

## 4d Affordable Housing Incentive Program

### Enrolled Property Recertification Checklist

#### 2024 Recertification and Compliance Cycle

*There are two key deadlines to submit recertification and compliance materials for the City of Saint Paul 4d Program.*

*The Saint Paul Recertification Form is due by January 31<sup>st</sup>.*

*The 4d/LIRC Reapplication Form is due to Minnesota Housing by March 31<sup>st</sup>.*

*Unsubmitted or incomplete recertifications will not be processed and result in a 0% compliance rate. Properties with 0% compliance rates will not receive property tax benefits for the year.*

## Recertification Requirements

1. Locate the following information for all properties to be used throughout the recertification:

- Original enrollment year from 4d Declaration of Covenants: \_\_\_\_\_
- Number of 4d units at 50% AMI from 4d Declaration of Covenants: \_\_\_\_\_
- Number of 4d units at 60% AMI from 4d Declaration of Covenants: \_\_\_\_\_
- Original property owner from 4d Declaration of Covenants: \_\_\_\_\_
- Current property owner if different (Please see [Ramsey County Beacon](#) to confirm:  
\_\_\_\_\_)
- Rents as of 12/31/23 for all units, 4d and non-4d
  - Note: Reported rent totals must include utility allowances\*
- Income qualification\*\* for new tenants between 1/1/23 - 12/31/23
  - For each new tenant, you will report their move in date, household size, household income (at time of move-in), whether they receive public assistance (e.g., section 8), and their new rent total (incl. utility allowances)

2. Reread the affirmative marketing requirements in the 4d Declaration of Covenants – all vacant rental housing units at 4d enrolled properties must be affirmatively marketed on HousingLink.org

3. Fill out the recertification form, email to [4d@ci.stpaul.mn.us](mailto:4d@ci.stpaul.mn.us)

(For the current version of this form, please see the Compliance page on the Saint Paul 4d website)

4. Fill out and submit, by mail, the LIRC Reapplication Form to Minnesota Housing with the accompanying reapplication fee (\$10 per 4d unit, up to a maximum fee of \$150 per property) by March 31<sup>st</sup> to:

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

(This form will be made available on MN Housing's website in January.)

## \*Utility Allowances

Oftentimes, tenants pay base rent, which may include a few utilities, as well as extra utility costs. Utility allowances are added to the base rent for utilities paid by the tenant in order to capture a tenant's full financial responsibility related to housing costs. Altogether, base rent and utility allowances cannot exceed the 4d maximum rent limit.

Utility allowances are calculated annually by X

Example: Base rent is \$925 for a 1-bedroom apartment in a multifamily building with 3+ units. Base rent includes heating gas, cooking gas, trash collection, cooking range, and refrigerator. In addition to the \$925/month, the tenant pays extra for electric and water & sewer. The utility allowance would be \$24 for 'Other Electric' and \$39 for 'Water & Sewer' in a multifamily building. The total utility allowance is  $\$24 + \$39 = \$63$ . The total reported rent would be  $\$925$  (base rent) +  $\$63$  (utility allowance) =  $\$988$ .

If you're interested on the basis and history of utility allowances, [you can read more here](#).

## \*\*Income Qualification for New Tenants

All new households that move in after you enroll in the 4d program must be certified as income qualified for your 4d units. Household income must be under 50% or 60% AMI, depending on the specific unit's commitment. Verified income for new tenants is reported in the recertification form.

All adult applicants must complete the 4d Government Data Practices Act form. Household income must be verified via an applicant's prior year IRS 1040 form. It is the property owner's responsibility to collect and store this data, then report to the City.

The City reserves the right to ask the owner for backup documentation as needed. As noted in the Declaration of Covenants, owners are required to retain records for at least six (6) years upon completion or termination of the Declaration.

Applicants who do not file a federal tax return must also sign Attachment 1 to the 4d GDPA form and provide alternative third-party documentation of income. Examples of acceptable alternative documentation include paystubs and Social Security benefit letters. Calculate household income by annualizing gross income received multiplied by the number of pay periods or disbursements per year.

When a new tenant moves in, owners must do the following:

- Ensure all adult applicants in the household complete the 4d Government Data Practices Act form
- Verify the household's income using IRS form 1040 or alternative third-party documentation
- File the 4d Government Data Practices Act form(s) and income documentation for the duration of the 4d enrollment (10 years) plus 6 years after the term has ended
- Report the income for any new household that moved in during the recertification period
- If needed, comply with the City's documentation review requests