[TO BE SUBMITTED ON DEVELOPER’S LETTERHEAD]

City of Saint Paul
Attn: Marilyn Rosendahl

Department of Planning and Economic Development

1400 City Hall Annex

25 West Fourth Street

Saint Paul, MN 55102

RE: Developer Acknowledgement of Compliance Documentsfor *(Description of Project)* (“Project”)

Dear:

This letter accompanies our pre-application for a [Metropolitan Council LCDA/Metropolitan council TBRA/DEED] pass-through grant. It serves as our acknowledgement that there may be city, state, or federal compliance requirements that are applicable to the above-referenced Project. Compliance requirements may include:

1. Affirmative Action/Equal Economic Opportunity
2. Vendor Outreach Program Labor Standards/Prevailing Wage – Federal Davis Bacon and City Davis Bacon
3. Two Bid Policy
4. Sustainable Development requirements
5. HUD Section 3
6. Project Labor Agreement
7. Living Wage
8. Affirmative Fair Housing Marketing Plan

We acknowledge that we will be notified later in the process of those compliance areas that apply to us and our Project and that those will depend in part on the source(s) and amount(s) of funds that may be awarded through the grant process.

We acknowledge that, unless otherwise communicated in writing by city staff, applicable compliance requirements will apply to the project *in its entirety*, and are not limited to the grant-funded activity.

We acknowledge receipt of the attached compliance matrix which provides a summary of the above listed Compliance areas. We can contact the Project Manager if more detail is desired for any area of Compliance.

Acknowledgement of Compliance does not constitute or create an agreement or representation by the City of Saint Paul to approve the Project or grant any financing for the Project, or create any legal or equitable cause of action against the City arising from any failure or refusal by the City to approve the Project or any financing for the Project.

Instead, we acknowledge that a legally binding contract will be formed only upon formal approval of the Project by the City Council and execution of a legally binding agreement, the terms of which will be discussed with City staff. Also, we agree not to make any waiver or estoppel arguments or to impose any agreement or binding legal obligation on the City by actions taken by us in response to the required Compliance.

I hereby attest that I am an authorized signatory of [Developer] and I am able to acknowledge the aforementioned on behalf of said developer.

[Signed by a representative of the entity with which the city may enter into a contract; this letter may not be signed by a consultant applying for funds on behalf of a developer.]

[Name]

[Title]

[Development company or organization]

