|  |  |  |  |
| --- | --- | --- | --- |
|  | | DEPARTMENT OF PLANNING & ECONOMIC DEVELOPMENT  *Nicolle Goodman, Director* | EqualHousingLogo |
| CityLogo | CITY OF SAINT PAUL *25 West Fourth Street, Ste. 1300 Telephone: 651-266-6565*  *Melvin Carter, Mayor Saint Paul, MN 55102* | | |

**PROCESS FOR ANALYZING PROJECTS**

**REQUESTING SAINT PAUL HOUSING AND REDEVELOPMENT**

**AUTHORITY (HRA) ASSISTANCE**

*Revised August 2020*

**STEP 1** Staff review of a development proposal is triggered by a discussion between staff and developer regarding a proposed project. Any preliminary staff discussion shall include notification of a PED Team Leader. HRA assistance shall include a request for any of the following, or combination of the following, for housing and commercial projects:

* + - * Loans
      * Grants
      * Land Sales (Disposition of HRA Owned Land)
      * Land leases
      * Tax Increment Financing (TIF)
      * Tax Credits
      * Conduit Revenue Bonds (when combined with any of the above)
      * Guaranty
      * Other financial assistance

This application process does not apply to requests for garden lots and splinter parcels, or when the only requested assistance is for Conduit Revenue Bonds. The HRA has a separate application for Conduit Revenue Bonds when that is the only requested HRA participation.

Separate applications also pertain to requests for STAR assistance or 9% Low Income Housing Tax Credits (LIHTC).

**STEP 2** A written proposal shall be submitted by the developer to include the following:

* + - * Initial application form (see Attachment A)
      * 1st Developer Letter (see Attachment B)
      * 20% of Development Project Application Fee, based on size of project (see Attachment C)
      * The balance of the Development Project Application Fee (i.e., 80% of Application Fee) will be submitted in Step 7 or Step 8

**STEP 3** Staff will conduct a preliminary analysis including:

* + - * Gap analysis
      * Preliminary assessment of sources and uses
      * Identify public purpose
      * Preliminary assessment of proposal’s consistency with city goals, comprehensive plan, zoning code, any existing redevelopment plans, and land disposition policy
      * Preliminary project feasibility
      * Evaluate developer’s financial capacity and experience
      * Determine need for PED/HRA consultant(s)
      * Obtain further information from applicant if needed

**STEP 4** PED staff will determine if proposal merits further consideration and evaluation. If staff determines that no further analysis will be completed, the applicant will be notified as soon as possible. If staff determines that the proposal merits further consideration, staff will continue to Step 5.

**STEP 5** Staff along with PED Resource Team will determine the appropriate source(s) of HRA funds.

**STEP 6** Developer will be given the appropriate additional application form(s) i.e., Tax Credit Application, and/or STAR Application. The appropriate applications will be determined by PED staff.

**STEP 7** If Tax Increment Financing (TIF) is **NOT** a source, the following will occur:

* + - Staff will collect any other fees required for other sources of HRA funds (see Attachment C)
    - Staff will collect the Balance of Application Fee (i.e., 80%) and Expense Deposit (see Attachment D)

**Skip to STEP 9**

**STEP 8** If TIF **IS** a source, the following will occur:

* Staff and PED Resource Team will analyze whether preliminary TIF requirements can be met including “But For” Test and legislative qualifications and intent for a TIF District. Also, see “Tax Increment Financing Guidelines” (Attachment E)
* If preliminary TIF eligibility is determined, then staff will collect any other fees required for other sources of HRA funds (see Attachment C) and the Additional Application Fee (i.e., 80%) and Expense Deposit (see Attachment D) for outside consultants
* Blight analysis (if needed) conducted by outside consultant identified by HRA staff (paid with additional Expense Deposit)
* TIF Plan and Findings drafted by outside counsel and reviewed by HRA attorney

**STEP 9** If Conduit Revenue Bonds are an additional source, the Applicant should also refer to Attachment F for Policies and Procedures

**STEP 10** PED staff will make a recommendation to the HRA Board of Commissioners and/or City Council.

* No legal binding commitment until Step 11.

**STEP 11** HRA Board of Commissioners and City Council Actions will include the following:

* Resolution approving Loan Agreement, Land Sale Contract, Tentative Developer Status, and/or Development Agreement, etc.
* Additionally, if TIF is used, resolutions of HRA of Commissioners and City Council approving TIF district and plan

**APPLICATION**

**REQUEST FOR ASSISTANCE FROM THE**

**HOUSING AND REDEVELOPMENT AUTHORITY**

**OF THE CITY OF SAINT PAUL, MINNESOTA**

*FORM REVISED SEPTEMBER 2017*

1. Project Name:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City Council Ward\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ District Council\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. Business/Developer Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Contact:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Telephone:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

E-Mail Address:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

corporation (state of incorporation: )

partnership

sole proprietorship

other (specify: )

List below the names and offices held for all officers of the Applicant, current as of the date of

this application:

\_\_

List below the names of all stockholders (if corporation), partners (if partnership) and owners (if

sole proprietorship) of the Applicant, current as of the date of this application

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Has – Applicant, if an individual,

OR

Any officers or owners or any majority stockholder (20% or more ownership), if a

corporation, OR

Any existing or prospective general and limited partner in the Project ever:

Been convicted of a felony? yes no

Been in bankruptcy? yes no

Defaulted on any loan, bond or mortgage? yes no

3. Brief description of the business/developer experience:

4. Present ownership of the site:

5. Proposed project description: Include building(s) type, use, size of building(s), # of housing units, s.f. of commercial uses, description of building-materials, surrounding land uses, proposed services and amenities, include photographs of site and buildings.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

