

BLAINE LAKES- MULTIFAMILY PROJECT- 220 UNITS



**Concept Plan
Blaine Lakes (Northtown) Blaine, MN 55449
Project Narrative
June 29, 2022**

Developer: Roers Companies: 110 Cheshire Lane, Suite 120 Minnetonka, MN 55305

Architect: Kaas Wilson, 1301 American Blvd E, Bloomington, MN 55425

Engineering: Carlson McCain: 3890 PHEASANT RIDGE DRIVE NE, SUITE 100; BLAINE, MN 55449



1. DEVELOPER BACKGROUND

Roers Companies is a fully integrated real estate development and property management company with assets operating and under construction totaling over \$1 Billion. Based in Minnetonka, Minnesota, the company builds and operates communities across the Midwest with over 50 assets spread across Minnesota, Iowa, North Dakota, South Dakota, Wisconsin, Texas, Florida, Arizona and Utah. They take pride in the communities they build and seek to build long term relationships with the cities and neighborhood they invest in. Because of this focus on owning their projects after construction, Roers is very intentional about the use of the highest quality materials, finishes, and appliances in the construction of their buildings and in the provision of a well-managed, attractive, and secure resident experience during operation.

2. PROJECT VISION

Roers Companies is proposing a new construction, rental housing community in Blaine, Minnesota. The community would be in close proximity to a range of existing retail development and convenience. The primary retail node is Northtown Mall which is at the intersection of County Hwy 10 and 87th Lane NE. This retail intersection is adjacent of the Site and contains numerous retailers anchored by Cub, Home Depot, Target, At Home, Applebees, and numerous retailers at Northtown Mall, among others. This area is in close proximity to State Hwy MN- 610 and has multiple mass transit bus stops within walking distance. This proposed project will also respond to a demonstrated market demand for the kind of rental housing being sought by many of the young professionals critical to the continued growth of area businesses. Having this type of housing stock available will help ensure Blaine residents have a well diversified housing stock available for their housing needs. With these positive conditions, Roers is confident this location will serve Blaine's growing high density housing demand very well and will lease quickly

The project as it is currently envisioned will require demolition of part of the existing Rainbow Village retail center. Once demolished, Roers plans to construct two horseshoe shaped, four story wood framed, flat roofed apartment building constructed over a one-story parking garage that will be partially below grade and connected in the middle by a single story clubhouse/ amenity building. The apartments will consist of a mix of Studio, one, two and three bedroom units all with numerous high-end upgrades. Roers intends to include an amenity rich community to help foster a sense of community. The planned community amenities for this market rate project include:

- Fitness Center- An approximate 1,000 SF fitness center with overlooking the outdoor pool/courtyard area.
- Community Lounge- Large open shared community lounge that can accommodate private events (birthday, holiday, and other event parties) and overlooks the outdoor pool/courtyard area to engage residents and create a sense of community.



- Enclosed Heated Parking- Parking will be available for resident use in the underground heated garage.
- Outdoor Patio- An outdoor patio area will be situated near the pool and have outdoor seating and grill stations to encourage outdoor resident engagement.
- Coffee Bar- A gourmet coffee machine will be provided for residents to use for residents with on the go lifestyles and also helps brings residents to common areas to further the community engagement.
- Pet Spa- A large majority of our residents have pets and this amenity space will include a stand up pet wash station, dryer, as well as treats for their loved ones.
- Business Center- An approximate 1,000 SF business center/ WiFi lounge will be provided to the guests for their use as more and more residents are going to a work from home environment. This space will look over the pond and public trails to the South.

3. LAND USE

The current land use is retail and future land use is guided as Community Commercial (B-2). Currently the building has had a change in ownership and there is a renewed interest to invest into this building to bring it back to life as currently the majority of the building consists of vacant retail. With this new proposed apartment community, the improvements will help drastically increase taxable revenue coming into the city. Specifically, the Northtown commercial area is identified as “Area 2” and is one of four high priority redevelopment areas the Economic development staff identified as a priority in the 2040 comp plan (*Blaine 2040 Comp, Pg. 88*). Specifically, relating to this “Area 2” the EDA advised “The EDA/City should also consider financial assistance for removal of buildings and site preparation, particularly the K-Mart building. Future redevelopment could consist of a mix of medium/high density residential and retail/commercial uses.” This project Roers is proposing aligns directly with the 2040 comp plan by proposing more housing options through redevelopment that leverages city financial assistance in an area specifically identified as a high priority redevelopment area.

