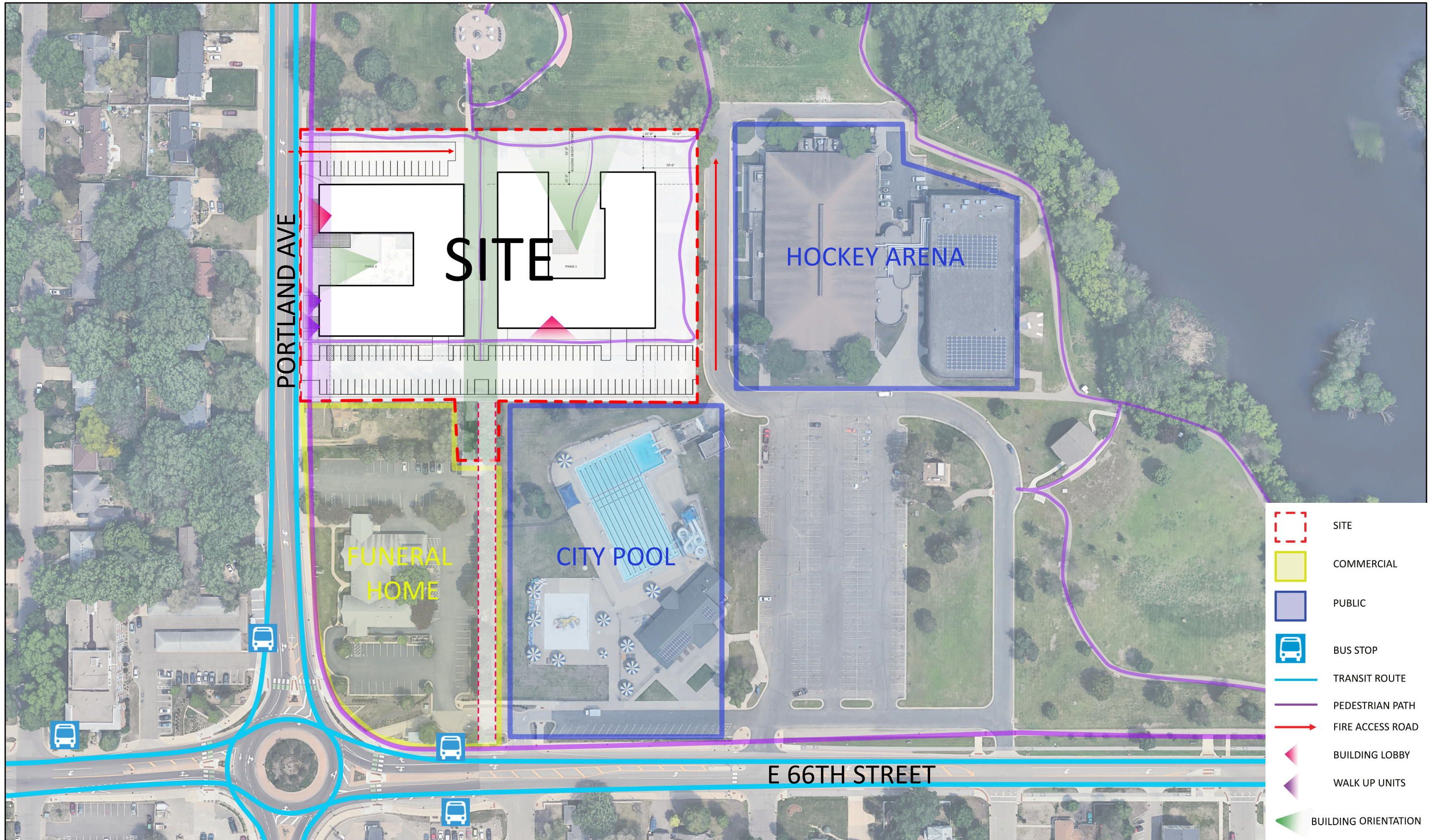
Affordable Housing Development  
6501 Portland Avenue South



