**SAINT PAUL 4D AFFORDABLE HOUSING INCENTIVE PROGRAM**

2022 APPLICATION

* Complete and submit on e application per property to the City of Saint Paul (“City”) with the required attachments by **DECEMBER 17, 2021**.
* Completing this application does not automatically qualify your property for 4d "low income rental” classification (“LIRC”) status in Minnesota. Upon review and approval of your application, the City will submit the required documentation to the Minnesota Housing Finance Agency on your behalf for final approval.

Before continuing with this application, review the 2022 4d Program Guidelines at [www.stpaul.gov/4d](http://www.stpaul.gov/4d).

1. **OWNER INFORMATION**

Please provide full and legal ownership information of the individual(s) or entity listed on the property’s title.

*(Attach a separate sheet with additional owner information if needed.)*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| FULL NAME OF OWNER(S) AS LISTED ON TITLE *(if of married individual(s), include name of spouse(s))* | | | | | |
|  | | | | | |
| OWNER’S MAILING ADDRESS *(Street Address/PO Box)* | | | CITY | STATE | ZIP CODE |
|  | | |  |  |  |
| REPRESENTATIVE/CONTACT NAME *(if different from Owner)* | | | | | |
|  | | | | | |
| OWNER/CONTACT DAYTIME PHONE | | CONTACT ALTERNATE PHONE | OWNER/CONTACT EMAIL | | |
|  | |  |  | | |
|  | **< Mark here to request future documents by mail, instead of by email** (*including delivery of closing documents*)**.** | | | | |

1. **PROPERTY INFORMATION**

List all county parcel ID numbers (PINs) and addresses that identify the property or are included as part of the property. Find this and other property data via Ramsey County at [https://maps.co.ramsey.mn.us/MapRamsey/](http://maps.co.ramsey.mn.us/MapRamsey)

*(Attach a separate sheet with any additional PINs and addresses, as needed.)*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| PARCEL ID NUMBER (PIN/PID) | STREET ADDRESS | CITY | STATE | ZIP |
|  |  | SAINT PAUL | MN |  |
| PARCEL ID NUMBER (PIN/PID) | STREET ADDRESS | CITY | STATE | ZIP |
|  |  | SAINT PAUL | MN |  |
| PARCEL ID NUMBER (PIN/PID) | STREET ADDRESS | CITY | STATE | ZIP |
|  |  | SAINT PAUL | MN |  |

1. **QUALIFICATION FOR 4D/LIRC STATUS**

The Minnesota Housing Finance Agency (“Minnesota Housing”) requires evidence of qualification for 4d status. Any Saint Paul property owner participating in the Saint Paul 4d Affordable Housing Incentive Program (“4d Program”) must demonstrate their property’s eligibility through:

1. A signed Participation Agreement between the property owner(s) and the Housing and Redevelopment Authority of the City of Saint Paul (“HRA”).
2. A 10-year affordability Declaration of Restrictive Covenants (“Declaration”) signed by the property owner(s) and recorded against the property, effective March 2022, expiring March 2032.
3. A signed Minnesota Housing Low Income Rental Classification (“LIRC”) Application (this is not made available by Minnesota Housing until January 2022).

The above documents will be drafted by City staff upon approval of this Application.

1. **ACKNOWLEDGEMENT OF 4D PROGRAM GUIDELINES**

**All individual property owners (including spouses), or the authorized entity representative (if the property is owned by a business entity) or all required trustees (if the property is owned by a trust) or by all sellers, purchasers, and spouses if any (if the property involves a contract for deed) must acknowledge the following.** NOTE: the following 4d Program requirements are not exhaustive, and it is your responsibility to be aware of and follow the full requirements of the 4d Program, as outlined in the 4d Program Guidelines at [www.stpaul.gov/4d](http://www.stpaul.gov/4d).

