



Affordable Housing Trust Fund Supporting Documents

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2025 Income Limits and 2024 Adjusted HOME Income Limits - Minneapolis - St. Paul - Bloomington MN-WI, MSA

Effective April 1, 2025 and HOME June 15, 2024

	% of Median		Number of Persons							
			1	2	3	4	5	6	7	8
HOME	20%		\$18,540	\$21,200	\$23,840	\$26,480	\$28,600	\$30,720	\$32,840	\$34,960
	30%		\$26,100	\$29,800	\$33,550	\$37,250	\$40,250	\$43,250	\$46,200	\$49,200
	30%		\$27,810	\$31,800	\$35,760	\$39,720	\$42,900	\$46,080	\$49,260	\$52,440
HOME	40%		\$37,080	\$42,400	\$47,680	\$52,960	\$57,200	\$61,440	\$65,680	\$69,920
	Very Low 50%		\$43,500	\$49,700	\$55,900	\$62,100	\$67,100	\$72,050	\$77,050	\$82,000
HOME	50%		\$46,350	\$53,000	\$59,600	\$66,200	\$71,500	\$76,800	\$82,100	\$87,400
	60%		\$52,200	\$59,640	\$67,080	\$74,520	\$80,520	\$86,460	\$92,460	\$98,400
HOME	60%		\$55,620	\$63,600	\$71,520	\$79,440	\$85,800	\$92,160	\$98,520	\$104,880
	70%		\$64,890	\$74,200	\$83,440	\$92,680	\$100,100	\$107,520	\$114,940	\$122,360
	Low 80%		\$66,300	\$75,750	\$85,200	\$94,650	\$102,250	\$109,800	\$117,400	\$124,950
	80%		\$74,160	\$84,800	\$95,360	\$105,920	\$114,400	\$122,880	\$131,360	\$139,840

2025 Maximum Rents and 2024 HOME Program Rent Limits - Minneapolis - St. Paul - Bloomington MN-WI, MSA

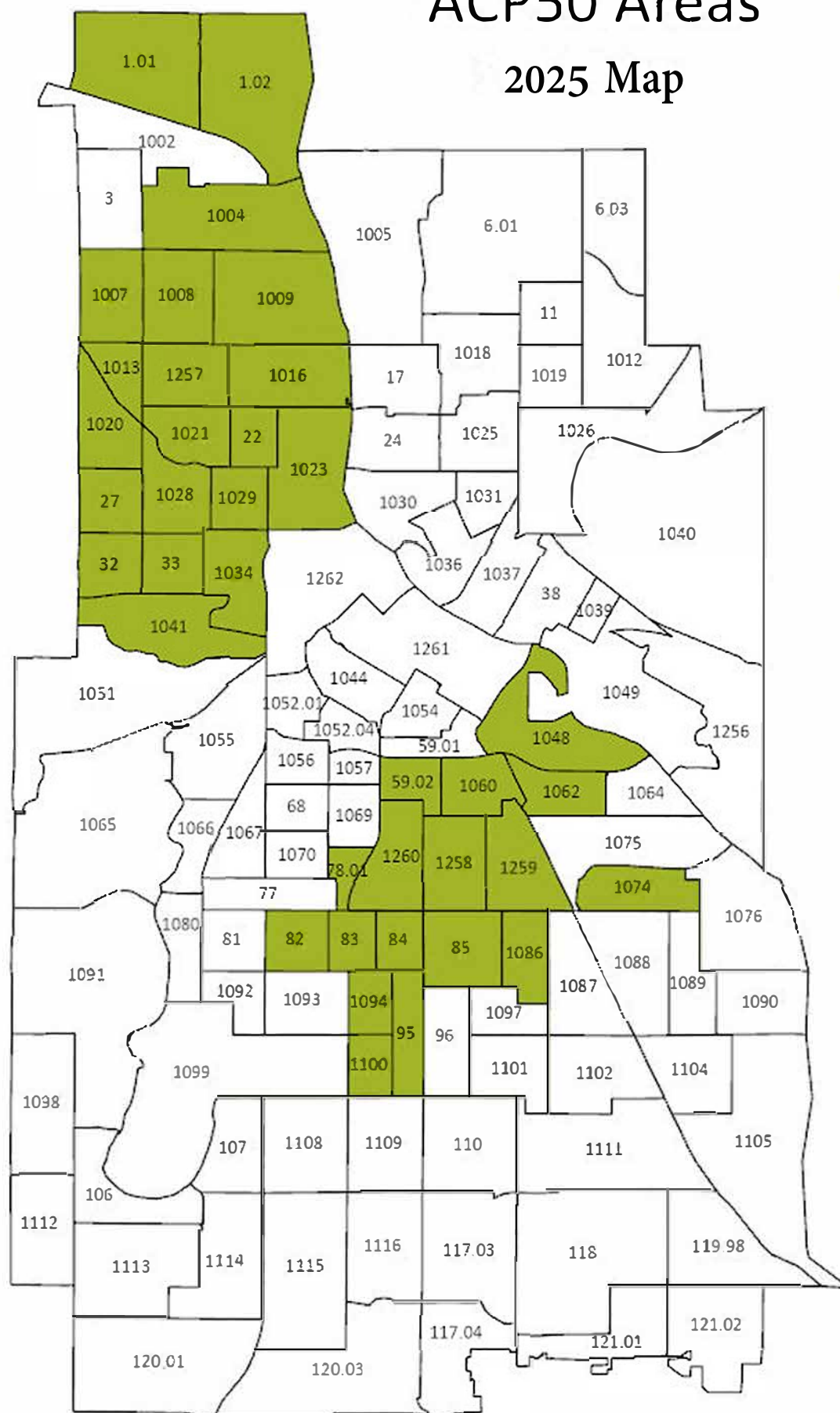
Effective April 1, 2025 and HOME June 15, 2024