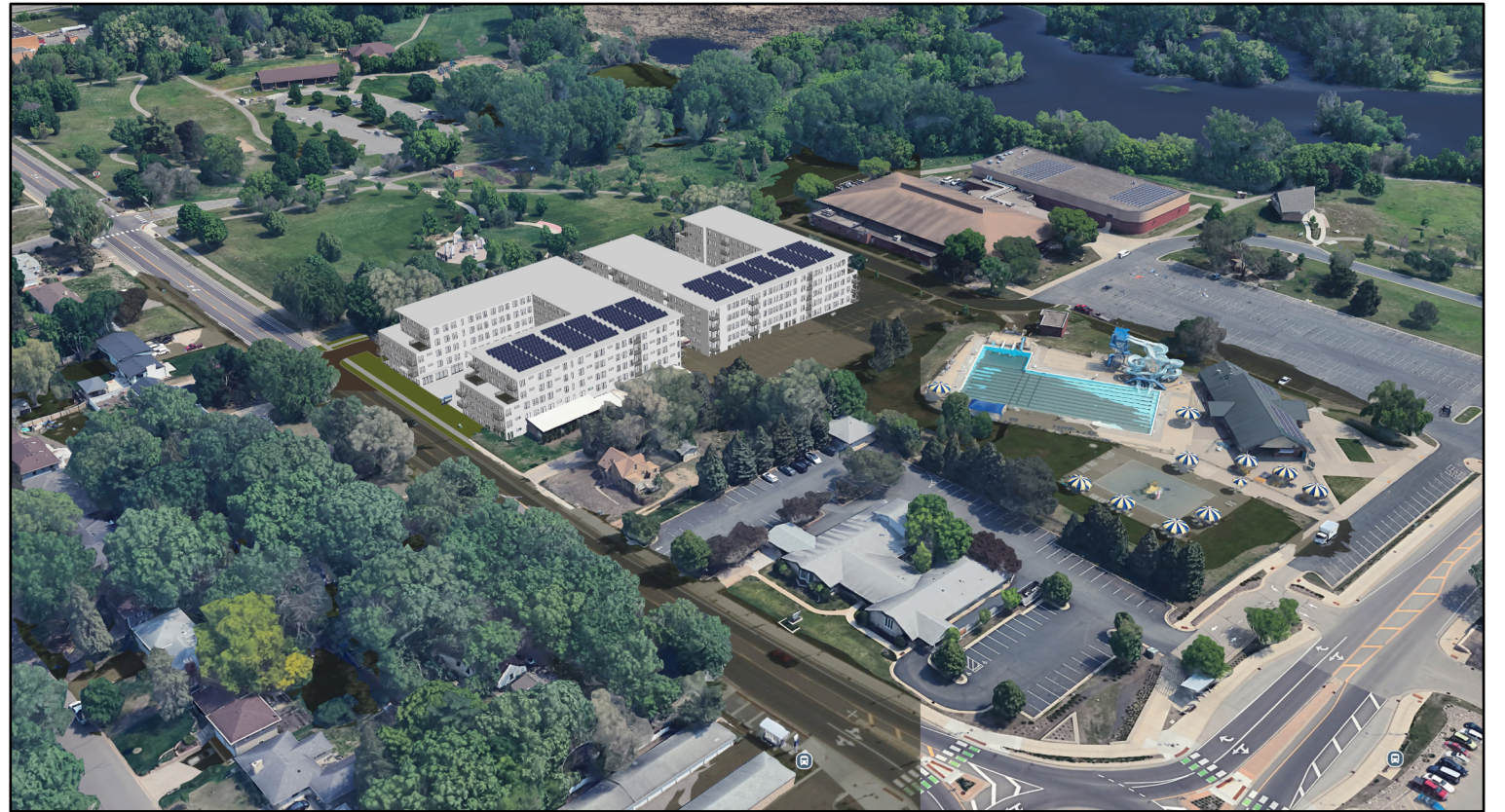


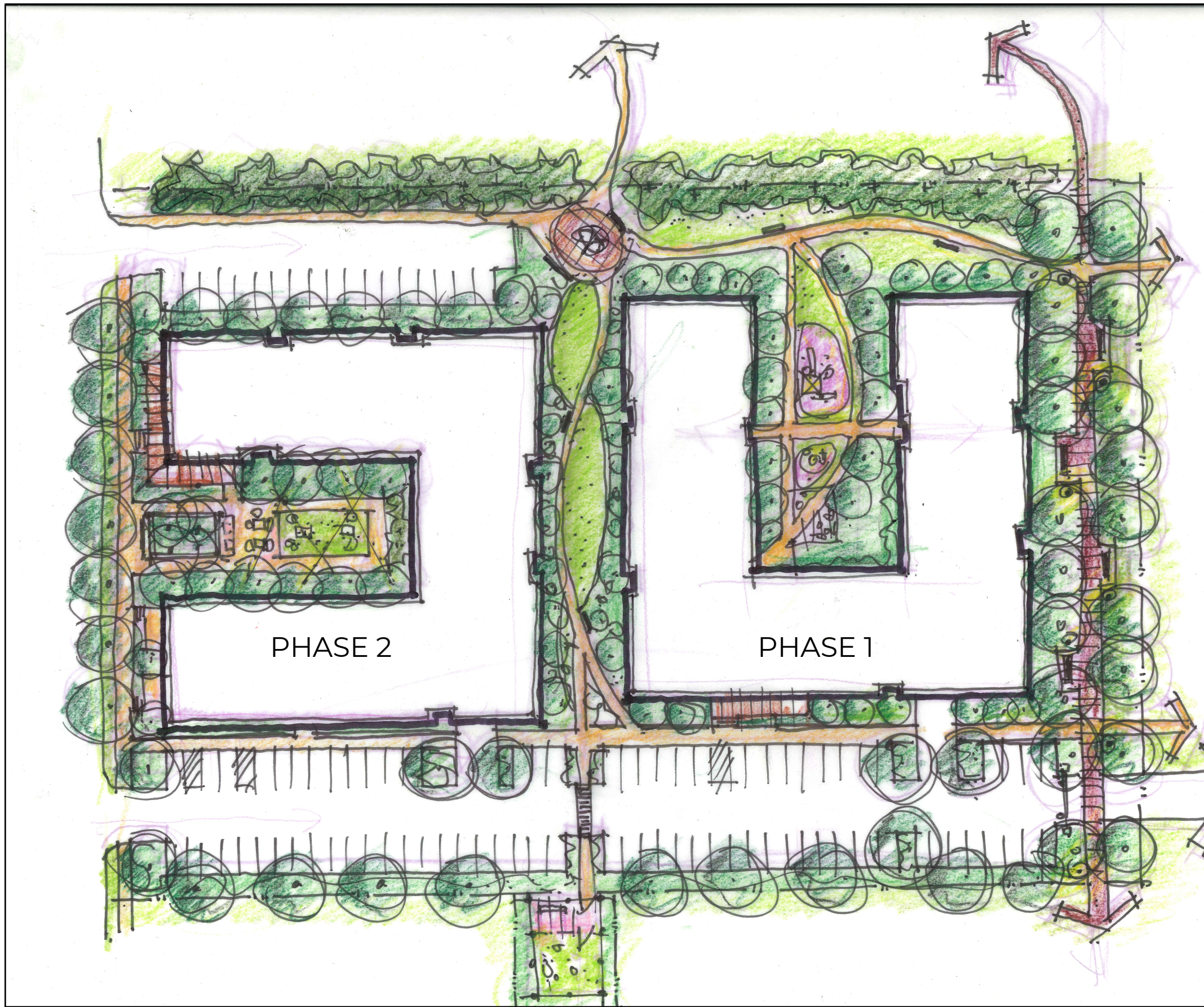






- SITE
- COMMERCIAL
- PUBLIC
- BUS BUS STOP
- TRANSIT ROUTE
- PEDESTRIAN PATH
- FIRE ACCESS ROAD
- BUILDING LOBBY
- WALK UP UNITS
- BUILDING ORIENTATION





| ZONING DATA   |  |
|---|--|
| <b>LOT AREA</b>   |  |
| Parcel  | 4.16 Acres (181,044.26 SF)   |
| Zoning District   | High-density residential (MR-3)  |
| Overlay   | Veteran's Park area overlay  |
| <b>Building Setbacks</b>  |  |
| Front   | 15'-0" min, 25'-0" max   |
| Side  | 30' or the height of the building, whichever is greater  |
| Rear  | 35'-0" or the height of the building, whichever is greater                                     |
| <i>Side and rear setbacks adjacent to Veteran's Park shall prioritize greenscape.</i> |  |
| Minimum Lot Coverage:   | 40% (principal structure)  |
| Height  | 20' min, 55' max (or 5 stories, whichever is less) measured from average grade plane elevation |
| Useable Open Space  | 15% of parcel area<br>Total Required: 27,197 SF<br>Total Provided: 65,010 SF                   |

### KEY

- 1 - PARK CONNECTION
- 2 - WALK UP UNIT PATIOS
- 3 - PICKLEBALL COURT
- 4 - PLAY AREA
- 5 - AMENITY PATIO
- 6 - COMMUNITY GARDEN
- 7 - PET RELIEF AREA



GROUND LEVEL  
1" = 30'-0"

### ZONING CODE DATA

**LOT COVERAGE**  
 PRIMARY STRUCTURE: 58,599 SF  
 TOTAL LOT AREA: 181,315 SF  
 MAX LOT COVERAGE: 40%  
 COVERAGE: 32%

**USEABLE OPEN SPACE**  
 15% OF PARCEL AREA  
 TOTAL REQUIRED: 27,197 SF  
 TOTAL PROVIDED: 65,010 SF

**PARKING REQUIREMENTS**  
 REDUCTION FOR 60% AMI UNITS  
 TOTAL UNITS: 296  
 80% OF UNITS AT 60% AMI = 237 UNITS  
 237 UNITS @ 1:1 RATIO = 237 SPACES  
 59 UNITS @ 1:1.25 RATIO = 74 SPACES  
 311 SPACES

TRANSIT REDUCTION (10%) = 280 SPACES  
 PARKING REQUIRED = 280 SPACES

**LANDSCAPED PARKING AREA**  
 PARKING LOT AREA: 37,690 SF  
 LANDSCAPED ISLAND AREA REQUIRED: 1,885 SF  
 LANDSCAPED ISLAND AREA PROVIDED: 1,937 SF

### FAMILY

| UNIT ANALYSIS - EAST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 31       | 22.8%      |
| 2 BED                | 48       | 35.3%      |
| 3 BED                | 39       | 28.7%      |
| 4 BED                | 8        | 5.9%       |
| Studio               | 10       | 7.4%       |
|                      | 136      | 100.0%     |

| SURFACE PARKING PH1 - FAMILY |       |
|------------------------------|-------|
|                              | Count |
| PH1 UG                       |       |
| 105                          |       |
| PH1                          |       |
| 56                           |       |
| 161                          |       |

