Page	Section Title	Staff Comments	PROPOSED AMENDMENTS TO SAINT PAUL HRA 2026-2027 LOW INCOME HOUSING TAX CREDIT – PROCEDURAL MANUAL
P.7	**III. POLICIES AND PROCEDURES, E. Unacceptable Practices**	Consistency with new or revised requirements	**Procedural Manual: III. POLICIES AND PROCEDURES, E. Unacceptable Practices** **Violations of Local, State or Federal Law** Violations of local, state, or federal law including but not limited to violations related to habitability, utilities, prevailing wage, wage theft and fair housing are unacceptable practices.
P.33	**V. DEVELOPMENT STANDARDS**	Consistency with new or revised requirements	**Procedural Manual: V. DEVELOPMENT STANDARDS, F. Prevailing Wage** Projects must comply with state prevailing wage requirements. Pursuant to Minnesota Statutes, section 116J.871, Owners are required to certify to the Minnesota commissioner of labor and industry that workers at the project site during construction, installation, remodeling, and repairs for which the HTC allocation or award was provided will be paid the applicable prevailing wage rate as defined in Minnesota Statutes, section 177.42, subdivision 6. Projects must use the higher of state prevailing wages per Minnesota Statute 116J.871 and any other applicable federal or local wage that applies to any other funding source for the project. Owners must ensure that all construction contracts for a project specifically state the required prevailing wage rates, prevailing hours of labor, and hourly basic rates of pay. Projects must ensure the applicable prevailing-wage determinations for the project, along with the following contract language, is incorporated into proposals and all contracts, including all contracts with subcontractors, and the wage determination is posted in a conspicuous location on the project site. All work on a project must be performed under contracts that specifically include the prevailing-wage obligations of the Minnesota Prevailing Wage Act. - "Pursuant to Minnesota Statutes 177.41 to 177.44 and corresponding Minnesota Rules 5200.1000 to 5200.1120, this contract is subject to the prevailing wages as established by the Minnesota Department of Labor and Industry. Specifically, all contractors and subcontractors must pay all laborers and mechanics the established prevailing wages for work performed under the contract. Failure to comply with the aforementioned may result in the withholding of the 8609 or civil or criminal penalties." Projects must complete and submit the required certified payroll reports to the City of Saint Paul (HRA projects) or City of Minneapolis (CPED projects) by no more than 14 days after the end of each pay period (or weekly if federal funds are in the project). Projects must collect, keep, and maintain these records for a minimum of three years after issuance of the Form 8609(s) for the project.
P.34	**VI. PROJECT SELECTION, B. Market Review**	Timing of the market study moved to application requirements for the 4% and 9% HTC sections	**Procedural Manual: VI. PROJECT SELECTION, B. Market Review** CPED or HRA shall require the applicant to submit a comprehensive market study of the housing needs of low-income individuals in the area to be served by the project. This review must be conducted at the developer's expense by an unrelated third party acceptable to HRA or CPED staff, as applicable. ~~The market study must have an effective date within 6 months of the date of the application. An updated market study may be accepted if the effective date of the original market study is within 12 months of the date of the application.~~
P.39	**Procedural Manual: VII. SUBMISSION REQUIREMENTS, A. Application Requirements – 9% HTC:** (23)	Clarifies timing of the market study submission	**Procedural Manual: VII. SUBMISSION REQUIREMENTS, A. Application Requirements – 9% HTC:** (23) Third-party comprehensive market study of housing needs of low-income individuals in the area to be served by the project is required to be submitted after selection. The market study must have an effective date within 6 months of the date of ~~the application~~ selection. An updated market study may be ~~accepted~~ required before issuance of the Low-Income Housing Tax Credit Allocation Letter (42M Letter) if the original market study has an effective date older than 12

			months prior to the issuance of the said 42M Letter. ~~if the effective date of the original market study is within 12 months of the date of the application.~~
P.39	**VII. SUBMISSION REQUIREMENTS, A. Application Requirements – 9% HTC:** (27)	Clarifies timing of appraisal submission	**Procedural Manual:** (27) A complete appraisal, ordered by CPED or the HRA (as appropriate), or Minnesota Housing will be required after selection and must be submitted prior to closing. The cost of appraisal will be borne by the owner.
P.40	**VII. SUBMISSION REQUIREMENTS, A. Application Requirements – 9% HTC:** (30)	The addition will provide a more complete description of the project being proposed	**Procedural Manual:** (30) Provide a complete description of the proposed project. If the project will procced in phases, then provide information for each phase as well. Provide the following information: (a) Details of site control (b) Details of all known or suspected environmental issues with the site and any testing that has been completed or is underway. (c) Details of the project, if it is new construction, rehabilitation, renovation, or adaptive re-use. (d) Description of structures which will be demolished and current owners/tenants (submit Tenant Relocation Plan, if applicable) (e) Details of any historic preservation designations and/or related issues.
P.40	**VII. SUBMISSION REQUIREMENTS, Required Documents/Exhibits, A. Application Requirements- 9% HTC.**	Consistency with new or revised requirements	(31) MN Department of Labor and Industry Prevailing Wage Certification Form
P.43	**VII. SUBMISSION REQUIREMENTS, A. Application Requirements – 4% HTC:** (23)	Clarifies timing of the market study submission	**Procedural Manual: VII. SUBMISSION REQUIREMENTS, A. Application Requirements – 4% HTC:** (23) Third-party comprehensive market study of housing needs of low-income individuals in the area to be served by the project is required to be submitted after selection. The market study must have an effective date within 6 months of the date of ~~the application~~ selection. An updated market study may be ~~accepted~~ required before issuance of the Low-Income Housing Tax Credit Allocation Letter (42M Letter) if the original market study has an effective date older than 12 months prior to the issuance of the said 42M Letter. ~~if the effective date of the original market study is within 12 months of the date of the application.~~
P.44	**VII. SUBMISSION REQUIREMENTS, Required Documents/Exhibits, B. Application Requirements with Tax-Exempt Bonds/4% HTC**	Clarifies that this election must occur prior to the Placed in-Service Date	(32) Optional – Gross Rent Floor Election Form. Executed election form must be received by the date the project is placed in service. If no election is made, or if the form is not received by that deadline, then the gross rent floor date will default to the date of HTC 42(m) Letter.
P.44	**VII. SUBMISSION REQUIREMENTS, Required Documents/Exhibits, B. Application Requirements with Tax-Exempt Bonds/4% HTC**	Consistency with new or revised requirements	(33) MN Department of Labor and Industry Prevailing Wage Certification Form
P.46	**VII. SUBMISSION REQUIREMENTS, Required Documents/Exhibits, C. Carryover Allocation Requirements**	Clarifies that this election must occur prior to the Placed In-Service Date	(14) Optional - Gross Rent Floor Election Form Executed election form must be received by the date the project is placed in service. If no election is made, or if the form is not received by that deadline, then the gross rent floor date will default to the HTC carryover allocation date.
P.48	**VII. SUBMISSION REQUIREMENTS, Required**	Removed language to change the timing of receipt of form from	~~(21) Gross Rent Floor Election/Certification – Competitive State Cap Credit or Tax Exempt Bond Credit, as applicable (Minnesota Housing HTC 26)~~

	Documents/Exhibits, D. Placed in Service – Final Allocation - 8609	Placed in Service/Final Allocation to Carryover Requirements.	
P.49	**<u>Addition of Exhibit AF – Summary of Fees</u>**	Replaced this section with Exhibit AF-Summary of Fees	**<u>Procedural Manual:</u> Exhibit AF – Summary of Fees**