



SAINT PAUL 4D AFFORDABLE HOUSING INCENTIVE 2022 APPLICATION ROUND

PROGRAM GUIDELINES

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CONTACT

For questions or more information, visit www.stpaul.gov/4d or contact:

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Planning and Economic Development

City Hall Annex - Suite 1100

25 W 4th Street

Saint Paul, MN 55102



4D AFFORDABLE HOUSING INCENTIVE PROGRAM 2022

A **property tax rate reduction** in the City of Saint Paul (the “City”) is available to owners who participate in the 4d Affordable Housing Incentive Program (the “4d Program”) offered by the Housing and Redevelopment Authority of the City of Saint Paul (“HRA”).

The City and the HRA remain dedicated to supporting the preservation of safe, affordable housing, and therefore to addressing the increasing financial difficulties between renters’ ability to make ends meet and landlords’ ability to keep rents affordable. As a response to these challenges, the HRA’s 4d Program serves rental property owners—who, in turn, serve their tenants and our community by preserving safe, healthy, and affordable units. Eligible properties qualify for a significant reduction in property taxes on those units.

I. HOW DOES IT WORK?

The value of a rental property is taxed according to local tax rates and its property type classification—the latter of which is defined in State law.¹ Typical market-rate rental units with the 4a “apartment” classification are taxed with the class tax rate of 1.25% (applied to their market value). Affordable units, however, may be eligible for the **4d, or “low-income rental” classification (“LIRC”)**, which is taxed at a reduced class rate of 0.75% (which would amount to a 40% reduction to the tax capacity of class 4a units).²

Saint Paul rental property owners who are willing to commit to this affordability can apply for this 4d/LIRC status through the Saint Paul HRA’s 4d Program. Upon approval of application to its Program, the HRA will qualify the property to the Minnesota Housing Finance Agency’s (“Minnesota Housing”) Low-Income Rental Classification (LIRC) Program. If both HRA and Minnesota Housing approval is received, Minnesota Housing will certify the eligible units with the 4d class status to the County Assessor. The 4d tax rate will be assessed to the class 4d proportion of the property beginning the following tax year.

FOR MORE INFORMATION:

- Visit www.stpaul.gov/4d for 4d Program documents and application material.
- Visit www.mnhousing.gov for more on Minnesota Housing’s role in 4d/LIRC certification.
- Visit www.revisor.mn.gov/statutes/cite/273.13 and www.revisor.mn.gov/statutes/cite/273.128 for the statutory basis for 4d/LIRC rental properties.

¹ Property Tax Classifications are defined in [Minnesota Statute section 273.13](#).

² A property’s tax capacity is determined by multiplying the taxable market value of the property by its corresponding classification rate. Under [Minnesota Statute section 273.13 subdivision 25](#), 4d/LIRC qualified units are assessed using two tax classification rates, corresponding to two tiers of the unit’s taxable market value. The first market value tier of class 4d units is assessed at a class rate of 0.75%. For tax years 2022 and 2023, the Minnesota Legislature has defined the first market value tier as \$100,000 per unit. Any remaining value above this first tier threshold is assessed at a lower 4d class rate of 0.25%. The actual reduction in property taxes will vary depending on different factors, including the property’s tax classification prior to 4d status, current/eligible exclusions, special assessments, and its tax district.

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Xav tau qhov no txhais los? Hu rau peb ntawm (651) 266-6565.

II. WHAT ARE THE BENEFITS?

Qualified rental property owners that commit to keep a minimum percentage of their units affordable to low- or moderate-income households for a 10-year period will receive:

REDUCED PROPERTY TAX RATE WITH THE 4D, "LOW-INCOME RENTAL CLASSIFICATION" (LIRC):
Enrolled properties will receive the 4d "Low-Income Rental Classification" on qualifying units. This significantly reduces those units' assessed tax capacity, which reduces the property's overall tax liability.