6. Size of parcel being developed:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

7. Acquisition costs per acre or square foot: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

8. Total Square foot size of building:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

9. What is the projected building cost per square foot:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

10. Please complete the detailed project Development Costs/Uses and Sources as follows (or attach a Sources and Uses which includes at least these categories):

**Estimated Uses/Costs**

a. Land Acquisition $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

b. Site Development $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

c. Environmental Remediation $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

d. Building & Site Fees (specify) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

e. Building Cost $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

f. Architectural & Engineering Fees $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

g. Legal Fees $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

h. Furnishing/Fixtures/Equip (FFE) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

i. Financing Fees $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

j. Broker Costs $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

k. Developer’s Fee $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

l. Reserves $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

m. Syndication Costs $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

n. Contingencies $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

o. Soft Costs (specify) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

p. Other (specify) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

q. Other (specify) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

r. Other (specify) $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Total Development Costs** $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Estimated Financing Structure/Sources**

a. Equity $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

b. Bank Loan $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

c. Other/Identify \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Total Sources** $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

11. Name and Address of Private Lender\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

12. Please submit Operating Proforma for the project showing cash flow projections (at least 15 years for rental housing projects).

13. Total Current Market Value of site: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

13a. Is an “as is’ property appraisal available? Yes\_\_\_\_\_\_ No\_\_\_\_\_\_\_\_

14. Total Estimated Market Value at project completion: $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

14a. Is an “as built’ property appraisal available? Yes\_\_\_\_\_\_ No\_\_\_\_\_\_\_\_

15. Estimated real estate taxes of project upon completion $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

(Show calculation)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

16. Type of HRA Program/Assistance Requested:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

17. Name & Address of:

Architect:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Engineer:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

General contractor: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Legal counsel: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

18. Project construction schedule:

a. Construction Start Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

b. Construction Completion Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

c. If phased project: \_\_\_\_\_\_\_\_\_What Completed \_\_\_\_\_\_Year\_\_\_\_\_% Complete

\_\_\_\_\_\_\_\_\_What Completed \_\_\_\_\_\_Year\_\_\_\_\_% Complete

19. Employment Data:

Est. Number of Construction Jobs: \_\_\_\_\_\_\_\_\_\_\_

Total number of persons employed by Applicant: \_\_\_\_\_\_\_\_\_\_\_

Total number of persons employed by Applicant in Minnesota: \_\_\_\_\_\_\_\_\_\_\_

Total number of persons employed by Applicant in Saint Paul: \_\_\_\_\_\_\_\_\_\_\_

Estimated number of permanent full-time jobs in Project: \_\_\_\_\_\_\_\_\_\_\_NEW

\_\_\_\_\_\_\_\_\_\_\_Existing

Expected Annual Wages of NEW Full-Time Jobs:

20. Indicate Project’s compliance with City and State codes and regulations. If there is

non-compliance, indicate what action must be taken to achieve compliance:

i. Project complies with the following regulations:

Zoning

Platting

Building and Housing (permits obtained)

Environmental

\_\_\_\_\_ Historic Review

Other (specify: )

ii. Project requires:

Rezoning from to

Conditional use permit/non-conforming use permit

\_\_\_\_\_ Zoning variance

Building permit

Environmental assessment worksheet

\_\_\_\_\_ Historic Review

\_\_\_\_\_ Stormwater Management Review

Other (specify: )

iii. The proposed site is served by utilities, including streets.

yes no

1. Detail the sustainable (green) components included in the construction of buildings and site improvements. Indicate whether the building will receive LEED certification and to what level.

21. Does project require displacement or relocation of existing businesses? Explain yes response.

22. Has Applicant executed any contracts for construction of any portion of the Project? Explain yes

response.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

23. State specific reasons why the use of HRA assistance is necessary for the project

(the “but for” test), including a gap analysis with stated assumptions.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

24. Please indicate how the project would meet one or more of the following City’s Development goals; creation of jobs that pay living wages, job retention, tax base expansion, redevelopment, Housing Action Plan policies (economic integration, increased housing choices, aggressive housing rehabilitation, neighborhood revitalization, the preservation of existing affordable housing, the new production of affordable housing, and sustainable development).

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

25. Experience. Please name any other projects wherein the applicant, or other corporations the applicant has been involved with, has completed developments within the last five years.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

26. Number of years in business:\_\_\_\_\_\_\_\_\_\_\_\_\_

27. Number of years in Saint Paul:\_\_\_\_\_\_\_\_\_\_\_\_

28. Potential for growth:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

29. Will building be owner occupied \_\_\_\_\_\_\_\_\_\_ Yes \_\_\_\_\_\_\_\_\_\_ No

30. If rental space, include unit mix, size of units, gross rents, operating expenses; separated for housing versus commercial uses.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

31. The following information is optional and will not impact the HRA’s decision to grant or deny the request for assistance; it is requested on various reports the City of Saint Paul/HRA is required to fill out. Please check the category to indicate the racial/ethnic character of the owner(s) and controller(s) of 51% of the business/developer.