	Rent Limit	SRO	OBR	1BR	2BR	3BR	4BR	5BR	6BR
HOME	Low HOME Rent	\$815	\$1,087	\$1,165	\$1,397	\$1,615	\$1,801	\$1,988	\$2,173
HOME	High HOME Rent	\$881	\$1,174	\$1,327	\$1,622	\$2,066	\$2,285	\$2,502	\$2,720
HOME	Fair Market Rent	\$881	\$1,174	\$1,327	\$1,622	\$2,188	\$2,478	\$2,850	\$3,221
HOME	20%	\$347	\$463	\$496	\$596	\$688	\$768	\$847	\$926
	30%	\$521	\$695	\$745	\$894	\$1,032	\$1,152	\$1,271	\$1,390
	40%	\$695	\$927	\$993	\$1,192	\$1,377	\$1,536	\$1,695	\$1,853
	50% Rent Limit	\$815	\$1,087	\$1,165	\$1,397	\$1,615	\$1,801	\$1,988	\$2,173
HOME	50%	\$869	\$1,158	\$1,241	\$1,490	\$1,721	\$1,920	\$2,118	\$2,317
	60%	\$1,043	\$1,390	\$1,490	\$1,788	\$2,065	\$2,304	\$2,542	\$2,780
	65% Rent Limit	\$1,046	\$1,394	\$1,494	\$1,796	\$2,066	\$2,285	\$2,502	\$2,720
	70%	\$1,217	\$1,622	\$1,738	\$2,086	\$2,409	\$2,688	\$2,966	\$3,243
	80%	\$1,391	\$1,854	\$1,987	\$2,384	\$2,754	\$3,072	\$3,390	\$3,707

ACP50 Areas

2025 Map

 ACP50



Areas of Concentrated Poverty (ACPs) are census tracts where 40% or more of the residents have family or individual incomes that are less than 185% of the federal poverty threshold. Data are also controlled to remove tracts with high proportions of college students who are not in poverty. To identify areas where people of color experience the most exposure to concentrated poverty, the map further differentiates Areas of Concentrated Poverty where 50% or more of the residents are people of color (ACP50s, shown here).