4. Housing Need

As referenced in the Blaine 2040 comp plan Housing study, “Detached single-family housing tends to be the most expensive type of housing because it requires the most land” (*Blaine 2040 comp, p. 46*). This furthers the need to have a more diverse housing stock primarily focused in single family homes, which currently represent 88.9% of the housing stock in Blaine. The needs and preferences of an aging and diversifying population is likely to translate to a higher regional demand for more smaller housing units and multifamily development. Currently multifamily housing only represents 6.9% of the available housing stock in the city of Blaine. The city has recognized this and has made it a priority as referenced here “The City will continue to provide a range of housing options that will serve a diverse population, and will consider opportunities to encourage multifamily and attached housing infill development to meet a growing regional demand...” (*Blaine 2040 comp, p. 43*). Our proposed project will help to address the need for quality rental housing at a density level that is not only of need within the City, but it appropriate to the surrounding land uses and retail areas. It is also the hope that a market-rate project of this size and quality will be a catalyst for other future development within the Northtown area.



FIGURE 1-12: BLAINE HOUSING UNITS BY HOUSING TYPE

Housing Type	Units	Percent
Single-Family Detached	14,471	64.0%
Townhomes (single-family attached)	4,523	20.0%
Manufactured home	1,722	7.6%
Duplex and triplex and quad	340	1.5%
Multifamily (5 units or more)	1567	6.9%
Total	22,623	100%

Source: 2015 ACS 5-Year Estimates

5. DENSITY

Roers is proposing a 220-unit development on approximately 5.4 acres, which relates to a density of 40.7 units/ acre. This is above the city of Blaine's max density requirement of 28 units/ acre. Comparatively, the Met Council sets minimum goals for density and has no max density requirement in their 2040 housing policy plan. Specifically "of the multifamily affordable units built between 2003 and 2013...the average project density was more than 39 units per acre. The Council recognizes that flexibility is an important component of housing elements and that the minimum densities provided below are significantly lower than that average of 39 units per acre. The Council strongly encourages communities to consider densities higher than these minimums. The Council will provide technical assistance to local governments to demonstrate what different densities can look like in different kinds of communities. With the right design, higher density development can fit well in almost any community." (*Met Council Housing p. 111*)

6. CASE STUDY- Axle Apartments – 6530 University Ave, Fridley, MN

To give context of a successful TIF supported redevelopment project developed in partnership with city staff in a more retail oriented area of a major suburban city, a previously developed Roers Companies project, Axle Apartments in Fridley is used as a case study showing the successful partnership with city staff on a tired old retail building that was approved for redevelopment with TIF to construct a more dense and less parked project with minimal setbacks. Similarly, Roers partnered with city staff to re-envision an outdated commercial retail center, Holly Center :

- **Tax Increment Financing** – Roers closed on a Redevelopment Agreement with the City of Fridley which includes the City providing \$8.1 million of Tax Increment Financing
- **Rezoning**- Site was originally zoned as C-3 General Shopping in the city of Fridley zoning district and city staff approved rezoning to S-2 Rezoning district, which allowed construction of 262 units of workforce housing.
- **Density** – 262 units on 7.21 acres = 36.3 units/acre
- **At the time of first resident move-ins** (April 29, 2022), the property was 95% leased, giving evidence of the need for multifamily housing in the area.



- <https://www.axleapartments.com/>
- <https://finance-commerce.com/2020/10/fridley-workforce-rentals-planned/>



References:

1. *Blaine 2040 Comprehensive Plan*- <https://www.blainemn.gov/DocumentCenter/View/4995/2040-Comprehensive-Plan-and-Surface-Water-Plan-PDF?bidId=>
2. *Thrive MSP - Met Council 2040 Housing Policy Plan* - <http://metro council.org/METC/files/54/54ec40bb-d6ce-45bb-a571-ee00326ccd20.pdf>