EXAMPLE TAX SAVINGS

Below are the property tax savings on a hypothetical 20-unit Saint Paul rental property, valued at \$2,500,000, were it to receive 4d classification on 20%, 50%, or 100% of its units.³

(This example presumes the property was fully classified as a 4a (market-rate) "Apartment" prior to enrollment in the 4d Program, and does not include potential exclusions or special assessments)

TAX WITHOUT 4d UNITS:

EXAMPLE PROPERTY	20 UNITS
TAXABLE MARKET VALUE	\$ 2,500,000 <i>\$ 125,000/unit</i>
4a (MARKET-RATE) TAX CAPACITY	\$ 31,250
TOTAL ANNUAL TAX	\$47,002 <i>\$ 2,350/unit</i>

4d COMMITMENT:

AFFORDABILITY COMMITMENT <i>(Proportion of Units w/ Class 4d Status)</i>	20% <i>4 4d Units</i>	50% <i>10 4d Units</i>	100% <i>20 4d Units</i>
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TAX WITH 4d UNITS

NEW TAX CAPACITY	\$ 28,250	\$ 23,750	\$ 16,250
NEW TOTAL ANNUAL TAX	\$42,913	\$ 36,780	\$ 26,557
TOTAL ANNUAL TAX SAVED	\$ 4,089	\$ 10,222	\$ 20,445
% TAX SAVED	8.7%	21.7%	43.5%

Source: [Ramsey County Tax Rates 2021; 4d Tier Valuation 2022](#)

HRA GRANT AWARD ON QUALIFIED 4D UNITS:

A one-time grant from the HRA, for each 4d unit, up to a maximum of \$1,200 per property:

- **\$200** for each unit affordable to households with up to **50%** of Area Median Income; and
- **\$75** for each unit affordable to households with up to **60%** of Area Median Income.

HRA'S PAYMENT OF ALL ENROLLMENT AND CERTIFICATION FEES:

The HRA will pay fees on behalf of all Applicants associated with their properties' 4d certification:

- Title and property search for verification of owners' eligibility (\$25 per property);
- Recording of the Declaration of Restrictive Covenants (\$46 per property); and
- Application submittal to Minnesota Housing (\$10 per 4d unit; max. \$150 per property).

REDUCED TENANT TURNOVER

INCREASED RENTER STABILITY

³ This example is provided for illustrative purposes only. Tax savings on 4d/LIRC qualifying units will vary depending on different factors, including the property's tax classification prior to 4d status, current exclusions, special assessments, and its tax district. Contact luke.odenthal@stpaul.gov for more detail.

III. WHAT ARE THE CRITERIA FOR ELIGIBILITY?

Eligible applications must meet the following criteria:

PROPERTY REQUIREMENTS:

- The property must be located within the City of Saint Paul.
- Only rental units are eligible. An owner-occupied unit cannot be classified as 4d.
- The property may have any number of units, including 1-Unit “Single Family” homes.
- For properties with 50 or more units:
 - In addition to meeting certain affordability criteria, 4d eligibility for properties with 50 or more units requires that this affordability be restricted across a diverse distribution of the property’s unit types (e.g. across Studios, 1-Bedrooms, 2-Bedrooms, etc.). See the following *Section IV. Minimum Affordability Criteria* and *Section V. Eligibility for Planned 50+ Unit Multifamily Developments*).

PROPERTY STATUS REQUIREMENTS:⁴

- The property must have a fire safety inspection grade of A or B by the City of Saint Paul’s Department of Safety and Inspections (DSI), with no rental license revocations or outstanding citations.
- A Certificate of Occupancy for the property must be valid at time of application to the 4d Program and remain valid throughout the 10-year restricted period, unless exempt per DSI guidelines.
 - You can check the status of your Fire Certificate of Occupancy and DSI Inspection Grade at: www.stpaul.gov/departments/safety-inspections/certificate-occupancy-map
 - And learn more about raising your DSI Inspection Grade at: www.stpaul.gov/departments/safety-inspections

OWNERS’ REQUIREMENTS:

- Anyone with an ownership interest in the property must be willing to sign a 10-year Declaration on the property, designating a certain percentage of units to be restricted at minimum affordability levels (see following *Section IV. Minimum Affordability Criteria*).⁵
- Owners are required to comply with affirmative fair housing marketing practices, including non-discrimination against rental applicants with tenant-based assistance, e.g. a Section 8 voucher—should the applicant(s) otherwise meet the owner’s rental screening guidelines (see *Section VIII. 4d Program Compliance, “Tenant Nondiscrimination”* requirement).
- In addition to wherever owners choose to advertise vacancies, owners are required to advertise vacant 4d units on HousingLink’s listings.
 - Visit www.housinglink.org/List/ListWithHousingLink to learn more.