RATIO: 1.2

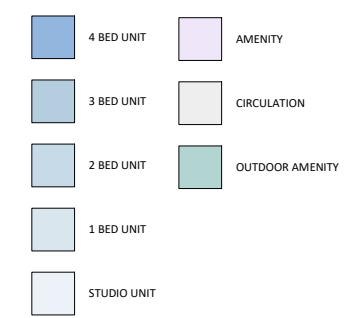
### SENIOR

| UNIT ANALYSIS - WEST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 110      | 68.8%      |
| 2 BED                | 35       | 21.9%      |
| Studio               | 15       | 9.4%       |
|                      | 160      | 100.0%     |

| SURFACE PARKING PH2 - SENIOR |       |
|------------------------------|-------|
|                              | Count |
| PH2 UG                       |       |
| 103                          |       |
| PH2                          |       |
| 53                           |       |
| 156                          |       |

RATIO: 1.0



PLAN KEY

### OVERALL

| OVERALL - UNIT ANALYSIS |          |            |            |
|-------------------------|----------|------------|------------|
| Unit Type               | Quantity | Area       | Percentage |
| 1 BED                   | 141      | 90,675 SF  | 47.6%      |
| 2 BED                   | 83       | 67,831 SF  | 28.0%      |
| 3 BED                   | 39       | 42,998 SF  | 13.2%      |
| 4 BED                   | 8        | 10,266 SF  | 2.7%       |
| Studio                  | 25       | 11,056 SF  | 8.4%       |
|                         | 296      | 222,824 SF | 100.0%     |

| OVERALL BUILDINGS |       |            |
|-------------------|-------|------------|
| Name              | Count | Area       |
| AMENITY           | 3     | 4,950 SF   |
| CIRCULATION / BOH | 41    | 35,898 SF  |
| PARKING           | 2     | 76,379 SF  |
|                   |       | 117,227 SF |

|                    |          |
|--------------------|----------|
| PH 1 - FAMILY: 165 |          |
| PH 2 - SENIOR: 153 |          |
| TOTAL: 318         | MIN. 280 |

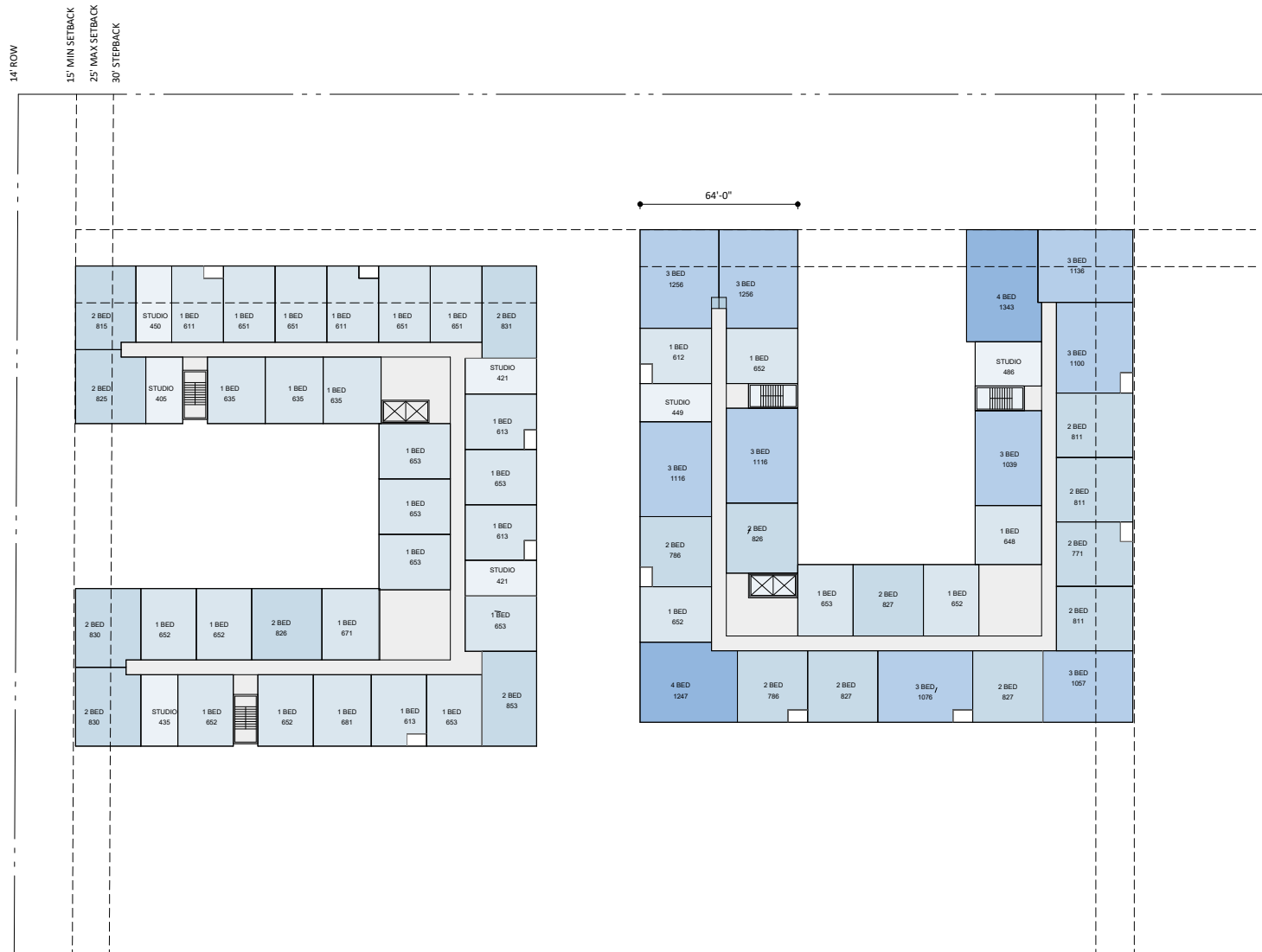
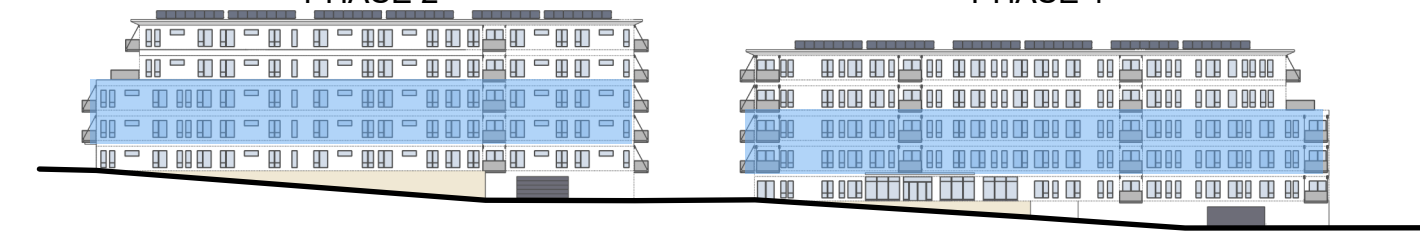


Lupe Development - 6501 Portland Ave. S. | Ground Level  
 RICHFIELD, MN | 12.22.2025 | COMM# 47621-25062



PHASE 2

PHASE 1



SECOND - THIRD LEVEL  
1" = 30'-0"

