

Page	Section Title	PROPOSED AMENDMENTS TO SAINT PAUL HRA LOW INCOME HOUSING TAX CREDIT PROGRAM QUALIFIED ALLOCATION PLAN	Comment	Accept Yes/No
P. 4.	ARTICLE VI Credit Agency Allocation Policies Section H. Fair Housing Language.	H. <u>Participants in the Low Income Housing Tax Credit Program will be required to use affirmative fair housing marketing practices in soliciting renters, determining eligibility, and concluding all transactions as addressed in Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988, as well as the fair housing protections provided by the Minnesota Human Rights Act, which adds creed, marital status, status with regard to public housing, and sexual orientation, and any applicable City Civil Rights ordinances. In part, regarding rental housing issues, Title VIII, the Human Rights Act, and applicable City of Saint Paul Civil Rights ordinances make it unlawful to: (i) discriminate in the selection/acceptance of applicants in the rental of housing units; (ii) discriminate in terms, conditions or privileges of the rental of a dwelling unit; (iii) engage in any conduct relating to the provision of housing that otherwise make unavailable or denies the rental of a dwelling unit; (iv) make or publish (or have anyone else make or publish) advertisements that indicate preferences or limitations based on race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, or sexual orientation.; (v) tell a person that because of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, or sexual orientation, a dwelling unit is not available when it is; and (vi) deny access to, or membership or participation in, associations or other services organizations or facilities relating to the business of renting a dwelling or discriminate in the terms or conditions of membership or participation.</u> <u>Owners will be required to market affirmatively, using specific steps geared to the particular program. These steps include:</u> <u>1. Outreach to all groups protected by the Civil Rights Act of 1968, as amended in 1988, and those protected by the Minnesota Human Rights Act and applicable City of Saint Paul Civil Rights ordinances</u> <u>2. Affirmative marketing strategy that reaches protected groups</u> <u>3. Self-analysis to make sure all steps are non-discriminatory</u> <u>4. Upon request by Saint Paul HRA staff, the submission of marketing plans, reports and documents that confirm the owner's fair housing efforts</u>	Proposed language references laws and practices that apply to fair housing.	

Page.	Section Title	PROPOSED AMENDMENTS TO SAINT PAUL HRA LOW INCOME HOUSING TAX CREDIT PROGRAM QUALIFIED ALLOCATION PLAN	Comment	Accept Yes/No
P. 6	Article VIII Procedures for Selecting Projects Project Threshold Requirements Section A	Applications must be submitted by applicants on or before 4:00 p.m. on August 10, 2017	Application due date.	
P. 9	Article VIII Procedures for Selecting Projects Project Threshold Requirements Section G	G. For projects other than tax-exempt bond financed projects, The developer must agree to waive its rights provided under Section 42(h)(6)(E)(i)(II) and Section 42(h)(6)(F) allowing the developer to terminate the Declaration after 15 years. <u>Applications seeking 4% tax credits in conjunction with tax exempt bonds must agree to extend the long term affordability of the project and maintain the duration of low income use for a minimum of 20 years.</u>	20 year affordability period for 4% tax-exempt bond projects.	

