



Dominium is putting the finishing touches on The Cambric, a 113-unit senior project at 720 E. Seventh St. in St. Paul. (Staff photo: Bill Klotz)

Dominium digs into 7 affordable senior projects in Twin Cities

By: Anne Bretts August 16, 2016 2:53 pm 0

Correction: An earlier version of this story ran the wrong caption and credit for the photo. The story has been updated.

Plymouth-based Dominion, a provider of affordable housing in 23 states, is having one of its biggest years ever in new development, and most of it is happening close to home.

In the Twin Cities alone, the company has seven affordable senior apartment projects under construction or set to break ground in mostly suburban locations before the end of the year. The projects are set to generate \$247.6 million in public and private investment to create 1,170 new apartments.

Dominium's seven projects come as Minnesota wrestles with a shortage of affordable housing for seniors and others. According to a Maxfield Research report issued in February, the state has nearly 25,000 affordable units for seniors, but another 150,000 households qualify for those rentals.

Dominium's current senior projects range from The Cambric, a \$29 million 113-unit building in St. Paul that is nearing completion and already more than 80 percent leased, to the \$41 million 191-unit Lily Gables, set for construction this fall in Columbia Heights.

Low interest rates, city-issued bonds, tax increment financing, and a host of grants and loans go into financing packages that can take two years to assemble.

"Tax credits are the key," said Ron Mehl, senior developer for Dominion.

Federal low-income tax credits make it possible for the for-profit developer to cover the average \$211,111 per unit cost of new construction and still keep rents in line.

Dominium guarantees rents will meet affordable guidelines for at least 15 years. That means a typical two-bedroom apartment will rent for about \$1,100, with renters meeting income guidelines. In exchange, Dominion gets tax credits that are sold through syndicators to a broad range of investors.

Getting communities to support affordable housing can be tough, but Dominion has used successful projects completed in recent years to show communities the possibilities, Mehl said.

"Walking into cities and having other projects that you can show them really has an impact," he said.

Grand openings also are used to expose new communities to the concept.



Plymouth-based Dominion has chosen this design for Lily Gables, a new 191-unit affordable senior housing development at 3700 Huset Parkway in Columbia Heights. Minneapolis-based BKV Group has created similar designs for seven Dominion projects throughout the Twin Cities. (Submitted image: Dominion)

"At the grand opening, they don't just see the bricks and the sticks and the furnishings," he said. Seeing happy residents living in the projects helps dispel stereotypes of affordable housing.

Senior housing also tends to be more acceptable to neighbors and communities as people look at their own futures, Mehl said.

"There's just a huge need for housing for independent seniors," he said.

Dominium has seven new senior apartment projects under construction or set to break ground this year in communities throughout the Twin Cities. When completed, the projects will create 1,170 units of affordable housing for seniors at a cost of \$247.6 million.

Minneapolis-based BKV Group designed all the properties. Various contractors are involved.

The Cambric, 720 E. Seventh St., St. Paul

\$29 million, 113 units

Weis Builders, Minneapolis

Under construction

The Grainwood, 5131 Gateway St., Prior Lake

\$34 million; 168 units

Stonebridge Construction Inc., Apple Valley

Under construction

Lily Gables, 3700 Huset Parkway, Columbia Heights

\$41 million; 191 units

Eagle Building Co., Richfield

Construction set for fall 2016

River North, 10940 Crooked Lake Blvd. NW, Coon Rapids

\$31 million; 167 units

Eagle Building Co.

Under construction

The Legends of Champlin, 11635 Theater Drive, Champlin

\$40.6 million; 184 units

CBS Construction Services, Champlin

Construction set for September

Valley Bluffs, southwest corner of 140th Street and Cedar Avenue, Apple Valley

\$34 million; 163 units

Contractor to be determined

Construction set for late 2016

The Legends of Cottage Grove, 6961 Point Douglas Road, Cottage Grove

\$38 million; 184 units

Contractor to be determined

Construction set for fall 2016

RELATED CONTENT:

- **Rising need spotlights gaps in senior housing market**
- **Dominium plans senior rentals in Coon Rapids**

Tagged with: DOMINIUM LILY GABLES THE CAMBRIC