**By initialing below, I understand that:**

|  |  |
| --- | --- |
|  | I agree to execute a 4d Participation Agreement and Declaration and to sign a Minnesota Housing LIRC Application, and I authorize the HRA to record the Declaration and submit these documents to Minnesota Housing. |
|  | The 4d property tax reduction is first applied in tax year 2023, and only to the proportion of property tax equal to the percentage of units that I commit to 4d affordability restrictions. *E.g. if half of the property’s units are restricted, then the tax reduction will only apply to half of the total property tax.* |
|  | The total “rent” amount must include the utility allowance amounts for any utility that the tenant is responsible for paying. These allowances are listed in the Utilities Allowance chart found in the 4d Program Guidelines. |
|  | Rents (including utilities costs) on 4d units 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 annually published maximum rent limits for the 4d Program. |
|  | After the property’s 4d enrollment, any *new* leases on 4d units must be to tenants whose household income is at or below the unit’s affordability level (for either 50% or 60% of AMI) as designated by the owner at the property’s enrollment or its most recent annual recertification.  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*. |
|  | The property must meet the following standards as determined by the City of Saint Paul Department of Safety and Inspections (DSI):   1. The property must have a valid Fire Certificate of Occupancy, or be exempt by applicable DSI regulations. 2. The property must have a Certificate of Occupancy Inspection grade from DSI of either A or B. |
|  | The City has the right to deny my application if I, or any entity I have an ownership interest in, own(s) or manage(s) any other properties within the City of Saint Paul that: (1) are graded C or D by DSI; (2) has had its rental housing license revoked; or 3) has outstanding citations. |
|  | Properties with 4d units may be sold only after receiving prior written approval from the HRA. Owners who plan to sell their property must contact Luke Odenthal at the contact information below as soon as possible. |
|  | Owners of vacant 4d-designated units are required to advertise their availability on the listings portal administered by HousingLink, and to do so in compliance with affirmative fair housing marketing practices as outlined in the 4d Program Guidelines—including nondiscrimination of tenants with public housing assistance (such as a Section 8 voucher). |
|  | 4d property owners must submit two annual recertifications to verify the property’s 4d compliance to City and Minnesota Housing by March 31st, including:   1. A State of Minnesota Low Income Rental Classification (LIRC) Reapplication, mailed to Minnesota Housing with a $10 reapplication fee for each 4d unit (up to $150 per property). 2. A Saint Paul 4d Recertification Form, sent to the City of Saint Paul. |

1. **AFFORDABILITY COMMITMENTS**

4d eligibility is based on the commitment to preserve affordable rental housing through rent and income limits, which are updated annually as based on the metropolitan Area Median Income (“AMI”). Current limits are:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **2022 4D RENT LIMITS** *(Monthly ‘Gross Rent’)* | | |  | **2022 4D INCOME LIMITS** *(Annual, Gross)* | | |
| **Unit Size**  *(# of Bedrooms)* | **50%AMI** | **60%AMI** |  | **Household Size**  *(# of Persons)* | **50%AMI** | **60%AMI** |
| **Studio/Efficiency 0BR** | $ 918 | $ 1,101 |  | **1** | $ 36,750 | $ 44,100 |
| **1BR** | $ 984 | $ 1,180 |  | **2** | $ 42,000 | $ 50,400 |
| **2BR** | $ 1,181 | $ 1,417 |  | **3** | $ 47,250 | $ 56,700 |
| **3BR** | $ 1,363 | $ 1,635 |  | **4** | $ 52,450 | $ 62,940 |
| **4BR** | $ 1,521 | $ 1,825 |  | **5** | $ 56,650 | $ 67,950 |
| *Source:* [*Metropolitan Council*](https://metrocouncil.org/Communities/Services/Livable-Communities-Grants/Ownership-and-Rent-Affordability-Limits.aspx) *(effective June 1, 2021)* | | |  | *Source:* [*Metropolitan Council*](https://metrocouncil.org/Communities/Services/Livable-Communities-Grants/Ownership-and-Rent-Affordability-Limits.aspx) *(effective June 1, 2021)* | | |

**Complete the section below for the type of property for which you seek 4d status.**

These commitments will be finalized and recorded in the 4d Participation Agreement and Declaration as proof of your property’s eligibility for 4d classification, as well as how much of your property will be assessed at a lower tax rate.

|  |
| --- |
| **1 Unit (Single Family) Properties** |
| **CHECK HERE**  **that this unit must be kept affordable for households with up to 50% of AMI.** |
| **2 Unit (Duplex) Properties** |
| **CHECK HERE  that at least one unit must be kept affordable for households with up to 50% of AMI.**  **Optional**: Keep the 2nd unit affordable for households with incomes of up to 50% AMI *or* 60% AMI.   |  |  | | --- | --- | | Number of Units at **50% AMI**: |  | | Additional Unit at **60% AMI**: |  | |
| **3 *or More* Unit (Multifamily) Properties**  *Owners of properties with 50 or more units must complete this and the following sections.* |
| Multifamily rental owners may restrict a fewer number of units if at least a minimum proportion is committed for households not earning more than 50% of AMI (Option 1), and must otherwise commit half of the total units for households earning up to 60% of AMI (Option 2).   |  |  | | --- | --- | | **Total Number of Units:** |  |   **OPTION 1: Keep at least 20% of the total units as affordable to households with up to 50% of AMI.**   |  |  | | --- | --- | | Total Number of Units at **50% AMI**: |  | | Additional Units at 60% AMI: |  |   **OPTION 2:**  **Keep at least 50% of the total units as affordable to households with up to 60% of AMI.**   |  |  | | --- | --- | | Total Number of Units at **60% AMI**: |  | | Additional Units at 50% AMI: |  | |

**Optional**: beyond these minimums, multifamily property owners may enroll any proportion of remaining units at *either* 50% or 60%AMI affordability level.