Page.	Section Title	PROPOSED AMENDMENTS TO SAINT PAUL HRA LOW INCOME HOUSING TAX CREDIT PROGRAM QUALIFIED ALLOCATION PLAN	Comment	Accept Yes/No
Pages 9-11	Article IX Saint Paul's Site Selection Priorities	THE MINNEAPOLIS/SAINT PAUL HOUSING FINANCE BOARD LOW INCOME HOUSING TAX CREDIT PROGRAM <u>Saint Paul's Self Scoring Worksheet for Selection Points (2018)</u> PROJECT NAME: _____ ADDRESS: _____ CITY: _____ <i>Please indicate below <u>one of the</u> Threshold criteria under which your project qualifies, and the selection and/or preference priority points for which you expect your project to qualify. The Authority will determine actual Threshold and Selection points which are to be awarded, based on application and the documentation submitted. Do not claim points if you cannot provide documentation.</i> <i>Please Note: Restrictive covenants covering the rent restrictions and occupancy requirements presented at selection will be placed on the buildings at the time of allocation.</i> <u>THRESHOLD CRITERIA:</u> 1. New construction or substantial rehabilitation in which, for the term of the extended use period, at least 75% of the total tax credit units are single-room occupancy units which are affordable by households whose income does not exceed 30 percent of the median area income; 2. New construction or substantial rehabilitation family housing projects that are not restricted to persons who are 55 years of age or older and in which, for the term of the extended use period, at least 75% of the total tax credit units contain two or more bedrooms and at least one-third of-the 75% must contain three or more bedrooms; 3. Substantial rehabilitation projects of existing housing in neighborhoods targeted by the City of Minneapolis or the City of Saint Paul for revitalization; 4. Projects in which at least 50% of units are for mentally ill, mentally challenged, drug dependent, developmentally disabled, or physically handicapped persons, all as further described in Minnesota Statutes, Section 462A.222, Subdivision 3(c)(l)(3); 5. Projects which preserve existing subsidized housing which is subject to prepayment if the use of tax credits is necessary to prevent conversion to market rate use.		

Pages 9-11	Article IX Saint Paul's Site Selection Priorities	<u>Additional Requirements for Saint Paul projects are as follows:</u> • Note: All new construction projects receiving more than \$200,000 in public investment must comply with Saint Paul Sustainable Building Policy. See: http://www.stpaul.gov/DocumentView.aspx?DID=11656 Projects that receive \$200,000 or less must comply with the sustainable development standards known as the PED/HRA Sustainability Initiative. See: http://www.stpaul.gov/DocumentView.aspx?DID=11663 • Note: All projects must be reviewed by HRA staff and determined to be consistent with City/HRA plans, Saint Paul Comprehensive Plan, or Small Area Plans. <u>All projects must comply with cost containment thresholds to be established by HRA. Projects with unique urban redevelopment conditions may request a cost containment adjustment, subject to HRA approval.</u> • <u>At all times, all projects must affirmatively further fair housing by complying with federal, state, local laws, rules, and regulations, including Section 183 of the Saint Paul Legislative Code. Upon notice of repeated non-compliance with fair housing laws and regulations, the HRA, acting on behalf of the Minneapolis/Saint Paul Housing Finance Board ("Housing Finance Board") reserves the right to determine that all parties involved with the project will not be eligible for participation in the Low Income Housing Tax Credit Program for Saint Paul projects for a period of up to five years.</u> • <u>Any change or transfer of ownership after the place in service date is subject to HRA approval, acting on behalf of the Minneapolis/Saint Paul Housing Finance Board. Upon notice of any transfer of ownership without proper notification and HRA approval, the HRA reserves the right to determine that all parties involved with the project transfer will not be eligible for participation in the Low Income Housing Tax Credit Program for Saint Paul Projects for a period up to five years.</u>	Comments	Accept Yes/No
---------------	--	---	----------	------------------