ZONING CODE DATA

**LOT COVERAGE**  
 PRIMARY STRUCTURE: 56,861 SF  
 TOTAL LOT AREA: 181,315 SF  
 MAX LOT COVERAGE: 40%  
 COVERAGE: 31%

**USEABLE OPEN SPACE**  
 15% OF PARCEL AREA  
 TOTAL REQUIRED: 27,197 SF  
 TOTAL PROVIDED: 36,284 SF

**PARKING REQUIREMENTS**  
 REDUCTION FOR 60% AMI UNITS  
 TOTAL UNITS: 315  
 80% OF UNITS AT 60% AMI = 252 UNITS  
 252 UNITS @ 1:1 RATIO = 252 SPACES  
 63 UNITS @ 1:1.25 RATIO = 79 SPACES  
 331 SPACES

TRANSIT REDUCTION (10%) = 298 SPACES  
 PARKING REQUIRED = 298 SPACES

**LANDSCAPED PARKING AREA**  
 PARKING LOT AREA: 36,247 SF  
 LANDSCAPED ISLAND AREA REQUIRED: 1,812 SF  
 LANDSCAPED ISLAND AREA PROVIDED: 1,981 SF

FAMILY

| UNIT ANALYSIS - EAST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 31       | 22.8%      |
| 2 BED                | 48       | 35.3%      |
| 3 BED                | 39       | 28.7%      |
| 4 BED                | 8        | 5.9%       |
| Studio               | 10       | 7.4%       |
|                      | 136      | 100.0%     |

| SURFACE PARKING PH1 - FAMILY |       |
|------------------------------|-------|
|                              | Count |
| PH1 UG                       |       |
| 105                          |       |
| PH1                          |       |
| 56                           |       |
| 161                          |       |

RATIO: 1.2

SENIOR

| UNIT ANALYSIS - WEST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 110      | 68.8%      |
| 2 BED                | 35       | 21.9%      |
| Studio               | 15       | 9.4%       |
|                      | 160      | 100.0%     |

| SURFACE PARKING PH2 - SENIOR |       |
|------------------------------|-------|
|                              | Count |
| PH2 UG                       |       |
| 103                          |       |
| PH2                          |       |
| 53                           |       |
| 156                          |       |

RATIO: 1.0

OVERALL

| OVERALL - UNIT ANALYSIS |          |            |            |
|-------------------------|----------|------------|------------|
| Unit Type               | Quantity | Area       | Percentage |
| 1 BED                   | 141      | 90,675 SF  | 47.6%      |
| 2 BED                   | 83       | 67,831 SF  | 28.0%      |
| 3 BED                   | 39       | 42,998 SF  | 13.2%      |
| 4 BED                   | 8        | 10,266 SF  | 2.7%       |
| Studio                  | 25       | 11,056 SF  | 8.4%       |
|                         | 296      | 222,824 SF | 100.0%     |

| OVERALL BUILDINGS |       |            |
|-------------------|-------|------------|
| Name              | Count | Area       |
| AMENITY           | 3     | 4,950 SF   |
| CIRCULATION / BOH | 41    | 35,898 SF  |
| PARKING           | 2     | 76,379 SF  |
|                   |       | 117,227 SF |

|                    |          |
|--------------------|----------|
| PH 1 - FAMILY: 165 |          |
| PH 2 - SENIOR: 153 |          |
| TOTAL: 318         | MIN. 280 |



PLAN KEY

PHASE 2

PHASE 1



ZONING CODE DATA

**LOT COVERAGE**  
 PRIMARY STRUCTURE: 56,861 SF  
 TOTAL LOT AREA: 181,315 SF  
 MAX LOT COVERAGE: 40%  
 COVERAGE: 31%

**USEABLE OPEN SPACE**  
 15% OF PARCEL AREA  
 TOTAL REQUIRED: 27,197 SF  
 TOTAL PROVIDED: 36,284 SF

**PARKING REQUIREMENTS**  
 REDUCTION FOR 60% AMI UNITS  
 TOTAL UNITS: 315  
 80% OF UNITS AT 60% AMI = 252 UNITS  
 252 UNITS @ 1:1 RATIO = 252 SPACES  
 63 UNITS @ 1:1.25 RATIO = 79 SPACES  
 331 SPACES

TRANSIT REDUCTION (10%) = 298 SPACES  
 PARKING REQUIRED = 298 SPACES

**LANDSCAPED PARKING AREA**  
 PARKING LOT AREA: 36,247 SF  
 LANDSCAPED ISLAND AREA REQUIRED: 1,812 SF  
 LANDSCAPED ISLAND AREA PROVIDED: 1,981 SF

FAMILY

| UNIT ANALYSIS - EAST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 31       | 22.8%      |
| 2 BED                | 48       | 35.3%      |
| 3 BED                | 39       | 28.7%      |
| 4 BED                | 8        | 5.9%       |
| Studio               | 10       | 7.4%       |
|                      | 136      | 100.0%     |

| SURFACE PARKING PH1 - FAMILY |       |
|------------------------------|-------|
|                              | Count |
| PH1 UG                       |       |
| 105                          |       |
| PH1                          |       |
| 56                           |       |
| 161                          |       |

RATIO: 1.2

SENIOR

| UNIT ANALYSIS - WEST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 110      | 68.8%      |
| 2 BED                | 35       | 21.9%      |
| Studio               | 15       | 9.4%       |
|                      | 160      | 100.0%     |

| SURFACE PARKING PH2 - SENIOR |       |
|------------------------------|-------|
|                              | Count |
| PH2 UG                       |       |
| 103                          |       |
| PH2                          |       |
| 53                           |       |
| 156                          |       |

RATIO: 1.0

OVERALL

| OVERALL - UNIT ANALYSIS |          |            |            |
|-------------------------|----------|------------|------------|
| Unit Type               | Quantity | Area       | Percentage |
| 1 BED                   | 141      | 90,675 SF  | 47.6%      |
| 2 BED                   | 83       | 67,831 SF  | 28.0%      |
| 3 BED                   | 39       | 42,998 SF  | 13.2%      |
| 4 BED                   | 8        | 10,266 SF  | 2.7%       |
| Studio                  | 25       | 11,056 SF  | 8.4%       |
|                         | 296      | 222,824 SF | 100.0%     |

| OVERALL BUILDINGS |       |            |
|-------------------|-------|------------|
| Name              | Count | Area       |
| AMENITY           | 3     | 4,950 SF   |
| CIRCULATION / BOH | 41    | 35,898 SF  |
| PARKING           | 2     | 76,379 SF  |
|                   |       | 117,227 SF |

PH 1 - FAMILY: 165  
 PH 2 - SENIOR: 153

TOTAL: 318 MIN. 280

15' BUILDING  
 STEPBACK AT  
 LEVELS 4 & 5

15' BUILDING  
 STEPBACK AT  
 LEVELS 4& 5



FOURTH - FIFTH LEVEL

1" = 30'-0"

PLAN KEY



### ZONING CODE DATA

**LOT COVERAGE**  
 PRIMARY STRUCTURE: 56,861 SF  
 TOTAL LOT AREA: 181,315 SF  
 MAX LOT COVERAGE: 40%  
 COVERAGE: 31%

**USEABLE OPEN SPACE**  
 15% OF PARCEL AREA  
 TOTAL REQUIRED: 27,197 SF  
 TOTAL PROVIDED: 36,284 SF

**PARKING REQUIREMENTS**  
 REDUCTION FOR 60% AMI UNITS  
 TOTAL UNITS: 315  
 80% OF UNITS AT 60% AMI = 252 UNITS  
 252 UNITS @ 1:1 RATIO = 252 SPACES  
 63 UNITS @ 1:1.25 RATIO = 79 SPACES  
 331 SPACES