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| --- |
| **50 *or more* Unit (Multifamily) Properties** |
| **Multifamily properties with 50 or more units must also meet the requirement that** **this affordability be restricted across a *diverse distribution of* *unit types****,* in terms of their size and number of bedrooms (as evidenced by rent roll), and with consideration for financial feasibility.  In addition to designating overall affordability commitments in prior Multifamily section above**, list the distribution of unit types that will be restricted in order to qualify for 4d status.** |
| UNIT DISTRIBUTION COMMITMENT:   |  |  |  |  |  | | --- | --- | --- | --- | --- | | # OF BEDROOMS **UNIT TYPE** | # OF UNITS  **TOTAL** | # OF UNITS  **TO CERTIFY 4D** | # OF 4D UNITS  **AT 50%AMI** | # OF 4D UNITS  **AT 60%AMI** | | **Studio/Efficiency** |  |  |  |  | | **1-Bedroom** |  |  |  |  | | **2-Bedroom** |  |  |  |  | | **3-Bedroom** |  |  |  |  | | **4-Bedroom** |  |  |  |  | | **5-Bedroom** |  |  |  |  | | **TOTAL** |  |  |  |  | |
| **Owners of existing properties with 50 or more units should attach all relevant information as to the property and owner’s financials and the financial feasibility of proposed 4d affordability and unit type commitments. property’s unit types.** |
| **50 *or more* Unit (Multifamily) *New or Under Construction* Properties** |
| 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 also meet the requirement that this affordability be restricted across a *diverse distribution of* *unit types****,* in terms of their size and number of bedrooms (as evidenced by rent roll), and with consideration for financial feasibility.  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**](mailto:luke.odenthal@stpaul.gov) **with a corresponding project pro forma** early in their development timeline to confirm eligibility. |
| **Developers of multifamily projects with 50 or more units should attach all relevant information as to the property’s financing and the financial feasibility of proposed 4d affordability and unit type commitments.** |

1. **REQUIRED ATTACHMENTS**

**You must include the following attachments with this Application:**

1. Complete a 2022 4d Rent Roll form, showing current rents and sizes of all units at your property, and identifying which will be designated to meet your 4d Program affordability commitments (per *Section E* of this Application).

**If Applicable:**

1. For properties **owned by a BUSINESS ENTITY**:

* A certified copy of a current Certificate of Good Standing from the Secretary of State’s webpage, ordered 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

1. For properties **owned in the name of a TRUST**:

* A fully executed copy of the trust instrument, or an *unsigned* Certificate of Trust form (to be executed later)
* An *unsigned* Affidavit of Trustee form (to be executed later)

1. For properties **involving a CONTRACT FOR DEED:**

* A copy of the recorded, or if unrecorded, fully executed Contract for Deed

1. 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.

1. **CONTACT AND APPLICATION SUBMISSION**

**Please submit your application with attachments, by DECEMBER 17, either by mail or email to:**

**Luke Odenthal**

[luke.odenthal@stpaul.gov](mailto:luke.odenthal@stpaul.gov)

**Planning and Economic Development**

City Hall Annex - Suite 1100

25 West 4th Street

Saint Paul, MN 55102

ATTN: 4d Program

**For questions, please call 651-266-6647.**

**or visit** [**www.stpaul.gov/4d**](http://www.stpaul.gov/4d) **for additional 4d Program information and materials.**

**Applications must be certified on the following page by all individual property owners (including spouses), or the authorized entity representative (if the property is owned by a business entity) or all required trustees (if the property is owned by a trust) or by all sellers, purchasers, and spouses if any (if the property involves a contract for deed) in order to be accepted.**

1. **USE OF INFORMATION AND CERTIFICATION**

Use of Information: The data you provide will be used to assess your qualifications for the 4d Program. Some of the data provided may be private or confidential by state law. If you provide the requested data, some or all of it will become public under the Minnesota Government Data Practices Act (MGDPA). You are not legally required to provide any of the data, but the HRA will not be able to process or approve your application without it. By signing this application, you give consent to the City and HRA to share this data, including any supporting documentation submitted as part of the application, with Minnesota Housing Financing Agency, county or city assessors, and such other entities as may be needed to verify 4d Program and LIRC eligibility. The data you supply may also be shared upon court order or provided to the state or legislative auditor and other persons or governmental entities who have the statutory authority to review the data, investigate specific conduct and/or take appropriate legal action.

The undersigned certifies that the undersigned is duly authorized to sign this application, that the information contained herein (and in any exhibits, attachments or other supporting documentation submitted as part of the application) is true and correct, and that the property meets the requirement(s) to receive the LIRC tax reduction and is in compliance with all applicable requirements of the 4d Program and LIRC program that qualifies the property for the tax reduction. The undersigned further certifies that the undersigned has read and understands the above statement in regard to the use of any information provided to the City or HRA.

**Sign: Sign:**

**Print Name: Print Name:**

**Date: *CLICK TO ENTER A DATE***   **Date: *CLICK TO ENTER A DATE***  

**Sign: Sign:**

**Print Name: Print Name:**

**Date: *CLICK TO ENTER A DATE***   **Date: *CLICK TO ENTER A DATE***