\_\_\_\_ Caucasian \_\_\_\_ Black \_\_\_\_ Native \_\_\_\_ Hispanic

\_\_\_\_ Asian/Pacific Islander \_\_\_\_ Hasidic Jew

Is this a women-owned business (WBE)? \_\_\_ Yes \_\_\_ No

32. If housing, what is the total number of units and what percent will be affordable:

Total Number of Units \_\_\_\_\_\_\_\_\_\_\_\_

Number of Units @ 60% Metro Area Median Income \_\_\_\_\_\_\_\_\_\_\_\_

Number of Units @ 50% Metro Area Median Income \_\_\_\_\_\_\_\_\_\_\_\_

Number of Units @ 30% Metro Area Median Income \_\_\_\_\_\_\_\_\_\_\_\_

COMPLETE #33 THROUGH #42 IF THE PROJECT ALSO INCLUDES A REQUEST FOR HRA ISSUED CONDUIT REVENUE BONDS

33. Total principal amount of bonds which Applicant is requesting that HRA issue for Project:

(A) New Money Bonds:

(B) Refunding Bonds:

(A) + (B)

34. Proposed bond structure, including security, rate structure, final maturity, offering terms, etc.

35. Bond underwriter information (name, firm, address, phone, email):

36. Bond counsel information (name, firm, address, phone, email) – to be appointed by City Attorney:

37. Indicate name and address of financial references for all of the following that apply: Bank, Commercial Mortgage, Trustee for other revenue bond issues under which Applicant was borrower:

38. Outstanding principal amount of revenue bonds issued by City, Port Authority, or HRA to finance a facility of which Applicant or any related person to Applicant is or has been a principal user during previous three years:

39. List any projects financed through the HRA or Port Authority in which Applicant, if an individual, officers or majority stockholders if a corporation, or any existing or prospective general partner, has participated:

40. Any other outstanding HRA/City loans or Bonds/Notes:

Principal Date Outstanding

Amount Issued Balance

41. If bond financing includes refinancing, provide the location and description of project or projects originally financed with the bonds related to the financing request; and provide information about current or anticipated capital improvements related to the project or projects.

**42. An additional Bond Application fee is required equal to $5,000 (reduces to $3,500 if the principal amount is less than $1,000,000).**

Additional Comments:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Submit this form along with Initial Application Fee, Bond Application Fee (if applicable) and Developer Letter to:

City of Saint Paul

Department of Planning and Economic Development

Suite 1300

25 West Fourth Street

Saint Paul, MN 55102

All Application and supporting materials and documents shall remain the property of the HRA. All such materials may be subject to disclosure and/or public review under applicable provisions of state law.

By submitting and signing this application form and Developer Letter, the Applicant certifies that this Application, including the Exhibits detailed in the Addendum and Relocation and Housing Replacement Notification (if applicable), are true, correct, and complete to the best of its knowledge.

Applicant \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Its \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_

**Attachment A (Addendum to Application)**

REQUEST FOR ASSISTANCE FROM THE HOUSING AND REDEVELOPMENT

AUTHORITY OF THE CITY OF SAINT PAUL

For the proposed financing requested in the Request for Assistance from the Housing and Redevelopment Authority of the City of Saint Paul, Minnesota (Attachment A) the following additional data needs to be submitted as part of the application and identified as the following EXHIBITS:

**EXHIBITS**

**1. PROJECT DESCRIPTION**

Include a narrative description of the project and surrounding land uses. Include a description of services or amenities proposed for tenants and/or residents. Include photographs of the site and buildings.

**2. DEVELOPMENT AND FINANCING TEAM**

Name and provide resumes/pertinent experience backgrounds of development company including all principal partners, property management company, borrower's legal counsel, bond counsel, underwriter, underwriter's legal counsel, bond trustee, accounting firm, architectural firm, and general construction contractor.

**3. PROJECT SCHEDULE**

**4. FINANCIAL ANALYSIS/UNDERWRITING REPORT**

Describe with supportive documentation and assumptions, your analysis substantiating the feasibility and long-term financial viability of the project.

**5. FINANCIAL STATEMENTS**

Submit at least past three years audited statements and current (within 60 days) financial statement of the project, proposed property management company, asset management company, and applicant/development company.

**6. DETAILED PROJECT BUDGET**

**7. SOURCES AND USES OF FUNDS STATEMENT**

**8. TERMS AND CONDITIONS OF SOURCES OF FUNDS**

**9. ARCHITECTURAL DRAWINGS, SWORN CONSTRUCTION COST STATEMENT, BIDS AND SPECIFICATIONS, SITE IMPROVEMENT PLANS, SCOPE OF WORK**

**10. OPERATING EXPENSE PROJECTIONS**

Include a detailed operating expense budget and the amount and purpose of project reserves (eg, replacement and operating) with underlying assumptions or background information.

**11. 15 YEAR PRO FORMA PROJECTIONS**

Submit a 15-year proforma operating budget with underlying assumptions.

**12. NEIGHBORHOOD SUPPORT**

Include a statement on the support and roles of the District Community Council or other neighborhood organizations. Indicate whether the proposed project or financing has been reviewed by the neighborhood.

**13. PERSONAL FINANCIAL STATEMENTS OF THE PRINCIPALS/GENERAL PARTNERS OF THE PROJECT**

***(ONLY IF SPECIFICALLY REQUESTED BY HRA)***

**ADDITIONAL REQUIREMENTS FOR PROJECTS THAT INCLUDE HOUSING**

**14. MARKET FEASIBILITY ANALYSIS/PLAN**

Describe the target market and need for the type of housing being proposed; include market studies and/or analysis. Also, include your plan and methods to market the units.

To ensure and further fair housing, an Affirmative Fair Housing Marketing Plan will be required. A draft Plan must accompany the application, a final Plan must be submitted prior to closing.