TRANSIT REDUCTION (10%) = 298 SPACES  
 PARKING REQUIRED = 298 SPACES

**LANDSCAPED PARKING AREA**  
 PARKING LOT AREA: 36,247 SF  
 LANDSCAPED ISLAND AREA REQUIRED: 1,812 SF  
 LANDSCAPED ISLAND AREA PROVIDED: 1,981 SF

### FAMILY

| UNIT ANALYSIS - EAST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 31       | 22.8%      |
| 2 BED                | 48       | 35.3%      |
| 3 BED                | 39       | 28.7%      |
| 4 BED                | 8        | 5.9%       |
| Studio               | 10       | 7.4%       |
|                      | 136      | 100.0%     |

| SURFACE PARKING PH1 - FAMILY |  |
|------------------------------|--|
| Count                        |  |
| PH1 UG                       |  |
| 105                          |  |
| PH1                          |  |
| 56                           |  |
| 161                          |  |

RATIO: 1.2

### SENIOR

| UNIT ANALYSIS - WEST |          |            |
|----------------------|----------|------------|
| Unit Type            | Quantity | Percentage |
| 1 BED                | 110      | 68.8%      |
| 2 BED                | 35       | 21.9%      |
| Studio               | 15       | 9.4%       |
|                      | 160      | 100.0%     |

| SURFACE PARKING PH2 - SENIOR |  |
|------------------------------|--|
| Count                        |  |
| PH2 UG                       |  |
| 103                          |  |
| PH2                          |  |
| 53                           |  |
| 156                          |  |

RATIO: 1.0

### OVERALL

| OVERALL - UNIT ANALYSIS |          |            |            |
|-------------------------|----------|------------|------------|
| Unit Type               | Quantity | Area       | Percentage |
| 1 BED                   | 141      | 90,675 SF  | 47.6%      |
| 2 BED                   | 83       | 67,831 SF  | 28.0%      |
| 3 BED                   | 39       | 42,998 SF  | 13.2%      |
| 4 BED                   | 8        | 10,266 SF  | 2.7%       |
| Studio                  | 25       | 11,056 SF  | 8.4%       |
|                         | 296      | 222,824 SF | 100.0%     |

| OVERALL BUILDINGS |       |            |
|-------------------|-------|------------|
| Name              | Count | Area       |
| AMENITY           | 3     | 4,950 SF   |
| CIRCULATION / BOH | 41    | 35,898 SF  |
| PARKING           | 2     | 76,379 SF  |
|                   |       | 117,227 SF |

|                    |          |
|--------------------|----------|
| PH 1 - FAMILY: 165 |          |
| PH 2 - SENIOR: 153 |          |
| TOTAL: 318         | MIN. 280 |

**PARKING**  
 1" = 30'-0"



Lupe Development - 6501 Portland Ave. S. | Parking  
 RICHFIELD, MN | 12.22.2025 | COMM# 47621-25062







# INVER GROVE AFFORDABLE HOUSING

ADDRESS  
ADDRESS  
RICHFIELD, MN

**BKBM** Structural & Civil Engineers  
6120 Earle Brown Drive  
Suite 700 Minneapolis, MN 55430  
Phone: 763.843.0420  
bkbm.com

© 2025 BKBM Engineers  
Bakke Kopp Balou & McFarlin, Inc.  
All rights reserved. This document is an instrument of service and is the property of BKBM Engineers and may not be used or copied without prior written consent.

BKBM Project No. 26176.5

**NOT FOR CONSTRUCTION**

| Revisions |             |      |
|-----------|-------------|------|
| No.       | Description | Date |
|           |             |      |

I hereby certify that this plan, specification or report was prepared by me or under my direct supervision and that I am a duly Licensed Professional Engineer under the laws of the state of Minnesota.

Date:      Licensee:      Lic. No. 12345

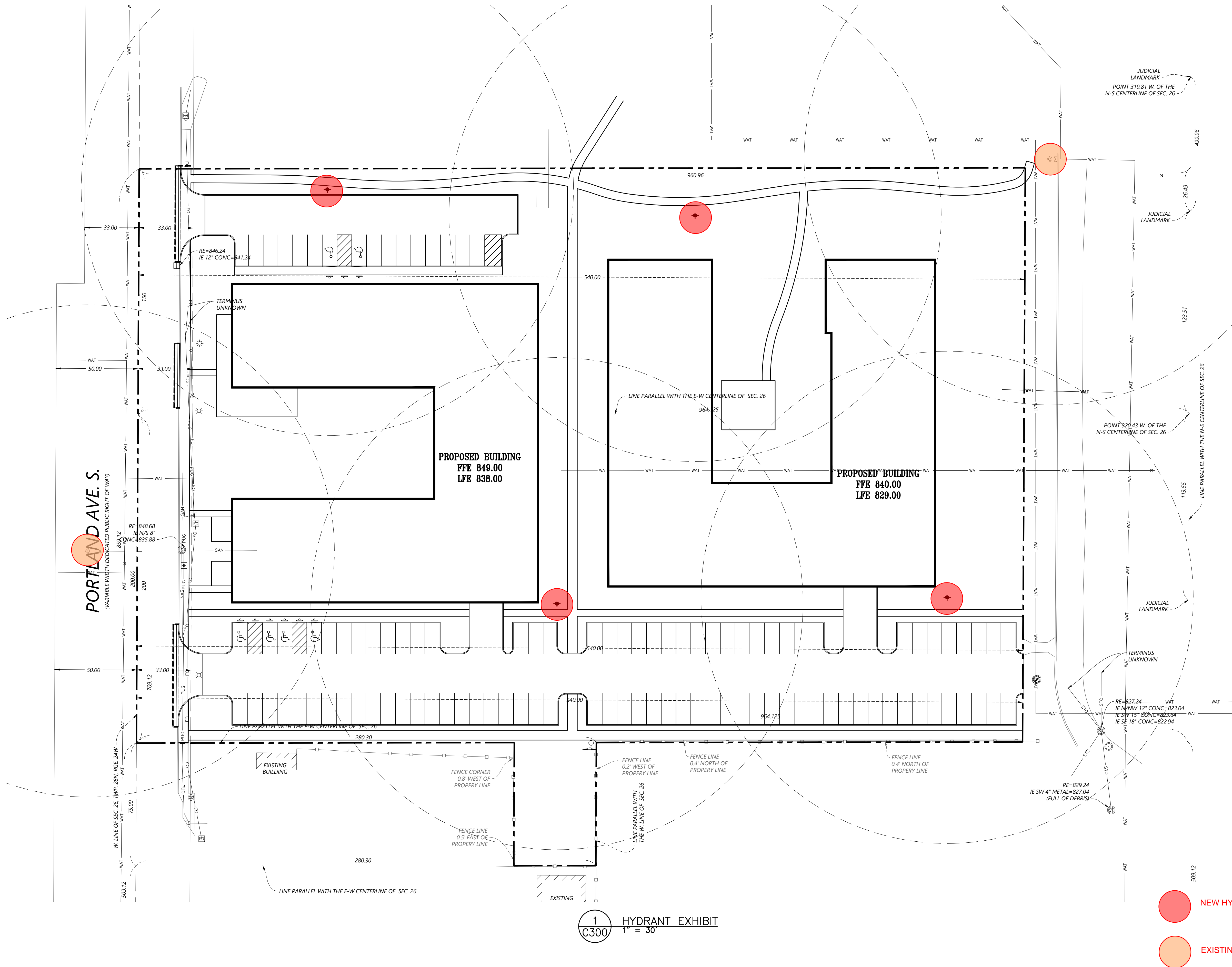
DATE:      XXXXXXXX  
PROJECT #:      16176.5  
PROJECT STATUS:      SD