⁴ The HRA reserves the right to deny 4d Program eligibility to any individual or entity who has an ownership interest in any property located in the City of Saint Paul failing to meet these criteria.

⁵ If a property is owned by one or more individuals (i.e. not by a business entity or Trust), this also requires the signature of any spouse.

IV. MINIMUM AFFORDABILITY CRITERIA

4d property owners must follow the below requirements during the entire 10-year affordability period:

2022 4D PROGRAM MINIMUM ELIGIBLE UNIT COMMITMENTS	
Property Size <i>(# of Rental Units)</i>	Minimum Affordability Commitments <i>(Based on % of Area Median Income)</i>
1 Unit (Single-Family)	All 1-Unit properties must be kept affordable for households with up to 50% of AMI .
2 Units (Duplex)	At least 1 unit must be kept affordable for households with incomes up to 50% of AMI . Optional: The owner may elect to commit the 2nd unit to the 10-year affordability period and 4d tax classification for households with incomes up to 50% AMI or 60% AMI.
3 or more Units (Multifamily)	1) 20% of units must be kept affordable for households with 50% of AMI . OR 2) 50% of units must be kept affordable for households with 60% of AMI . Optional: Beyond these limits, multifamily property owners may enroll up to 100% of a property's units at <i>either</i> 50% AMI or 60% AMI affordability.
50 or more Units	In addition to meeting the above "Multifamily" affordability criteria: 50+ Unit properties must also meet a requirement that this affordability be restricted across a diverse distribution of the property's unit types in terms of size and number of bedrooms (as evidenced by rent roll), with consideration for financial feasibility .

2022 4D HOUSEHOLD INCOME LIMITS

After the property's 4d enrollment, any *new* leases on 4d-designated units must be to tenants whose household income is at or below the affordability level (either 50% or 60% of AMI) as designated by the owner at the property's enrollment or its most recent annual recertification.

The 4d income limits listed below (and as adjusted by household size), are updated annually.⁶

2022 4D HOUSEHOLD INCOME LIMITS* <i>(Annual, Gross)</i>		
Household Size⁷ <i>(# of Persons)</i>	Income Limit 50%AMI	Income Limit 60%AMI
1	\$ 36,750	\$ 44,100
2	\$ 42,000	\$ 50,400
3	\$ 47,250	\$ 56,700
4	\$ 52,450	\$ 62,940
5	\$ 56,650	\$ 67,950
6	\$ 60,850	\$ 73,020
7	\$ 65,050	\$ 78,060
8	\$ 69,250	\$ 83,100

Source: [Metropolitan Council](#) (effective June 1, 2021)

***Note:** tenants with existing leases at time of the property's 4d certification are exempt from income verification; and, thereafter, *new* tenants' household incomes are verified at *initial occupancy only*.

⁶ The City will publish an annual rent and income schedule, which owners should reference to ensure compliance with the 4d Program over the 10-year affordability period. These AMI values are based on the Minneapolis-St. Paul metropolitan Area Median Income standards set by the US Department of Housing and Urban Development (HUD). For more information on these standards and their calculation, visit the [Metropolitan Council website](#).

⁷ A "household" and "family" synonymously refer to a single person or group of persons residing together, regardless of actual or perceived sexual orientation, gender identity, or marital status (see [24 CFR Part 5 "General HUD Program Requirements..."](#)).

2022 4D RENT LIMITS

Maximum monthly rent limits for 2022 are listed below, based on current Area Median Income (AMI), and adjusted by a unit's number of bedrooms. These maximums are updated annually.