Pages 9-11	Article IX Saint Paul's Site Selection Priorities	SELF-SCORING WORKSHEET FOR SAINT PAUL PROJECTS			Comments	Accept Yes/No		
		Projects located in Saint Paul for which an application is submitted will be rated by the HRA in accordance with the selection and preference priority point system below. Each applicant must fill out this worksheet and submit it along with other materials required by the Procedural Manual						
		A.	SAINT PAUL'S SELECTION PRIORITIES – SELECTION CRITERIA	Points				
		1	Substantial renovation: The project is a substantial renovation project that preserves low income housing which is defined as subsidized low income housing or non-subsidized housing developments with current rents at or below 50% area median income as determined by HUD if the use of tax credits is necessary to (1) prevent conversion to market-rate use; or (2) to remedy physical deterioration of the project for which would result in loss of affordable housing, as defined. (15 points) Project-based Section 8: The project is a substantial renovation project that preserves existing Project-based Section 8 assistance. (1-5 points) a) 0% - 25% of units are PBA Section 8 (1 point) b) 25.1% - 50% of units are PBA Section 8 (3 points) c) 50.1% - 100% of units are PBA Section 8 (5 points)	_____ _____				
		2	HRA Land: The project, new construction or substantial renovation, is located on HRA-owned land or has a HRA/City debt obligation. (10 points)	_____				
3.	<u>Larger-sized Family Housing units:</u> Project promotes family housing that is not restricted to persons 55 years old or older, for the Extended Use Period, whereby 25% of more of the rental units in the project have three or more bedrooms. Points are awarded as follows: (3-5 points) <table><tr><td><u>% of Units – 3BR or larger</u></td><td><u>Points Awarded</u></td></tr><tr><td><u>At least 30% of units</u></td><td><u>3 Points</u></td></tr><tr><td><u>At least 50% of units</u></td><td><u>5 Points</u></td></tr></table>	<u>% of Units – 3BR or larger</u>	<u>Points Awarded</u>	<u>At least 30% of units</u>	<u>3 Points</u>	<u>At least 50% of units</u>	<u>5 Points</u>	_____
<u>% of Units – 3BR or larger</u>	<u>Points Awarded</u>							
<u>At least 30% of units</u>	<u>3 Points</u>							
<u>At least 50% of units</u>	<u>5 Points</u>							

Providing site selection priority points to projects that offer more family housing opportunities.

Pages 9-11	Article IX Saint Paul's Site Selection Priorities				Points	Comments:	Accept Yes/No
			4.	Enhanced Services, Programming, and Amenities: The project will provide affordable housing with new or enhanced resident services contingent upon an agreement with an established organization providing such services to residents and financial plans demonstrating feasibility. (Up to 7 points) a) After-school Programming and/or ECFE (1 point) b) Information and Referral Services (1 point) c) Playground Equipment or Water Feature (1 point) d) Case Management (1 point) e) Health Care Services (1 point) f) Resident Association and/or Community Building (1 point) g) Self-reliance, Life Skills, and/or Job-Training (1 point) h) Community Center (1 point) I.) Other (Please describe) _____ (1point)	_____		
			5	Economic Integration: The project is located in a non-impacted area or areas of non-concentrated poverty in which the project has at least 80% of the housing units designated as tax credit units; or the project is located in an impacted area or areas of concentrated poverty in which the project has at least 20% of the units being restricted to households above 60% of the area median income. Impacted areas and non-impacted areas are to be defined by HUD, and areas of concentrated poverty are defined by Metropolitan Council (7 points)	_____		
			6.	No Further Subsidy: The project will be fully funded with the inclusion of the 2018 Low Income Housing Tax Credits and/or will require no further HRA subsidy, except DEED or Metropolitan Council funds, if awarded the Credits. (5 points)	_____		

Page 9-11	Article IX Saint Paul's Site Selection Priorities		11.	Non-Profit Status: A tax exempt 501(c)(3) or 501(c)(4) non-profit organization, whose primary service area includes the City of Saint Paul, is a material participant of the project (i.e. project sponsor participation as a general partner). (2 points)	Points	Comments	Accept Yes/No	
			12.	Neighborhood Support: The developer has a recommendation of support in writing for the project from a city recognized citizen participation community planning council, or neighborhood-based planning organization which represents the geographic location of the project, (a recommendation of support from the applicant is not eligible for points). (1 point)	_____			
			13.	Non-smoking: The project has a policy prohibiting smoking in all apartment units and all common areas of the project. The project applicant must develop and maintain a written occupancy policy that prohibits smoking in all apartment units and in all project common areas. The project must include a non-smoking clause in the lease for every household. (1 point)	_____			
			14.	<u>Prior Credit Commitment: The project has received a prior substantial credit allocation from the Board, but the project has not been placed in service. However, due to credit shortages in allocation available in the prior Credit year, the project requires an additional allocation of Credits in the amount of in order to be financially feasible.</u> (5 points)	_____			
			MAXIMUM SELECTION PRIORITIES POINTS THAT CAN BE AWARDED		TOTAL			
			Note: Homeless households shall be defined as homeless individuals, homeless veterans, homeless families or unaccompanied youth living in a shelter, on the streets, or doubled-up in housing not their own, and current project residents who are participating in a supportive housing program while residing at the project site. The developer must provide satisfactory evidence in writing of a commitment from an appropriate social service agency to provide support services.					
			SAINT PAUL'S PREFERENCE PRIORITIES According to Article VIII (K), projects will be prioritized with the project receiving the most points being rated first, the project receiving the second most points being rated second and so on. If two or more projects have overall point totals which are within 2 points of one another, the projects shall be deemed to be of substantially equivalent, and the HRA Board will select the project which best meets the applicable city's housing priorities.					
		This priority recognizes that need to fully fund projects.						