**15. DETAILED HOUSING UNIT BREAKDOWN**

Include unit mix, size of units, and gross and project rent structure.

**16. OCCUPANCY/FILL PROJECTIONS**

Provide a schedule/timeline for lease-up of the units; provide historical occupancy rates.

**17. TENANT DATA**

Provide a breakdown of the current or targeted, whichever is applicable, tenant population by racial/ethnic classification, income, household size, single head of household, and age.

**18. SUPPORT SERVICES**

Include a statement on whether support and human services are planned for or are provided to the residents of the project; indicate the services provided and the related service organizations. Indicate names, addresses and telephone numbers of the service providers.

**19. STATEMENT OF RESIDENT PARTICIPATION; COOPERATIVE HOUSING**

Include a statement on resident participation in the project and whether the project is or will be organized as a cooperative or with a resident association; and indicate the structure of the ownership, cooperative or resident association entities and the role of the residents in the management of the ownership entity and of the project.

**ATTACHMENT B**

**Initial Application Fee &**

**Acknowledgement of Compliance Documents (1st Developer Letter)**

[TO BE SUBMITTED ON DEVELOPER’S LETTERHEAD]

*(Project Manager’s Name)*

Housing and Redevelopment Authority

City of Saint Paul

Department of Planning and Economic Development

1400 City Hall Annex

25 West Fourth Street

Saint Paul, MN 55102

RE: *(Description of Project)* (“Project”)

Dear:

Enclosed is our non-refundable Initial Application Fee in the amount of $\_\_\_\_\_\_\_\_\_\_ (20% of total application fee as shown on Attachment C) in connection with the Project. We understand that we are not entitled to any refund or rebate of any amount of this Initial Application Fee under any circumstances.

In addition to the Initial Application Fee, we agree to pay, upon your request, an Expense Deposit to pay for outside legal counsel, financial advisors, appraisers, and other consultants, and all other out of pocket expenses incurred in connection with the Project.

We further acknowledge that the following City/HRA compliance documents (“Compliance Documents”) may be applicable for this Project:

I. Affirmative Action including Workforce Utilization Template

II. Vendor Outreach Program, including Business Opportunity Template (BOT)

III. Labor Standards – Federal Davis Bacon and City Davis Bacon

IV. Two Bid Policy

V. Sustainable Development (Green)

VI. HUD Section 3

VII. Project Labor Agreement

VIII. Living Wage

IX. Business Subsidy

X. Early Notification System (ENS)

XI. Bond Compliance Agreement for Conduit Bonds\*

XII. Affirmative Fair Housing Marketing Plan

*\*Conduit Bonds are defined as any bonds issued by the Housing and Redevelopment Authority (HRA) on behalf of an applicant, this includes rental housing revenue bonds.*

We understand that we will be notified later in the application process of those compliance areas that will actually apply to us and our Project and that will depend in part on the source(s) and amount(s) of public funds that may be awarded by the City or HRA (see Attachment D).

We acknowledge receipt of the attached compliance matrix which provides a summary of the above listed Compliance Documents. We can contact the Project Manager if more detail is desired for any specific Compliance Document except any questions relating to Affirmative Action, Vendor Outreach Program, Labor Standards or HUD Section 3 will be directed to the City’s Department of Human Rights and Equal Economic Opportunity, Deputy Director, Division of Contract Compliance and Business Development, which is located in Room 280 of City Hall, 15 West Kellogg Blvd., St. Paul, Mn. The Division’s phone number is 651-266-8900 and its email address is: contractcompliance@stpaul.gov.

In addition to the foregoing compliance areas that are triggered by the award of public financing for the Project, the undersigned acknowledges and understands that it must also comply with the City of Saint Paul’s zoning and land use ordinances and regulations, including without limitation the following: site plan review, park dedication, storm water management, etc.

We also understand that the acceptance of the Initial Application Fee and our acknowledgement of the Compliance Documents does not (a) constitute or create an agreement by the City of Saint Paul or the HRA to approve the Project or grant any financing for the Project, or (b) constitute any representation by the City or HRA that it will approve the Project or agree to provide financing, or c) create any legal or equitable cause of action against the City and HRA arising from any failure or refusal by the City and HRA 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 HRA Board of Commissioners and execution of a legally binding agreement, the terms of which will be discussed with HRA and City staff. Also, we agree not to make any waiver or estoppel arguments to have the Initial Application Fee returned to us or to impose any agreement or binding legal obligation on the City or HRA; and we agree not to make any waiver or estoppel arguments to impose any agreement or binding legal obligation on the City or HRA by actions taken by us in response to the Compliance Documents.

[Signed by applicant]

| **Compliance** | **Thresholds** | **Requirements** | **Exemptions** |
| --- | --- | --- | --- |
| **Affirmative Action / Equal Employment Opportunity (AA/EEO)** | a)$50,000, total public subsidy or contract, cumulative over 12 months, OR  b)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. * Contact Labor Standards in HREEO re possible exemptions |
| **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 2022, living wage at 130% of the poverty level for a family of four is $17.34 per hour or 110% ($14.68 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 projects and renovation projects of 10,000 sf and greater, and certain projects that include adding square footage to an existing building | Must be certified under one of the eligible green building standards and comply with the Saint Paul Overlay. **See Ordinance that became effective July 1, 2018.** | Conduit bond except for multi-family housing revenue bonds. |
| **PED/HRA Sustainability Initiative** | All newly constructed commercial buildings over 15,000 square feet  AND | Participate in Xcel Energy Design Assistance | Does not apply if complying with the Sustainable Building Policy |
| All new multifamily buildings  AND | 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 (eg: 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, at least 10% awarded to Women- owned businesses, and at least 5% to Minority-owned businesses.  B2Gnow reporting required.  If at any time the project is not meeting the VOP goals, then Good Faith Efforts are required | None |