2022 4D RENT LIMITS* (Monthly "Gross Rent")		
Unit Size (# of Bedrooms)	Maximum Rent 50%AMI	Maximum Rent 60%AMI
Studio/Efficiency OBR	\$ 918	\$ 1,101
1BR	\$ 984	\$ 1,180
2BR	\$ 1,181	\$ 1,417
3BR	\$ 1,363	\$ 1,635
4BR	\$ 1,521	\$ 1,825

Source: [Metropolitan Council](#) (effective June 1, 2021)

Rents (including utilities costs) for tenants may not be raised by more than 3% in a 12-month period, unless prior written approval by the City is granted based on an exception that is legally allowable. Rents may never be raised above the maximum rent limits for the 4d Program.

***Note:** Rents must include tenants' base monthly rental cost, *and* the cost of tenant-paid utilities, as their "gross rent." See the following *Utilities Allowances* chart for a breakdown of values to include for any utility that a tenant is directly responsible for paying:

*UTILITIES ALLOWANCES:

The "rent" values in the *2022 4d Program Rent Limits* table above are best understood as *gross rent*, and apply to the combined base rent *plus* a tenant's costs of utilities. Tenants' utilities costs are factored in according to the "utilities allowances" laid out in the below chart.⁸

UTILITY/ APPLIANCE	0-BR	1-BR			2-BR			3-BR			4-BR			5-BR	6-BR	
		M	T/D	SF	M	T/D	SF	M	T/D	SF	M	T/D	SF			
HEATING Gas	33	35	47	64	59	69	90	67	86	100	94	101	114	138	152	
	District Energy	23	42	42	53	61	61	72	66	66	82	84	84	100	89	93
	Electric	24	31	63	79	42	72	123	58	80	119	67	91	130	140	144
COOKING Gas	5		6			11			13			14		15	16	
	Electric	7		8		13			15			17		19	21	
OTHER ELECTRIC	14		22			35			45			50		52	58	
WATER HEATING Gas	8		9			17			21			25		27	31	
	District Energy	7		14			21					30		30	33	
	Electric	11		13			21					32		42	45	
WATER & SEWER	25	35	49	49	40	53	53	45	62	62	50	75	75	83	97	
TRASH COLLECTION	10	10	25	25	10	34	34	10	36	36	10	36	36	36	36	
RANGE	4		4			4			4			4		4	4	
REFRIGERATOR	5		5			5			5			5		5	5	

Source: [Saint Paul Public Housing Authority](#) (effective February 1, 2021)

⁸ For example: if a tenant paying \$1,100/month for a two-bedroom duplex unit also pays for the utility of their gas stove and their electricity, their "utility allowances" would be factored in from the two-bedroom ("2-BR") and townhome/duplex ("T/D") columns, for \$11/month (for 'gas cooking') and \$35/month (for 'other electric'). Together with the tenant's base rent, \$1,146/month is the cost of living value that should be considered the full "rent" for that unit. This value must not exceed the maximum "4d Program Rent Limits" in order to qualify as a designated 4d unit.

V. ELIGIBILITY FOR PLANNED 50+ UNIT MULTIFAMILY DEVELOPMENTS

This section applies to planned 50+ unit multifamily construction projects with building permit issuance dates later than 1/1/2022.

4d Program eligibility for a new- or under-construction multifamily project will be individually reviewed and qualified, contingent on the level of its developer's commitments to the quantity *and* diversity of their units.

That is, in addition to committing to general affordability, developers must meet the additional requirement that **this affordability be restricted across a *diverse distribution of the property's unit types***—in terms of their size and number of bedrooms.

Due to the variable nature of multifamily development financing, financial feasibility will be considered and factored into the determination between staff and developers of their property's 4d affordability and unit type distribution.

Developers seeking future 4d certification of units in currently uncompleted projects should contact luke.odenthal@stpaul.gov with a corresponding [project pro forma](#) early in their development timeline to confirm eligibility.

VI. APPLICATION

Applications are due by DECEMBER 17, 2021.

Applications will be reviewed and approved on a first-come/first-serve basis: applications should be submitted as soon as possible to ensure timely approval.