DRAWN BY:      WH  
CHECKED BY:      C by

KEY PLAN

**HYDRANT EXHIBIT**

**C300**

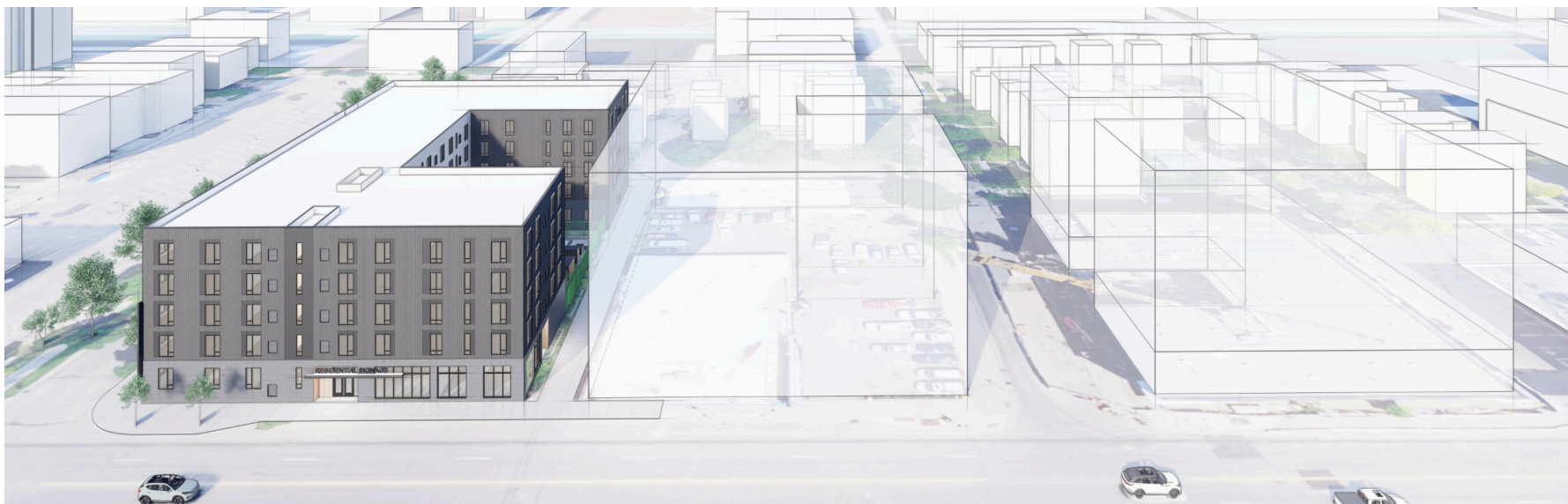




### Snelling Yards Affordable Housing & the Hillock (Minneapolis, MN)

- Intergenerational campus offering 195 total units of affordable housing.
- Brings much-needed affordable housing to the neighborhood, and bridges this need by accommodating various demographics including aging seniors, entry-level workers, and families.
- Close proximity to transit, jobs, retail and services.

Parking Stalls: 111 stalls, 0.56 ratio



### 550 W. Lake Street Apartments, AKA the Lakefield (Minneapolis, MN)

- Project brings 110 total units of affordable housing to Minneapolis' Lyn-Lake neighborhood as part of broader mixed-income housing campus.
- Close proximity to transit, jobs, retail and services.

Parking Stalls: 62 stalls, 0.56 ratio



### The Flats at Malcolm Yards (Minneapolis, MN)

- 143-unit income-qualified apartment within Malcolm Yards community
- All units at 60% medium income or less, & 16 units of supportive housing for those at immediate risk of homelessness
- Amenities: sky deck community room, rooftop patio with grill station, fitness center, pet wash, EV parking stations, bike storage, etc.

Parking Stalls: 57 stalls, 0.4 ratio



### Forty-Forty Flats (Edina, MN)

- 118-unit affordable 55+ apartment community, filling a gap within an otherwise high-rent district.
- Studio, 1- and 2-bedroom units at or below 30%-80% AMI.
- Redevelopment of vacant site walkable to nearby neighborhoods, transit, medical, & retail amenities.

Parking Stalls: 93 stalls, 0.8 ratio



### Wirth on the Woods Campus, the Eloise & the Theodore (Minneapolis, MN)

- 200 total 55+ units (100 senior affordable, 100 senior market-rate) in Bryn Mawr neighborhood.
- 1-, 2-, and 3-bedroom units.

Parking Stalls: 50 stalls (The Theodore (Affordable), 0.50 ratio), 100 stalls (The Eloise, shared)

**Affordable Portfolio  
Parking Summary**

| <u>#/Units</u> | <u>Property Name</u>        | <u>#/Stalls</u> | <u>Ratio</u> | <u>#/Cars</u> | <u>Mo. Rate</u> | <u>Utilization</u> |
|----------------|-----------------------------|-----------------|--------------|---------------|-----------------|--------------------|
| 103            | <i>Broadway Flats</i>       | 90              | 0.87         | 56            | \$65            | 62%                |
| 114            | <i>Eastside 1256</i>        | 141             | 1.24         | 85            | \$75            | 60%                |
| 111            | <i>Lake Street Dwelling</i> | 55              | 0.50         | 27            | \$150           | 49%                |
| 150            | <i>Mill City Quarter</i>    | 121             | 0.81         | 79            | \$160           | 65%                |
| 91             | <i>StoneArch 2</i>          | 89              | 0.98         | 31            | \$100           | 35%                |
| 143            | <i>Flats Malcolm Yards</i>  | 63              | 0.44         | 41            | \$150           | 65%                |
| 100            | <i>Theodore</i>             | 59              | 0.59         | 38            | \$110           | 64%                |
| 118            | <i>4040 Flats</i>           | 101             | 0.86         | 68            | \$80            | 67%                |
| 930            | <b>PORTFOLIO</b>            | 719             | 0.77         | 425           | \$111           | 59%                |

| <b>RICHFIELD</b> | <u>#/Units</u> | <u>#/Stalls</u> | <u>Ratio</u> | <u>Standard Rate</u> | <u>EV Rate</u> |
|------------------|----------------|-----------------|--------------|----------------------|----------------|
| <b>Phase 1</b>   | 136            | 161             | 1.18         | \$80                 | \$130          |
| <b>Phase 2</b>   | 160            | 156             | 0.98         | \$80                 | \$130          |
|                  | 296            | 317             | 1.07         |                      |                |