cc: Deputy Director, Division of Contract Compliance and Business Development

 Department of Human Rights and Equal Economic Opportunity

| **Compliance** | **Thresholds** | **Requirements** | **Exemptions** |
| --- | --- | --- | --- |
| **Affirmative Action / Equal Employment Opportunity (AA/EEO)** | a) $50,000, total public subsidy or contract, cumulative over 12 months, ORb) Sales made under HRA Land disposition policy | a. On any project over $50,000, all contractors, prime and sub, have a goal of 32% for minorities and 20% for women participating on the project. b. In addition, the recipient must file an affirmative action program registration to diversify and implement fair employment practices with its workforce. The registration with the city remains in effect for 2 years.  | None |
| **Bonds** – revenue and conduit (includes 4% tax credits) | All Bonds – No threshold | Little Davis-Bacon, Affirmative Action, Vendor Outreach, Sustainable Green Policy (for Housing Revenue Bonds) | None |
| **Business Subsidy** (State Law Chapter 116J.993) | a) $150,000 for grant or other subsidy, yearly reporting is required beginning at $25,000;b) over $150,000 for loan or loan guarantee, yearly reporting required beginning at $75,000  | Wage and job goals, reporting. | Redevelopment when purchase of the site and site preparation is greater than 70% of assessed value, redevelopment of contaminated property, pollution control or abatement, renovation of old buildings or historic district assistance when assistance is less than 50% of cost, energy conservation, housing, certain non-profit corporations, and other exemptions.  |
| **City Labor Standards (Little Davis-Bacon)** | $25,000(total project cost) | Projects over $25,000 consisting of new construction work, demolition work, or repair work; onsite workers whose duties are physical or manual are paid weekly minimum prevailing rates including fringe benefits. Weekly certified payroll and compliance documentation submittal required. | * Housing projects with 7 or fewer units.
* Demolition without future reuse.
* *No exemptions for commercial projects.*
 |
| **Early notification system** | $250,000 or awarded developer rights | Provides notice to interested persons of applications for HRA financial assistance and developer rights. | Conduit bond |
| **Federal Labor Standards(Davis-Bacon)** | $2,000(total project cost) | When funding is of federal origin (CDBG, HOME, ARRA, EEC, etc.), all job site construction workers (including owners) whose duties are physical or manual must be paid weekly minimum prevailing wage rates (including fringe benefits). Weekly certified payroll submission is required. | * Housing projects with 7 or fewer units assisted with CDBG funds – [11 or fewer units assisted with HOME funds].
* Demolition without future reuse is exempt.
* *No exemptions for commercial projects.*
 |
| **HUD Section 3** | Any amount of HUD funding (CDBG, HOME, NSP, HOPWA grants, etc.). Contractors share responsibility at $100,000 construction contract. | When certain federal funding is used (most often CDBG, CDBG-R, HOME, NSP), Section 3 requires that grantees, developers, contractors, and subcontractors direct employment and economic opportunities, to the greatest extent feasible, toward low- and very low-income persons (Section 3 resident) and businesses that provide economic opportunity to Section 3 residents (Section 3 business concerns). | None |
| **Limited English Proficiency (LEP)** | All federal financial assistance | Requirement to provide meaningful access to PED programs, services and activities to persons with limited English proficiency. | None |
| **Living Wage** (City Ordinance Administrative Code Chapter 98) | $100,000 | In 2018, living wage at 130% of the poverty level for a family of four is $15.69 per hour or 110% ($13.27 per hour) if health benefits are provided. Wage rates change annually. Duration is longer of three years or length of subsidy. | Small businesses with * 20 or fewer full time employees,
* gross revenues of less than $1,000,000 or if
* professional/technical business then gross revenues less than $2,500,000
* *No exemptions for housing*
 |
| **Low Income Housing Tax Credits** – 9% (see Bonds for thresholds and requirements for 4% tax credits) | All | None |  |
| **Project Labor Agreements (PLA)** | $250,000 (Effective June 4, 2009.) | Building and construction projects, parks, public works | Conduit bond |
| **Sustainable Building Policy** | More than $200,000.All new construction and certain rehab projects | Must be certified under one of the eligible green building standards, and comply with the Saint Paul Overlay. **See Policy**. | Conduit bond except for multi-family housing revenue bonds. |
| **PED/HRA Sustainability Initiative** | All newly constructed commercial buildings over 15,000 square feetAND | Participate in Xcel Energy Design Assistance  | Does not apply if complying with the Sustainable Building Policy |
| All new multifamily buildingsAND | Participate in Xcel Energy Design Assistance or ENERGY STAR New Homes |
| All rehab of single-family and duplex properties | Participate in Home Performance with ENERGY STAR |
| **Two Bid Policy** | $20,000 | Requirement to obtain two bids from general contractors and subcontractors; award contract to lowest responsible bidder. | Exemption of process followed for negotiated contract with general contractor. |
| **Vendor Outreach Program (VOP)** | a) Total project cost in excess of $50,000 or more, regardless of City contribution (e.g.: if there is a STAR grant award of $25,000 and the total project cost is $60,000, VOP applies).b) Sales made under HRA Land Disposition Policy | Project goals set on a project-by-project basis. Generally, 25% of Business Opportunities should be awarded to CERT certified Small, Women-owned and Minority-owned businesses, with at least 10% awarded to Small businesses, 10% awarded to Women-owned businesses, and at least 5% to Minority-owned businesses. B2Gnow reporting required. (Good faith efforts)  | None |

I hereby acknowledge receipt of this compliance matrix\*: \_\_\_\_\_\_\_\_\_\_

 (*initial)*

*\*Initialing this document in no way signals a binding agreement, representation or understanding of compliance requirements herein.*