CITY OF MINNEAPOLIS – AHTF CONTRACTING REQUIREMENTS (Updated 5/09/22)

The borrower will be required to comply with all applicable Federal, State and local laws and regulations. These requirements vary depending upon the type of development and the source and amount of public investment, if any, and may include, without limitation, the payment of Prevailing Wages for construction, the preparation of Affirmative Action Plans, competitive bidding, compliance with the Small and Underutilized Business Enterprise program or equivalent federal program, and Business Subsidy Act/Living Wage Ordinance, and reporting requirements for those programs. Some of the standard requirements are further discussed below, but the following list is not exhaustive. The borrower is responsible for compliance with all City contracting requirements. Failure to incorporate the requirements as appropriate in any bidding documents or contracts may make a project ineligible for funding or public assistance.

Proposers unfamiliar with these standard requirements are urged to seek further information. Proposers should be aware that additional project costs may result from some of these requirements.

1. **Equal opportunity (nondiscrimination and affirmative action)** The borrower will be required to submit a written Affirmative Action Plan for the development project. The minimum employment goals for borrower and for any contractor, subcontractor or vendor with a construction contract in excess of \$100,000 shall be as follows: 20% of the total project construction hours are to be performed by females, 32% by minority workers. The borrower also must comply and cause its contractors to comply with applicable provisions of Chapters 139 and 141 (Title 7, Civil Rights), Minneapolis Code of Ordinances, nondiscrimination provisions contained in Chapter 181, Minnesota Statutes, the Americans with Disabilities Act of 1990 (as amended), Section 109 of the Housing and Community Development Act of 1974 (as amended), the Age Discrimination Act of 1975 (as amended) and Executive Order 11246, as amended by Executive Order 12086. The borrower will be required not to discriminate against any employee or applicant for employment because of race, color, creed, religion, ancestry, national origin, sex, sexual orientation, gender identity, disability, age (forty (40) to seventy (70)), marital status, familial status or status with regard to public assistance. The borrower also will be required to take affirmative action to ensure that all employment practices are free of such discrimination. These employment practices include, but are not limited, to the following: hiring, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff, termination, rates of pay or other forms of compensation and selection for training, including apprenticeship. The borrower will post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause. The borrower also will be required to, in all solicitations or advertisements for employees placed by or on behalf of the borrower, state that it is an equal opportunity or affirmative action employer. The City requires compliance in demolition, construction and marketing of development projects.
2. In accordance with the CPED **Prevailing Wage Policy**, the borrower (for 8+ unit projects) must covenant and agree that it will cause its general contractor and subcontractors to comply with the wage and hour standards issued by the United States Secretary of Labor pursuant to the Davis Bacon Act, 40 U.S.C. Sections 276a to 276a-5, as amended, and the Contract Work Hours and Safety Standards Act 40 U.S.C. Sections 327-333. All contractors and subcontractors must provide certified payroll records to the Minneapolis Department of Civil Rights.

Additional requirements for **federal funds**: construction projects receiving **federal** funds need to strictly comply with the provisions of the Davis-Bacon Related Act (requirements vary depending on amount and type of funding. The Davis-Bacon Related Act requires that all contractors and subcontractors pay prevailing wages as determined by the federal Davis-Bacon wage decision. All contractors and subcontractors subject to the Davis-Bacon Act must provide weekly certified payroll records to the Minneapolis Department of Civil Rights. The signed construction contract that contains the building specifications for the project must contain a copy of the appropriate United

States Department of Labor Federal Wage Decision document and the HUD form 4010, Federal Labor Standards Provisions.