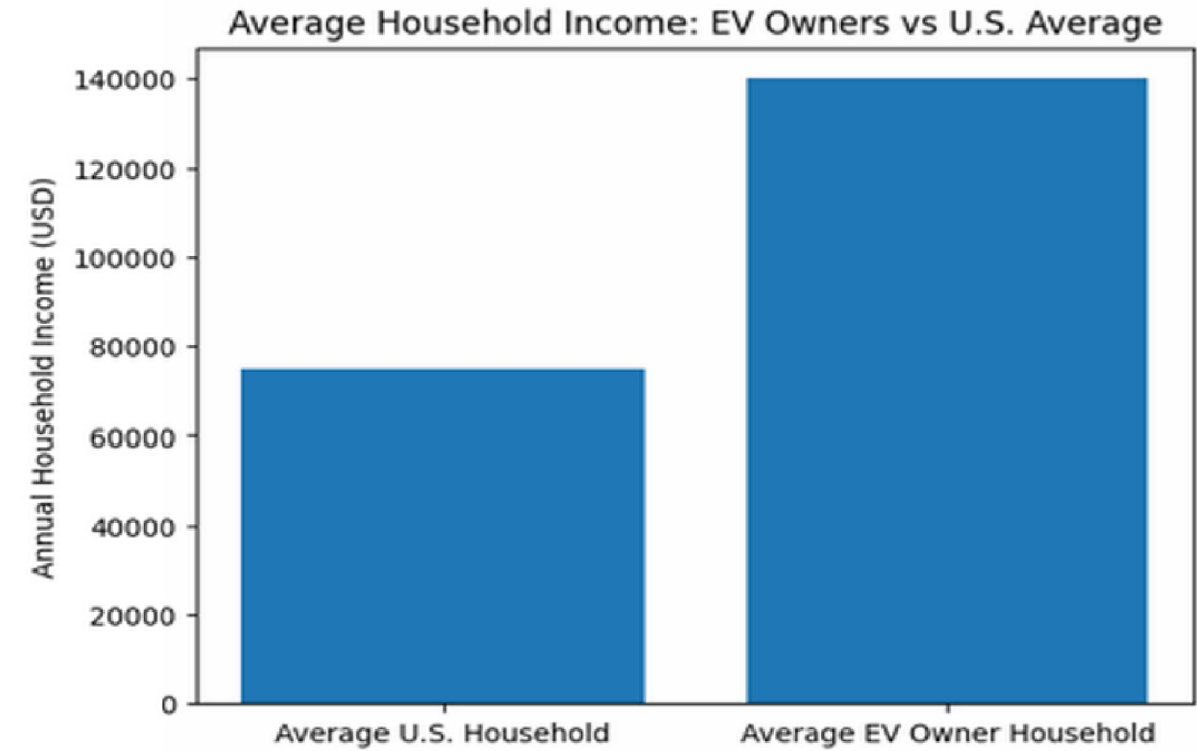
The above table depicts the parking details of eight of the development team’s comparable affordable properties. This includes 930 units with a total of 719 parking stalls – an average parking ratio of 0.77. Of the 719 parking stalls, 425 are being used, which equates to a utilization of 59%. Therefore, approximately 294 parking stalls remain unused.

The Richfield site plan includes 296 units with 317 parking stalls – a ratio of 1.07. Given the data above and typical utilization of both workforce and senior buildings, we strongly feel our total parking count far exceeds the demand that will be needed. We expect a utilization of approximately 65%, leaving approximately 111 stalls available.

## EV Charging Costs per City Requirement

| Phase 1 - Family        | #/EV Stalls | Unit Cost    | Total            |
|-------------------------|-------------|--------------|------------------|
| Level 2 Charger         | 16          | \$5,000      | \$80,000         |
| Level 2/3 Conduit       | 32          | \$750        | \$24,000         |
| Level 1 Conduit         | 56          | \$750        | \$42,000         |
| Switchgear Upgrade      | 1           | \$40,000     | \$40,000         |
| Transformer Upgrade     | 1           | \$35,000     | \$35,000         |
|                         |             |              | <b>\$221,000</b> |
| <b>Phase 2 - Senior</b> |             |              |                  |
| Level 2 Charger         | 16          | \$5,000      | \$80,000         |
| Level 2/3 Conduit       | 31          | \$750        | \$23,250         |
| Level 1 Conduit         | 55          | \$750        | \$41,250         |
| Switchgear Upgrade      | 1           | \$40,000     | \$40,000         |
| Transformer Upgrade     | 1           | \$35,000     | \$35,000         |
|                         |             |              | <b>\$219,500</b> |
|                         |             | <b>TOTAL</b> | <b>\$440,500</b> |

\*non-metered chargers  
\*premium monthly rent per stall is \$50



| Group                                  | Approx. Household Income    |
|--|-----------------------------|
| Median U.S. household (all households) | ~\$75,000 (approx.)         |
| Typical EV owner household             | <b>\$125,000–\$150,000+</b> |
| Average Tesla owner household          | <b>~\$150,000</b>           |

THANK YOU!

## **Market Study Key Notes:**

**Prepared by Kinetic Valuation Group dated 1/27/25**

*The primary market area (PMA) for the Subject consists of the city of Richfield, large portions of the cities of Bloomington and Edina, and a small portion of southwest Minneapolis. The boundaries include the following:*

- North – City of Edina northern boundary (45<sup>th</sup> Street)
- South – Hennepin County Border
- East – Cedar Avenue
- West – City of Edina western boundary (Hwy 169)

*The Subject will address two major community needs in Richfield and the Minneapolis-Saint Paul metropolitan area: the need for an increased supply of affordable workforce housing and affordable senior housing. Based on the absorption rate of recently developed properties as well as the lack of affordable senior housing in the area, we anticipate an absorption period of four to six months for the workforce housing units and seven to 10 months for the senior units, which is equivalent to a rate of 29 to 43 units per month and 15 to 21 units per month, respectively.*

*The demographic data demonstrates that both the population and the number of households in the PMA have increased from 2020 to 2024 and are forecast to continue to increase through 2029. Growth in the SMA is expected to continue into 2029 as well. This growth indicates a need for additional housing options such as the Subject. The PMA is comprised of approximately 32.9 percent renter households and 21.5 senior renter households. This bodes well for the Subject's affordable units.*

*The comparable properties within the PMA reported a vacancy rate of 0.0 to 2.0 percent, with an overall vacancy rate of 0.3 percent. We expect the Subject to maintain a vacancy level of less than five percent based on the performance of the comparable properties in this analysis.*

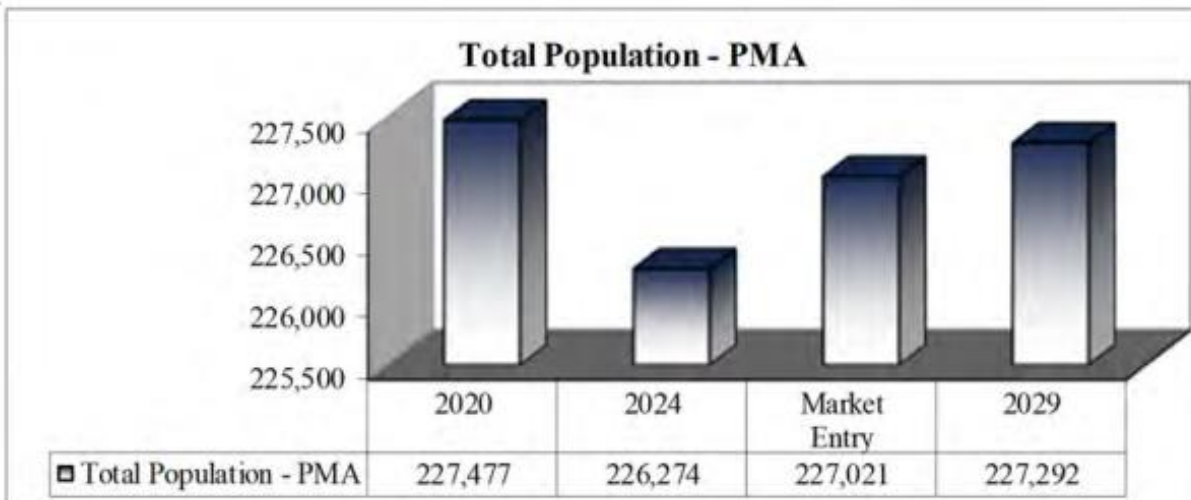
*A penetration rate analysis was performed in order to establish the percentage of age-appropriate income-qualified renter households that all existing and under construction affordable properties within the PMA must capture to achieve a stabilized level of occupancy within the PMA. The penetration calculation is:*