APPLICATION PACKAGE:

- 1) Submit one [2022 4d Application](#) package per property parcel.
- 2) A [2022 4d Rent Roll](#) form must be included, showing current rents and sizes of all units at the property, and identifying which will be designated to meet 4d Program commitments
- 3) Applications must also be completed per the following notes on the relevant type of ownership:
 - 3a) For properties **owned by INDIVIDUALS**:
 - All individuals with an owning interest (including their spouses, if any) must sign the 2022 4d Application.
 - 3b) For properties **owned by a BUSINESS ENTITY**:
 - A certified copy of a current [Certificate of Good Standing](#) from the Secretary of State's webpage, at <https://mblsportal.sos.state.mn.us/Business/Search>
 - A [Business Resolution](#) authorizing participation in the 4d Program and designating the person with authority to execute documents on behalf of the business entity
 - 3c) For properties **owned in the name of a TRUST**:⁹
 - A fully executed trust instrument, *or* an *unsigned* (to be executed later) [Certificate of Trust](#)
 - An *unsigned* (to be executed later) [Affidavit of Trustee](#)
 - 3d) For properties **involving a CONTRACT FOR DEED**:
 - A copy of the recorded, or if unrecorded, fully executed [Contract for Deed](#)
 - 3e) For properties **with 50 OR MORE UNITS**:
 - Submit financial documentation as relevant to your property to demonstrate the level of commitment to a diversity of unit types, in terms of its financial feasibility.

APPLICATION SUBMISSION:

Applications must be sent to the 4d Program Coordinator, [Luke Odenthal](#), emailed or postmarked **by DECEMBER 17, 2021. Email or Mail to:**

Luke Odenthal, 4d Program Coordinator

luke.odenthal@stpaul.gov

651-266-6647

Planning and Economic Development

City Hall Annex - Suite 1100

25 W 4th Street

Saint Paul, MN 55102

ATTN: 4d Application

⁹ HRA staff cannot draft the trust documents, so trustees will need to obtain an attorney to prepare these documents. The attorney will be able to determine if additional trust documents are needed.

VII. CLOSING REQUIREMENTS

Upon approval of their 4d Application for a property, all individuals or entities with an ownership interest in the property will be required to execute a [4d Participation Agreement](#) with the HRA and a [Declaration of Restrictive Covenants](#) on the property.

Note: The signatures on the Declaration must be executed in the presence of a Notary Public, and the original copy of the document, with all property owners' "wet-ink" signatures as well as the notary's stamp, must be provided to HRA staff.

Due to continued COVID-19 pandemic restrictions, in-office access for City and HRA staff, and their ability to conduct business in-person with the public, remains limited. Therefore, staff will be unable to offer closing or notarial services to 2022 4d Program Applicants.

After review and approval of their 4d Applications, owners will be sent closing documents for execution and should utilize other/third-party notarial services to carry out that process. When the closing documents are sent, staff will provide further detail, including available services, for execution of the following:

For each approved 4d Application:

- 1) A [4d Participation Agreement](#) must be signed by everyone with an owning interest (e.g. any spouses of individual owners).
- 2) A [Declaration of Restrictive Covenants](#) must be executed by everyone with an owning interest and notarized by a Notary Public.
- 3) A [Compliance Errors & Omissions Agreement](#) must be signed (authorizing any corrections that may need to be made to the initial version of closing documents).
- 4) A [Minnesota Housing LIRC \(Low Income Rental Classification\) Application](#) must also be completed and signed after its 2022 version is made available in January.
- 5) *(For properties owned by a Trust only)* An original [Affidavit of Trustee](#) and trust instrument (e.g. [Certificate of Trust](#)) document must be executed simultaneously with the 4d Program closing documents.¹⁰

¹⁰ HRA staff cannot draft the trust documents, so trustees will need to obtain an attorney to prepare these documents. The attorney will be able to determine if additional trust documents are needed. All trust documents must be originals due to recording requirements. Copies of these documents will not be accepted.

VIII. 4D PROGRAM COMPLIANCE

In addition to ensuring that 4d units are leased to households at corresponding AMI limits, 4d owners must also comply with the following requirements:

3% ANNUAL RENT INCREASE LIMIT

4d unit rents (including any tenant-paid utilities allowances) may be raised by no more than 3% annually, *unless* leasing to a new tenant or with evidence of necessity and the HRA's prior written approval.