**PED and HRA FEES**

**Fees related to Development Projects, TIF, Bonds, Pass-Through Grants, Land Sales and Other Financing**

**Revised March 2022**

| **Type of Fee** | **Development Project** | **TIF Bonds/Notes** | **Other City/HRA Loans/ Grants (1)** | **HRA Land Sales & Notes** | **Pass-Through Grants (2)** | **Conduit Revenue Bonds** | **Satisfactions, Subordination, or Modification** | **STAR** | **Home Loan Fund** | **Low Income Housing Tax Credits** | **Tax-Forfeit Land Sales/ MnDOT transfers** |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Application**  **Fee** | TDC Fee  <$500K $500  <$1M $1,000  <$2M $2,000  <$3M $3,000  <$4M $4,000  <$5M $5,000  <$6M $8,000  <$7M $11,000  <$8M $15,000  <$9M $20,000  <$10M $25,000  >=$10M $30,000  Collect 20% at the time of application and the remaining 80% prior to HRA board approval  Fees are  non-refundable | In Development Project Application Fee | In Development Project Application Fee  (not allowed if exclusively using HOME or CDBG funds) | In Develop-ment Project Application Fee | Brownfields Grants (DEED and/or Met Council):  $750 for one app;  $1,225 for more than one app for same project during same round of funding  LCDA Grants:  - LCDA-TOD-Predevel: $750 for one app; $1,225 if more than one for same project;  - LCDA or LCDA/TOD Develop: $750 for each Project Concept Plan; $500 add’l for Final App | Size Fee  < $1M $3,500  >= $1M $5,000  Host Approval  Size Fee  < $1M $3,500  >= $1M $5,000 | Satisfactions:  no initial fee  $50 for duplicates  Subordination/ Modification:  - Owner Occupied/ Home Ownership **$100**  - All Other  0.5% on out-standing balance with a min $200 (capped at $500 for qualifying requests (3))  (not allowed for HOME or CDBG funds) | $75 for requests up to $25,000; $125 for requests more than $25,000 | See separate document  (not allowed for HOME or CDBG funds) | 9%: Nonprofits:  $700  For-Profits:  $700 or $30/unit whichever amount is greater with a maximum  of $2,000  4%: N/A  [All fees and charges for LIHTC Program are outlined in the HTC Procedural Manual] | N/A |
| **Developer Expense Deposit** | Negotiated, not less than $20,000 if TIF is requested.  Unused amount refunded | Minimum of $20,000 | Negotiated | Negotiated | N/A | N/A | N/A | N/A | N/A | N/A | Pays all Real Estate out-of pocket costs to close, includes City Attorney’s fees |
| **Closing**  **Fee** | N/A-refer to individual source | 1.0% of Gross Bonds/Notes includes  PAYGO’s | 1.0% of principal amount of loan or grant  (not allowed for HOME or CDBG funds) | The greater of:  1.0%  OR  - $600 for SF  - $1,200 for other structure <1,500 sf  - $2,000 for other structure >1,500 sf | 1.0% of principal amount of loan or grant  0.5% State Appropriated Bond/Grant amount up to $50,000.00 | Non-Profit Borrower  0.25% of gross bonds  Housing Revenue Bonds (For-Profit Borrower)  1.0% of gross bonds  plus  MMB Appl Fee equal to $20 per $100,000 of volume cap issued  Host Approval (BQ Bonds)  0.25% of gross bonds | N/A | 1.0% of principal amount of loan or grant | 1% for MHFA Fix-up Loans  (not allowed for HOME or CDBG funds) | 1.5% of HTC allocation | - $600 for single family  - $1,200 for other structure <1500 sq ft  - $2,000 for other structure >1500 sq ft |
| **Annual**  **Service**  **Fee** | N/A-refer to individual source | TIF Monitoring Fees may be charged to cover outside contracting entities | Negotiated, depends on terms | Negotiated, depends on loan terms | Negotiated, depends on loan terms | **Non-Profit Borrower:**  0.25% of bonds outstanding on 1st $10M plus 0.125% of balance of bonds outstanding\*  **Housing Revenue Bonds (For Profit Borrower):**  - Bonds with a term five years or less:  0.25% of bonds outstanding\* due six and twelve months after issue date; plus  0.75% of bonds outstanding\* due 18 months from issue date and each six months thereafter  - Bonds with a term longer than five years:  0.25% of bonds outstanding due on each annual anniversary\*  \* bonds outstanding is calculated 30 days prior to due date  **Host Approval**  No on-going fees | N/A | N/A | See separate document | Applicant responsible for all monitoring fees | N/A |
| **HRA/City Attorney**  **Office** | $100 per hour for Dev. contract/ loan agreement work | $1,500 | N/A | N/A | N/A | $1,500  [to PED]  Host Approval  $1,500 [to PED] | $1,500 for Assignment of TIF Note | N/A | N/A | N/A | N/A |
| **HRA**  **Counsel (Outside Counsel)** | In Developer Expense Deposit for TIF related | In Developer Expense Deposit | N/A | N/A | N/A | Negotiated, if applicable | N/A | N/A | N/A | Applicant responsible for all legal costs | N/A |
| **Bond**  **Counsel** | If applicable, selection recommendation by staff; approval by HRA Exec. Director and HRA Attorney | Fee paid by Developer | N/A | N/A | N/A | Fee paid by Developer | N/A | N/A | N/A | N/A | N/A |

(1) Both interim and permanent loans and grants include CDBG, HOME, and HRA sources. (2) Includes DEED, Met Council, LCDA, Ramsey County, etc.