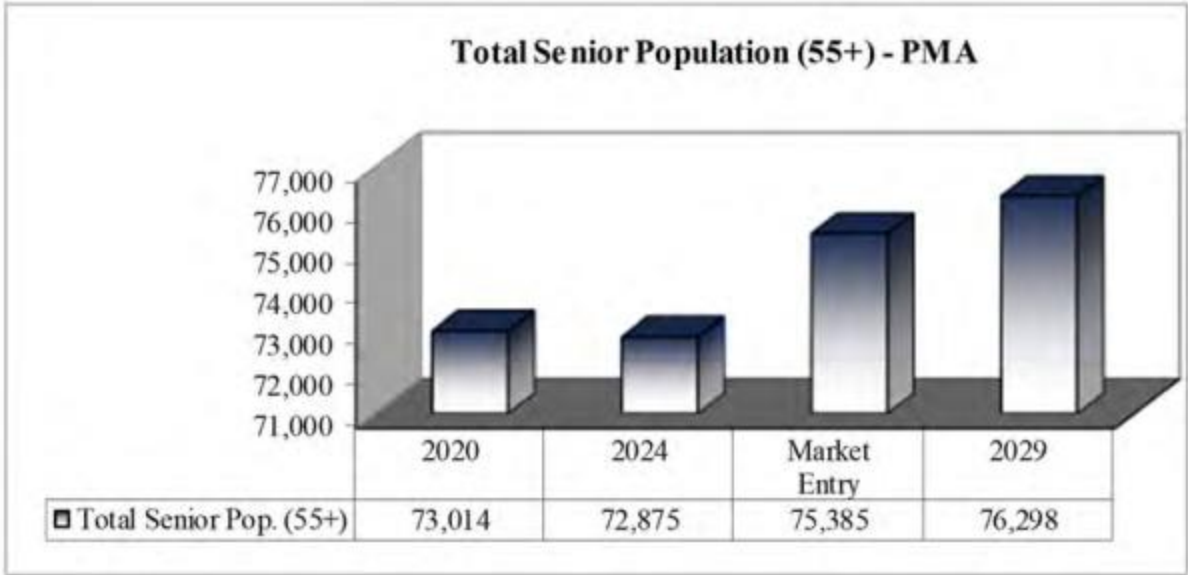
*Existing LIHTC Units + Proposed Units + Units Under Construction / Number of Qualified Households = Penetration Rate*

*The penetration rate is 8.6 percent for the affordable workforce housing units and 21.0 percent for the senior units, which appears to be reasonable and indicates there is adequate demand for the Subject and the existing and proposed affordable units. We anticipate that the Subject would be fully absorbed within one to three months of completion, without affecting the occupancy levels of existing affordable developments.*

*There is limited affordable housing available for the local workforce in the Subject’s PMA. The affordable housing developments in the Subject’s PMA illustrate stable occupancy with some lengthy waiting lists.*

*We concluded that the Subject will be competitive with the market rate competition, and achievable rents are within the rental range. Achievable rents represent net rent levels that we believe a project of the Subject’s condition and quality could reasonably achieve.*





| Number of Elderly and Non-Elderly |                  |             |               |                  |             |               |
|-----------------------------------|------------------|-------------|---------------|------------------|-------------|---------------|
| Year                              | PMA              |             |               | SMA              |             |               |
|                                   | Total Population | Non-Elderly | Elderly (55+) | Total Population | Non-Elderly | Elderly (55+) |
| 2020                              | 227,477          | 154,463     | 73,014        | 3,690,261        | 2,666,679   | 1,023,582     |
| 2024                              | 226,274          | 153,399     | 72,875        | 3,790,663        | 2,725,504   | 1,065,159     |
| Market Entry                      | 227,021          | 151,635     | 75,385        | 3,866,812        | 2,747,397   | 1,119,415     |
| 2029                              | 227,292          | 150,994     | 76,298        | 3,894,503        | 2,755,358   | 1,139,145     |

| Tenure Patterns - Total Population |                      |            |                       |            |                      |            |                       |            |
|------------------------------------|----------------------|------------|-----------------------|------------|----------------------|------------|-----------------------|------------|
| Year                               | PMA                  |            |                       |            | SMA                  |            |                       |            |
|                                    | Owner-Occupied Units |            | Renter-Occupied Units |            | Owner-Occupied Units |            | Renter-Occupied Units |            |
|                                    | Number               | Percentage | Number                | Percentage | Number               | Percentage | Number                | Percentage |
| 2020                               | 64,872               | 68.7%      | 29,587                | 31.3%      | 985,963              | 68.7%      | 448,352               | 31.3%      |
| 2024                               | 63,950               | 67.1%      | 31,311                | 32.9%      | 1,007,265            | 68.1%      | 472,361               | 31.9%      |
| Market Entry                       | 64,609               | 67.0%      | 31,830                | 33.0%      | 1,035,399            | 68.3%      | 481,446               | 31.7%      |
| 2029                               | 64,849               | 66.9%      | 32,019                | 33.1%      | 1,045,629            | 68.3%      | 484,750               | 31.7%      |

| Projected Renter Household Demand by Bedroom Size |                                       |
|---|---------------------------------------|
|   | Number of Qualified Renter Households |
| Studio Unit                                       | 1,786                                 |
| One-Bedroom Unit                                  | 2,765                                 |
| Two-Bedroom Unit                                  | 4,120                                 |
| Three-Bedroom Unit                                | 1,922                                 |
| <b>Total</b>                                      | <b>10,594</b>                         |

**Additional Code Compliance Details:**

- **The Code requires 333 parking stalls for 296 units and the current plan provides 317 (1.07 stalls/unit), which is a 16-stall deviation. The Code states that the Council may reduce parking requirements for projects designed to serve seniors or other low-driving populations and the Developer has submitted a package that they believe supports this reduction. Accommodation of a future roadway connection to the south would remove approximately 37 planned parking stalls. If parking is determined to be adequate, a traffic impact study will be needed to determine how the project will function until such time that a connection is constructed, or whether there are other methods needed/preferred to serve the site. An ordinance amendment would likely be needed to remove the requirement for a connection.**
- **The Overlay District requires that buildings be stepped back when adjacent to public streets and public land, which encompasses the site's entire perimeter except for the west half of the south side, which abuts private property. The revised plans provide all but one step back. The south side of the eastern building does not step back but does provide a larger setback of approximately 30 additional feet. The Code states that step-backs may be adjusted depending on site conditions, subject to Council approval.**
- **The Overlay District requires the site design to prioritize green space and landscaping in the side and rear setbacks when adjacent to the park (north, east and the east half of the south side). The current plan fills approximately half of these areas with parking; however, Fire Department access must also be considered.**
- **The sanitary sewer service in the area is close to capacity. High density development cannot occur on the site without improvements to the current system. Public Works is exploring solutions and anticipates having a preferred option selected later in 2026. The cost for increasing capacity could be borne by the City, by the development, or through a cost-sharing agreement.**
- **The design of the building cannot be analyzed without building elevations to review, but it is assumed the intent is to comply with building height, separation, material and articulation requirements. Due to the site's change in grade, staff would recommend additional design attention be paid to the ground level of the east elevation of both buildings.**
- **Based on the Developer's submitted materials, a variance request related to EV charging requirements is anticipated.**