Page	Section	PROPOSED AMENDMENTS TO SAINT PAUL HRA LOW INCOME HOUSING TAX CREDIT PROGRAM QUALIFIED ALLOCATION PLAN	Comment	Accept Yes/No
P. 14	Article X Credits for Buildings Finance by Tax-Exempt Bonds	Section 42(h)(4) of the Code provides that under certain circumstances buildings or a portion thereof financed with tax-exempt bonds which have a bond allocation by the State of Minnesota pursuant to Section 146 of the Code and which are issued by the Cities may qualify under Section 42 of the Code under certain circumstances without receiving an allocation of housing credit dollar amount. In order to qualify for this exemption from credit volume cap, the taxpayer/owner must enter into a Declaration as described in Article VIII, Section F. Section 42(h)(6)(c)(ii) provides that the credit amount claimed by the taxpayer/owner under this exception may not exceed the amount necessary to support the applicable fraction specified in the use agreement. In order to qualify for the exemption from the credit volume cap, Section 42(m)(1)(D) provides that the project must satisfy the requirements for allocation of a housing credit dollar amount under the qualified allocation plan applicable to the area in which the project is located. In order to qualify for the exemption from the credit volume cap, Section 42(m)(2)(D) provides that the governmental unit which issues the bonds (or on behalf of which the bonds were issued) must make a determination that the credit amount to be claimed does not exceed the amount necessary for the financial feasibility of the project and its viability as a qualified low-income housing project throughout the credit period. The issuer analysis and determination must address all of the items set forth in Section 42(m)(2)(B) of the Code <u>prior to the issuance of the bonds.</u> <u>Note: Saint Paul's Bond volume cap will not be issued in amount greater than 53% of basis as defined in tax- exempt bond rules.</u> Section 42(m)(1)(A)(iii) of the Code requires that the applicant must also submit a comprehensive market review of the housing needs of low-income individuals in the area to be served by the project. The review must be conducted before the credit allocation is made and at the developer's expense by a disinterested party who is approved by the Board. The HRA and CPED will provide procedures in the Procedural Manual, see Section VII(B), or supplements thereto, for reviewing applications to the extent required by the above provisions. Such procedures will require that the taxpayer/owner (i) submit an application on forms provided by the HRA or CPED containing substantially the same information as required for housing credit dollar amount applications to the extent determined by the HRA or CPED to be necessary to make the determinations required above, (ii) submit nonrefundable application review fees and special tax counsel fees as determined by the HRA or CPED, not to exceed the fees established in the Procedural Manual, and an opinion of counsel that the buildings qualify for an allocation of Credits under Section 42(h)(4) of the Code. Neither the threshold The requirements in Article VIII C or Article VII C nor the Selection Priorities provided in Article IX will not apply to such projects. For purposes of Section 42(m)(1)(D) of the Code, this Plan shall be deemed the qualified allocation plan applicable to projects located in the City of Minneapolis or the City of Saint Paul.	53% cap 9% Credit thresholds do not apply to 4% Credit program 15 year waiver does not apply	