(3) A request qualifies for the maximum fee of $500 if the request is for an affordable rental housing project that extends the affordability at least 15 years

COMMENTS

Within PED, only the Director or her/his Assignee have the authority to waive fees. Any waived fees should be disclosed to the Credit Committee and the HRA Board at the time of approval.

**ATTACHMENT D**

**Request for Balance of Application Fee and Expense Deposit and Acknowledgement of Specific Compliance Requirements (2nd Developer Letter)**

[TO BE SUBMITTED ON HRA ’S LETTERHEAD]

*Insert applicant’s name and address)*

RE: *(Description of Project)* (“Project”)

Dear:

**Request for** **Balance of Application Fee**

HRA/PED is now requesting the balance of your non-refundable Application Fee in the amount of $\_\_\_\_\_\_\_\_\_\_\_ (i.e., 80% of total Application Fee) in connection with the Project. Please send this amount to the Project Manager within five (5) days of this letter.

Staff has completed its review of your application and is now prepared to present a financing proposal to the HRA Board of Commissioners for consideration and approval that consists of the following City/HRA funds:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

By signing this letter, you understand that you are not entitled to any refund or rebate of any amount of this entire Application Fee under any circumstances. You acknowledge and understand that the total Application Fee is based on the Total Development Costs (TDC) of the Project on a sliding scale and if the TDC increases after the collection of the Balance of Application Fee and on or before the closing such that a greater fee would be due, the HRA reserves the right to request the additional amount at the closing.

**Expense Deposit**

In addition to the Application Fee, you have agreed to be responsible to pay any and all expenses and costs already incurred or to be incurred by the City and HRA for bond counsel, outside legal counsel, financial advisors, appraisers, and other consultants, and all other out-of-pocket expenses and costs in connection with the Project. You are also requested to send to us the balance of the Application Fee and any additional requested Expense Deposit in the amount of $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ which will be used to pay the expenses and costs described in the preceding sentence. You further agree from time to time and upon our request to deliver additional amounts for the Expense Deposit if the current amount of Expense Deposit is depleted. Any unused portion of the Expense Deposit will be returned to you. If TIF financing is being used in the Project, you understand that in order to qualify as a TIF district the Project must meet at a minimum the requirements of Minnesota Statutes.

**Applicable Compliance**

We will identify below the specific compliance areas that you must satisfy for the Project.

You further acknowledge that if you commence construction work on the Project before HRA Board/City Council approval and execution of a written agreement, and you have failed to fully comply with the applicable compliance, that you run the risk that the HRA/City will not provide any financial assistance to the Project or execute any agreement.

You now acknowledge and agree to the specific compliance requirements that are applicable to the Project, provided however that if other City/HRA funding sources are identified and approved for your Project these compliance requirements may be amended to reflect those additional sources:

**I. VENDOR OUTREACH PROGRAM, CHAPTER 84 of the Saint Paul Admin. Code**

**\_\_\_\_\_\_Applicable \_\_\_\_\_Not Applicable**

If applicable:

The Vendor Outreach Program business inclusion goals on the Project are the following:

5% **MBE, 10% WBE and 10% SBE**

**II. AFFIRMATIVE ACTION, CHAPTER 183.04 of the Saint Paul Legislative Code**

**\_\_\_\_\_\_\_Applicable \_\_\_\_\_\_\_\_Not Applicable**

If applicable:

The goals for minority and female construction worker participation on the Project are the following:

* + 1. **20% Female**
    2. **32% Minority**

**III. LABOR STANDARDS—FEDERAL, STATE or CITY DAVIS-BACON**

**\_\_\_\_\_\_Applicable \_\_\_\_\_Not Applicable**

If applicable: the rates to be used are: \_\_\_federal \_\_\_\_state \_\_\_\_city

**IV. SUSTAINABLE BUILDING POLICY OR SUSTAINABILITY INITIATIVE**

**\_\_\_Applicable \_\_\_\_\_\_\_\_\_\_\_\_\_\_Not Applicable**

**V. TWO BID POLICY**

**\_\_\_\_\_Applicable \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Not Applicable**

**VI. SECTION 3**

**\_\_\_\_Applicable \_\_ \_Not Applicable**

**VII. PROJECT LABOR AGREEMENT**

**\_\_\_Applicable \_\_\_ Not Applicable**

**VIII. SAINT PAUL’S LIVING WAGE ORDINANCE**

**\_\_\_\_ Applicable \_\_\_\_\_Not Applicable**

If applicable**:**

The 2018 Living Wage applicable to the Project is $ 15.69 or $13.27if employer-paid basic health insurance is provided.

We agree to pay all covered employees not less than this Living Wage amount for the longer of three years or the length of the public assistance- which is *[number]* years.