3. Borrower and its contractors and suppliers must comply with the Small & Underutilized Business Enterprise Program (SUBP) as outlined in Minneapolis City Code Chapter 423 attached hereto as Attachment A (the "SUBP Provisions"). The SUBP Provisions apply to any development project that receives assistance in excess of one hundred seventy-five thousand dollars (\$175,000). Any questions about the SUBP Provisions should be directed to the Small & Underutilized Business Enterprise Program, City of Minneapolis Department Civil Rights, 239 City Hall, 350 South 5th Street, Minneapolis, Minnesota 55415, Attention: Contract Compliance Division (612-673-2722) or contractcompliance@minneapolismn.gov.
4. The borrower's contractors will be subject to the City's **Apprenticeship Training Policy** (for 8+ unit projects).
5. The development must be in conformance with the Uniform Federal **Accessibility Standards** as published on April 1, 1988. The borrower must describe the accessibility design for people with disabilities of each of the code required handicapped units, any proposed housing development (e.g. roll-in showers), the mix of accessible units in the project and where they are located, and any appropriate safety features for vision- and hearing-impaired people.
6. The City's **Affordable Housing Policy** applies to any residential development (rental or ownership) with ten units or more, or a project with a residential component of 10 or more units, that receives any public financial assistance. Public financial assistance includes the receipt of Affordable Housing Trust Fund monies.
7. **Rezoning Responsibility:** It is the borrower's responsibility to undertake and finance any rezoning, variance and use permits necessary for approval of proposed development.
8. **Utilities:** It is the borrower's responsibility to identify the locations of and provide for the installation of electricity, gas, water, sewer service and other utilities servicing the site from the public mains to the individual units.
9. **Construction Standards:** Developments must be completed and maintained throughout the loan term in compliance with local housing codes, Lender's written rehabilitation standards and zoning ordinances and specific energy and rehabilitation standards. Newly constructed housing must meet the current edition of the Model Energy Code published by the Council of American Building Officials. Substantively rehabilitated housing (a total development cost of more than \$25,000 per unit) must meet the cost-effective energy conservation standards in 24 CFR Part 39. Developments receiving federal funds must comply with HUD's Uniform Physical Conditions Standards at 65 FR 66539 and, if HOME funds are awarded, the construction standards in 24 CFR 92.251.
10. **Residential Sale and Commercial Sale/ Lease:** The completed units must be advertised and offered publicly and must be sold to the general public.
11. **Hold Harmless:** The borrower shall agree to defend, indemnify and hold the City harmless from any and all claims or lawsuits that may arise from the borrower's activities under the provisions of the loan agreement, that are attributable to the acts or omissions, including breach of specific contractual duties of the borrower or the borrower's independent contractors, agents, employees or officers.
12. **Insurance:** The insurance required for projects approved for funding will include general liability, auto, builder's risk, worker's compensation, and any other insurance appropriate to the project.
13. **Payment and Performance Bond:** The borrower must provide payment and performance bonds in the form

prescribed by Minnesota Statutes, Section 574.26, covering the faithful performance of the general contractor's obligations under the construction contract, naming the City as a co-obligee, in the full amount of the construction contract and written by a surety mutually acceptable to the City and the borrower, or an irrevocable letter of credit from a lender approved by the City in the amount of 100% of the construction costs.

14. **Bidding Requirements:** The borrower is required to demonstrate compliance with CPED competitive bidding requirements for general and subcontractor selection.
15. **Interest of Members of City :** No member of the governing body, officer, employee or agent of the City who exercises any function or responsibilities in connection with the carrying out of the project to which this proposal pertains, shall have any personal interest, financial or otherwise, direct or indirect, in the loan agreement.

16. Transfer of Interest

The borrower shall not assign any interest in the loan agreement and shall not transfer any interest in the same either by assignment or novation without the prior written approval of the City, provided, however, that claims for money due or to income due to the borrower may be assigned to a bank, trust company or other financial institution, or to a trustee in bankruptcy without such approval.

Notice of any such assignment or transfer shall be furnished to the City. The borrower shall not subcontract any services under the loan agreement without prior approval of the City's designated Contract Manager.

17. Performance Monitoring

The City will monitor the performance of the borrower against goals and performance standards required in the loan agreement. Substandard performance as determined by the City may result in the initiation of contract termination procedures. The City's designated Contract Manager shall review each portion of the work when certified as complete and submitted by the borrower and shall inform the borrower of any apparent deficiencies, defects, or incomplete work, at any stage of the project.

18. Independent Contractor

Nothing contained in the loan agreement is intended to, or shall be construed in any manner, as creating or establishing the relationship of employer/employee between the parties. The borrower shall at all times remain an independent contractor with respect to the services to be performed under the loan agreement. Any and all employees of the borrower or other persons engaged in the performance of any work or services required by the borrower under the loan agreement shall be considered employees or sub-contractors of the borrower only and not of the City; and any and all claims that might arise, including worker's compensation claims under the Worker's Compensation Act of the State of Minnesota or any other state, on behalf of said employees or other persons while so engaged in any of the work or services provided to be rendered herein, shall be the sole obligation and responsibility of the borrower.