TENANT NON-DISCRIMINATION

It is City of Saint Paul's policy to affirmatively further fair housing in all programs so that individuals of similar income levels have equal access to its programs, regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, or sexual orientation. Property owners and managers are expected to comply with laws, ordinances and regulations prohibiting housing discrimination when creating and implementing a tenant selection plan, including [Saint Paul Legislative Code, Chapter 183.06](#). For information that may assist landlords in creating a tenant selection plan, see [Saint Paul's Tenant Screening Guidelines policy](#).

For example: owners must be willing to accept rental applications from tenants with housing assistance funds (i.e. Section 8 Housing Choice Vouchers), and agree to rent to such applicants should they otherwise meet owners' rental screening guidelines.

ANNUAL RECERTIFICATIONS

4d property owners must submit two separate certifications on an annual basis to verify the property's compliance with the 4d Program requirements.

Annual certifications must be submitted by MARCH 31st to maintain a property's 4d status.

Both forms will be sent to owners ahead of their due date:

MINNESOTA HOUSING ANNUAL LIRC REAPPLICATION

Minnesota Housing requires an annual reapplication attesting to units' continued qualification for 4d certification.

[LIRC Reapplication Forms](#) are added in January on the [Minnesota Housing LIRC webpage](#).

LIRC Reapplications must be submitted to Minnesota Housing **by March 31st**.

1. A check must be included for the reapplication fee of \$10 per 4d unit (max \$150 per property).
2. Mail LIRC Reapplications and checks for the reapplication fee to:

Minnesota Housing

400 Wabasha Street North, Suite 400
Saint Paul, MN 55102-1109
ATTN: LIRC

SAINT PAUL ANNUAL 4D RECERTIFICATION

4d owners must also submit an annual report to the HRA that verifies compliance with the terms of the 4d Participation Agreement.

A [St. Paul 4d Recertification Form](#) will be available at www.stpaul.gov/4d.

St. Paul 4d Recertifications must be submitted to the HRA **by March 31st**.

1. Email or mail completed 4d Recertifications to:

Luke Odenthal

luke.odenthal@stpaul.gov

Planning and Economic Development

25 West 4th Street – Suite 1100
Saint Paul, MN 55102
ATTN: 4d Program

IX. FAILURE TO COMPLY/REMEDIES FOR DEFAULT

Any owner that is in default of the compliance requirements of the 4d Participation Agreement or Declaration (without obtaining prior written approval from the HRA) must bring 4d units back into compliance, otherwise the owner will be subject to losing 4d eligibility on any noncompliant units.

ANY INSTANCE OF NONCOMPLIANCE WITH 4D PROGRAM REQUIREMENTS

The owner will not be able to claim 4d Low Income Rental Classification (LIRC) status on any unit that is out of compliance in the previous calendar year (e.g. if a unit is out of compliance for any period of time in 2022, the owner cannot claim LIRC status for that unit when reapplying for LIRC status in 2023). This penalty applies to any default of the 4d Participation Agreement or Declaration, in addition but not limited to the following instances of noncompliance:

RENT INCREASES BEYOND 4D LIMITS, OR BEYOND 3% ANNUAL INCREASE LIMIT

To be able to reclaim 4d eligibility on the unit, the owner is required to lower the rent to an amount that complies with current 4d program requirements, and refund to the tenant(s) any rent paid over the 4d program rent limit and/or over the 3% annual increase limit.

The owner must provide the HRA with an updated [4d Rent Roll](#) showing the new, compliance rent for that unit, and also provide a letter signed by both the property owner and tenant(s) stating that the rent has been returned to the tenant(s). The letter must specify the amount of rent returned. Scanned copies of letters can be emailed to luke.odenthal@stpaul.gov.

LEASE OF A 4d UNIT TO A TENANT WITH INCOME EXCEEDING 4D AMI LIMITS

Note: that all tenants who are renting units in the property before the effective date on Declaration are not required to income qualify.