**IX. BUSINESS SUBSIDY**

**$150,000 for wage and job goals\_\_\_\_\_ Applicable \_\_\_Not Applicable**

**$25,000 for reporting on grants \_\_\_\_\_Applicable \_\_\_\_\_Not Applicable**

**$75,000 for reporting on loans \_\_\_\_\_\_\_\_Applicable \_\_\_\_\_Not Applicable**

**X. COMPLIANCE AGREEMENT FOR CONDUIT BONDS**

**\_\_\_ Applicable \_\_\_\_Not Applicable**

**XI. AFFIRMATIVE FAIR HOUSING MARKETING PLAN (AFHMP)**

**\_\_\_Applicable \_\_\_Not Applicable**

If applicable, instructions for preparing an (AFHMP) can be found at the following web site:

<http://www.mnhousing.gov/idc/groups/public/documents/document/mhfa_005853.rtf>

**Acknowledgement**

You also understand and acknowledge that the acceptance of the balance of Application Fee and Expense Deposit and identification of applicable compliance by the HRA does not (a) constitute or create an agreement by the City of Saint Paul or the HRA to approve the Project or grant any financing for the Project, or (b) constitute any representation by the City or HRA that it will approve the Project or agree to provide financing, or c) create any legal or equitable cause of action against the City and HRA arising from any failure or refusal by the City and HRA to approve the Project or any financing for the Project. Instead, you acknowledge and agree that a legally binding contract will be formed only upon formal approval of the Project by the HRA Board of Commissioners and execution of a legally binding agreement, the terms of which will be discussed with HRA and City staff. Also, you agree not to make any waiver or estoppel arguments to have the Application Fee or Expense Deposit returned to you or to impose any agreement or binding legal obligation on the City or HRA.

Thank you for your interest in investing in Saint Paul.

[Signed by HRA Project Manager

Acknowledgement by Applicant

(insert applicant’s name)

The undersigned applicant hereby acknowledges receipt of this letter and agrees to be bound by the terms hereof.

By

Its

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_

**ATTACHMENT E**

**HOUSING AND REDEVELOPMENT AUTHORITY (HRA)**

**OF THE CITY OF SAINT PAUL**

**TAX INCREMENT FINANCING STAFF GUIDELINES**

***(Amended January 4, 2017)***

Tax Increment Financing Staff Guidelines

The City of Saint Paul HRA (HRA) will consider the use of tax increment financing as a means to achieve certain City-wide goals. These goals include:

1. Enhancing private sector employment growth and job retention of living wage job opportunities,

2. Increasing the city’s tax base,

3. Upgrading obsolescent facilities,

4. Pollution remediation,

5. Expansion of life cycle and affordable housing choices,

6. Eliminating blighting influences throughout the city, and

7. Encouraging redevelopment activities that enhance the urban features and amenities and historic structures.

The HRA will consider the following criteria when reviewing TIF applications:

1. The project shall meet the legislative criteria and intent for the use of tax increment financing.
2. The HRA will provide public financial assistance through the use of TIF only:
   1. When a clear public purpose is served;
   2. To the degree necessary to accomplish the desired goal;
   3. Upon completion of an in-depth analysis to ensure that the proposed project satisfies the ‘but for” test required for all tax increment financing; and

d. In cases where the economic feasibility of the project can be demonstrated and where there are no other appropriate funding sources.

1. It is the HRA’s objective that projects receiving TIF will receive no more than 90% of the tax increment generated and will contribute an additional 25% to an affordable housing pool when applicable.
2. The City and HRA have an informal policy to keep captured tax capacity in Saint Paul TIF districts to less than 10% of the City’s total tax capacity (including Port Authority administered TIF districts). Staff will determine the projected change to the captured percentage with the request for tax increment financing.
3. The HRA will seek repayment of the public investment to the maximum extent feasible.
4. With project financing using TIF the HRA shall also consider the following:

a. Maximize all outside debt and equity sources;

b. The barriers to private sector involvement which make it necessary for the use of TIF; and

c. The project’s financial feasibility and private guarantees which protect the HRA’s investment ensuring increased tax base upon decertification of the TIF district.

7. Tax Increment will be structured based on further discussion and negotiations with HRA staff.

TIF Note Risk Factors/Requirements

1. The HRA makes no representations or promises that the pledged tax increment will be sufficient to pay the amounts which may become due and payable under the Note. The applicant/developer will be required to acknowledge receipt of risk factors that can limit the amount of available tax increment that can be used to make payments under the Note.
2. The HRA requires that at any one time there can be only one holder of the Note and all payments under the Note shall only be made to one person/entity. In addition, the holder of the Note is permitted to make a collateral assignment of the Note as security for debt incurred in connection with the project but only one such assignment may be in effect at any one time. Each assignee of the Note will be required to execute an acknowledgement and receipt of note that includes the risk factors.
3. The HRA shall issue only one TIF note per TIF district.

**ATTACHMENT F**

**Saint Paul Housing and Redevelopment Authority (HRA)**

**Conduit Revenue Bond Application Process and Procedures**

**TIMING OF APPLICATION SUBMISSION**

Applicants for Conduit Revenue Bond financing should coordinate the submission of documents through the Project Manager assigned to the Project. Applications are accepted throughout the year as follows:

* Requests for Housing Revenue Bonds requiring volume cap – contact the PED Housing Director;
* For all other requests, i.e., a Qualified 501(c)3 entity – contact Jenny Wolfe, the HRA Debt Manager by phone at 651-266-6680 or email at jenny.wolfe@ci.stpaul.mn.us;

An initial meeting between HRA staff and the borrower is held to discuss the Project and Proposed Financing Plan, Public Purpose, Financing Team including Bond Counsel and Underwriter.

The Applicant shall submit the Application with all requested exhibits (“Application Materials”) and the Acknowledgement Letter. Incomplete applications will not be considered. Once complete, a bond processing schedule will be established.

