PENN AVENUE REDEVELOPMENT
DEVELOPMENT DESCRIPTION

The purpose of this study is to determine the feasibility of a mixed-use project of along Penn Avenue in Richfield on existing land owned by the City of Richfield HRA. The development team is also studying the potential to encompass the neighboring site to the south that is privately owned. The Penn Avenue project consists of 60 apartments and 15,000 square feet of commercial space in 2 phases. The first phase of the development is located at the south east corner of Penn Ave and West 65th Street. The second phase of the development is located directly to the south of the subject property on Penn Avenue.

The project consists of two freestanding mixed-use apartment buildings that have the ability to be constructed in 2 phases or all at once. The northern building consists of approximately 36 units of housing and 8,400 SF of commercial use. The southern building consists of 24 units of housing and 6,600 SF of commercial use. Overall, the project provides 42 stalls of enclosed parking and 54 surface level parking spaces.

The development team is looking at various levels of affordability and job creation in the project. Additionally, this project has the ability to be the catalyst for future development in the Penn Avenue corridor. The development team believes that the project concept will qualify for funding initiatives based upon the goals set forth by the Livable Communities Demonstration Account (LCDA) and Transit-Oriented Development (TOD). LCDA provides funding options for projects that efficiently link housing, jobs, services and transit. TOD projects qualify by contributing to and providing high-quality, pedestrian-oriented streets and public spaces that encourage the use of transit services. It is expected that this project will be “shovel ready” for the spring 2020 round of grant applications. The applications are due May 1 and awards are granted in June. The development team has significant experience in tax credit and TIF financing and is currently in the process of determining the need and feasibility to finance the affordable component of the project.
## SITE SPECIFICATIONS

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<th>Property ID Number</th>
<th>28-028-24-23-0023</th>
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<tr>
<td>Address</td>
<td>6501 Penn Ave S, Richfield, MN</td>
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<td>Construction Year</td>
<td>1957</td>
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<td>Owner</td>
<td>HRA City of Richfield</td>
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<td>Approximate Parcel Size</td>
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<td>Property Type</td>
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<td>Homestead Status</td>
<td>Non-Homestead</td>
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<tr>
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<th>28-028-24-23-0022</th>
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PROPOSED IMPROVEMENTS
PHASE 1
50,400 GSF TOTAL
LOWER LEVEL (PARKING): 8,425 SF
PENN LEVEL (OFFICE/RETAIL/ 
MEZZANINE): 6,421 SF
FLOORS 2-5 (RESIDENTIAL): 
8,425 SF PER FLOOR
30,000 SF TOTAL (4 FLOORS) 
30 UNITS TOTAL (9 PER FLOOR)
HEIGHT: 70’
Broadway Investors, LLC

Multi-family concept proposal:

Bumper to Bumper 6501 Penn
Subject Site Location
Concept Summary

• Mixed use four story building
  – 1st floor will be split between 5,000 sq. ft. retail and 1 & 2 apartment units.
  – Floors 2-4 will consist of 1 & 2 bedroom apartments
  – Approximately 150 units with affordable unit mix

• Urban Look
  – Rooftop concepts being considered
  – Strong Penn Ave storefront

• Parking
  – Access from 65th for retail customers
  – Access via Oliver for apartments
Market Study
Maxfield Research and Consulting, LLC
Market Study
Maxfield Research and Consulting, LLC

• Primary Market Area (PMA) is expected to grow 4% between 2019 and 2024, adding 5,720 people and 2,369 households.

• Within the PMA:
  – The 25 to 34 age population is expected to expand 6.6% (1,262 people) between 2019 and 2024,
  – 2018 Q4 vacancy rates in the PMA was 2.9% vs. an equilibrium rate of 5%, pointing to a shortage of rental housing.

• In the same time period, Richfield specifically had an overall vacancy rate of 2.6%
Examples of Exterior Finishes
Examples of Exterior Finishes
Examples of Exterior Finishes
Examples of Exterior Finishes