An owner cannot claim LIRC status on any unit that is out of compliance in the previous calendar year, and cannot claim LIRC status on the unit for any subsequent year until an income eligible tenant moves into the unit. (e.g. if a tenant who is not income eligible lives in a unit for part of 2022 and also in 2023, the property owner cannot claim LIRC status for that unit when re-applying for LIRC status in 2023 or 2024).

The HRA may also, upon a failure to comply with any of the 4d Program requirements, elect to enforce any other remedy described in the terms of the Participation Agreement or Declaration or that is now or hereafter available to the HRA at law, by statute or in equity.

X. MODIFICATIONS TO 4D DECLARATIONS DURING THE 10-YEAR TERM

The Declaration of Restrictive Covenants for the 4d Program runs with the property for 10 years, and furthermore requires a commitment for the first 5 years to no reduction or loss in the number of affordable units.

5-YEAR RESTRICTION AGAINST REDUCTION OF 4D UNITS

The Declaration of Restrictive Covenants on the property, a condition of participating in the 4d Program, requires owners to commit for a minimum of 5 years to the initial proportion of units that are income and rent restricted as part of their 4d classification. Prior to the end of this initial 5-year period, the HRA will not approve any reduction in units. Moreover, at no time during the 10-year term may the number of units that are income and rent restricted fall below the minimum requirements to participate in the 4d Program.

The following modifications may be allowed at any point during the 10-year term, including the 5-year restriction period:

ADDITION OF 4D UNITS

Owners seeking to **add** units to increase the proportion of a property's 4d commitment are welcome to do so at any point. This will require execution of an Amended Participation Agreement and Restated Declaration of Restrictive Covenants. Please contact the 4d Program Coordinator for further information.

SALE OF A 4D PROPERTY

Anyone buying or selling a property that is enrolled in the 4d Program should contact HRA staff at least three (3) weeks before closing. All buyers and sellers will need to sign an Assignment and Assumption Agreement ("Assignment and Assumption") assigning the obligations under the Participation Agreement and Declaration to the new property owner(s).

SALE OF A 4D PROGRAM 1-UNIT 4D HOME TO AN OWNER-OCCUPANT

1-Unit (e.g. "single-family," condominium, townhouse) properties may be sold at any time to qualifying owner-occupants earning a maximum income that is at or below 80% of AMI, as allowed in the Declaration. This will require the property's exit from the 4d Program. The property owner must obtain the HRA's written approval prior to closing. The HRA will provide written approval of the sale upon review of the potential buyer's income documentation and verification that the potential buyer meets such income requirements.

Anyone requesting modifications to the Declaration should contact the 4d Program Coordinator as soon as possible to avoid delays.

XI. QUESTIONS?

For questions or more information, visit the 4d Affordable Housing Incentive Program webpage at www.stpaul.gov/4d or contact the 4d Program Coordinator:

Luke Odenthal, 4d Program Coordinator

luke.odenthal@stpaul.gov

651-266-6647

Planning and Economic Development

City Hall Annex - Suite 1100

25 W 4th Street

Saint Paul, MN 55102

ATTN: 4d Program

FOR ACCOMMODATIONS:

***COVID-19 & SUSPENSION OF IN-OFFICE BUSINESS**

Under continued Mayoral COVID-19 guidance, **in-office business with PED remains suspended.**

If you're in need of assistance or reasonable accommodations around this requirement, please contact Luke Odenthal above for assistance.

TRANSLATION SERVICES

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Xav tau qhov no txhais los? Hu rau peb ntawm (651) 266-6565.

ACCESSIBLE DOCUMENTATION

For alternative formats or access to program documents, including hard copies or versions compatible with text-to-speech software, please contact Luke Odenthal above.

DEAF/HARD OF HEARING/HEARING LOSS COMMUNITY MEMBERS

Call MN Relay (711) to in turn call Luke Odenthal at (651) 266-6647.

Upon request at an appropriate time, we will work to provide Sign Language interpreters, other aids, and/or services leading to effective communication with D/HH persons and persons experiencing hearing loss so they can participate equally in the Program