The first step in the approval process requires a public hearing and request for preliminary approval of the Project. For housing projects, the City Council is required to conduct the public hearing and provide preliminary approval of the Project. For non-housing projects, the HRA Board of Commissioners must conduct the public hearing and provide preliminary approval of the Project. A public hearing notice must be published in one or more newspapers no less than fifteen (15) days prior to the date of the public hearing.

The City Council holds public hearings on the 1st and 3rd Wednesday of each month; and the HRA Board holds public hearings at their regular monthly meetings on the 2nd and 4th Wednesday of each month. At a minimum the Application Materials shall be submitted to the HRA 30 days prior to the hearing date to be considered.

Additionally, all requests for Conduit Revenue Bonds must be reviewed by the internal PED Credit Committee to ensure adherence to all policies regarding fees and sale requirements. A request shall be reviewed by the Credit Committee a minimum of two weeks prior to the date of the public hearing.

Following City Council or HRA Board preliminary approval, final approval of the bonds and approval of all required documents shall be requested from the HRA Board of Commissioners. The HRA Board will only consider final approval when final sizing is determined including maximum interest rates.

**REQUIRED FEES**

The HRA charges the following fees for Conduit Revenue Bonds:

1. Application Fee:

* $5,000 for bond principal amount greater than or equal to $1 million dollars ($3,500 if less than $1 million dollars). This Application fee is paid at the time the application is submitted to the assigned PED Project Manager.

1. Fees due at the Closing:

* For Housing Revenue Bonds requiring volume cap:
  + One percent (1.00%) of total principal issued; and
  + State Bond Application Fee which is equal to $20 for every $100,000 of bond principal issued when the principal amount is rounded to the nearest $100,000;
* For Qualified 501(c)3 Borrowers:
  + One-quarter of one percent (0.25%) of total principal issued;
* A fee of $1,500.00 for all services rendered by the HRA Attorney with respect to the Project.

1. Ongoing Fees:

* For Housing Revenue Bonds requiring volume cap AND with a final maturity of 5 years or less:
  + On the date which is six months from the closing date, a fee equal to one-quarter of one percent (0.25%) of the bonds outstanding 30 days prior to the due date; and
  + On the date which is twelve months from the closing date, a fee equal to one-quarter of one percent (0.25%) of the bonds outstanding 30 days prior to the due date; and
  + Beginning on the date which is 18 months from the closing date and continuing every six months thereafter, a fee equal to three-quarters of one percent (0.75%) of the bonds outstanding 30 days prior to the due date.
* For Housing Revenue Bonds requiring volume cap AND with a final maturity longer than 5 years:
  + Beginning on the first anniversary of the closing date, and continuing each year thereafter, a fee equal to one-quarter of one percent (0.25%) of the bonds outstanding 30 days prior to the due date.
* For Qualified 501(c)3 Borrowers:
  + Beginning on the first anniversary of the closing date, and continuing each year thereafter, a fee equal to one-quarter of one percent (0.25%) of the first $10,000,000 of bonds outstanding plus one-eighth of one percent (0.125%) of the balance of bonds outstanding greater than $10,000,000, the bonds outstanding is determined 30 days prior to the due date.

1. A document will be prepared by the Underwriter/Placement Agent/Lender to be submitted and confirmed by the HRA which will set forth all fees to be paid by the Applicant during the term of the Bonds.
2. The payments of all Closing Fees are due at Closing and are not credited to the Borrower for the Application Fee or any other PED/HRA fees previously paid.

ADDITIONAL BOND REQUIREMENTS

1. The HRA shall approve the firm to serve as Bond Counsel.
2. The HRA requires Bonds for Public Sale to be sold with the following Minimum Denominations:

* Investment Grade debt – BBB+/- or Higher (Fitch and S&P) or Baa 1, 2, 3 or Higher (Moody’s) – may be sold with minimum denominations of $5,000.
* High Non-Investment Grade debt – BB+/- (Fitch and S&P) or Ba 1, 2, 3 (Moody’s) – may be sold with minimum denominations of $25,000.
* Non-Investment Grade debt – B+/- or lower (Fitch and S&P) or B 1, 2, 3 or lower (Moody’s) may only be sold with minimum denominations of $100,000.
* Non-Rated Debt – If the Underwriter/Placement Agent requests non-rated debt for public sale, the bonds may only be sold with minimum denominations of $100,000. The Underwriter/ Placement Agent on behalf of the Applicant must submit a written request for such approval that provides a rationale on why the proposed Bonds cannot receive a rating and any additional information as the HRA and Director of OFS will request in order to evaluate the request. The written request should be addressed to the HRA Executive Director and Director of the OFS, with a copy to the City and PED Debt Managers.
* Exceptions – Non-rated debt for 1) Hospitals, 2) Large nonprofits (defined as an entity that is backing the bonds without limitations and generates annual revenues in excess of $100 million per year) and 3) Large for-profits (defined as an entity that is backing the bonds without limitations and generates annual revenues in excess of $200 million per year) may be sold with minimum denominations of $25,000.

1. Investor Letter – The HRA at its sole discretion may require each initial purchaser of the Bonds to execute an Investor Letter as an “accredited investor” as defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933 (the “1933 Act”) or a “qualified institutional buyer” as defined in Rule 144A promulgated under the 1933 Act. The form of the Investor Letter will be provided by the HRA.
2. Closing, Execution of Documents – The Bond Counsel will notify the HRA of the closing date with as much advance notice as possible. All documents for City/HRA signature need to be sent to the Project Manager at least ten (10) days prior to the closing date.