19. Retention of Records

The borrower shall retain financial records, supporting documents, statistical records and all other records pertinent to the expenditures under the loan agreement and, if HOME funds are awarded, records demonstrating that the Project meets the property standards of 24 CFR part 92.251 and the lead based paint requirements of 24 CFR Part 92.355 for a period of six years from the completion of the project. Records that are the subject of audit findings shall be retained for six years after such findings have been resolved. Records for non-expendable property acquired with funds under the loan agreement shall be retained for six years after final disposition of such property. Records for any displaced person must be kept for six years after he or she has received final payment. Records of individual household income verifications, project rents and project inspections must be retained for the most recent five-year period or, if HOME funds are awarded, until 5 years after the HOME Affordability Period terminates, whichever is later.

20. Data Practices

The borrower agrees to comply with the Minnesota Government Data Practices Act and all other applicable state and federal laws relating to data privacy or confidentiality. The borrower must immediately report to the City any requests from third parties for information relating to the loan agreement. The City agrees to promptly respond to inquiries from the borrower concerning data requests. The borrower agrees to hold the City, its officers, and employees harmless from any claims resulting from the borrower's unlawful disclosure or use of data protected under state and federal laws.

21. Inspection of Records

All borrower records with respect to any matters covered by the loan agreement shall be made available to the City or its designees at any time during normal business hours, as often as the City deems necessary, to audit, examine, and make excerpts or transcripts of all relevant data.

22. Applicable Law

The laws of the State of Minnesota shall govern the loan agreement, and the appropriate venue and jurisdiction for any litigation which may arise thereunder will be in those courts located within the County of Hennepin, State of Minnesota, regardless of the place of business, residence or incorporation of the borrower.

23. Conflict and Priority

In the event that a conflict is found between provisions in the loan agreement, the borrower's Proposal or the City's Request for Proposals, the provisions in the following rank order shall take precedence: 1) loan agreement; 2) Proposal; and last 3) Request for Proposals.

24. Billboard Advertising

Through Section 544.120, Minneapolis Code of Ordinances, City and City-derived funds are prohibited from use to pay for billboard advertising as a part of a City project or undertaking.

25. Conflict Of Interest/Code Of Ethics

The borrower agrees to be bound by the City's Code of Ethics, Minneapolis Code of Ordinances, Chapter 15. The borrower will be required to certify that to the best of its knowledge all City employees and officers participating in the loan agreement have also complied with that Ordinance. It is agreed by the parties that any violation of the Code of Ethics constitutes grounds for the City to void the loan agreement. All questions relative to this section shall be referred to the City and shall be promptly answered.

26. Additional Federal Requirements

RELOCATION: The borrower shall comply with Titles I and II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601-55) and 49 C.F.R. Part 24, for displacement of persons, businesses, nonprofit organizations, and farms occurring as a direct result of any project receiving federal funds to the extent said statutes apply to the loan agreement. If non-federal funds are awarded to the Project the borrower shall comply with the City's Relocation Policy.

AFFIRMATIVE MARKETING: Recipients of HOME program funds shall comply with the City's Affirmative Marketing requirements under 24 C.F.R. §92.351.

COMPLIANCE WITH "SECTION 3" IN THE PROVISION OF TRAINING EMPLOYMENT AND BUSINESS OPPORTUNITIES:

Any entity, including Borrowers, receiving more than \$200,000 of federal funds for a project are subject to the Section 3 requirements outlined in 24 C.F.R. Part 75 as implemented by the City of Minneapolis' administrative implementation guidance. Section 3 requires, "to the greatest extent feasible, " that job training, employment and

contracting opportunities at the Section 3 assisted development are directed to low- and very low- income persons, particularly those living in areas where the HUD funds are spent. All contracts on Section 3 Projects shall include the following clauses:

- A. The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701 u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 C.F.R. part 75 and the City of Minneapolis' administrative requirements, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 75 regulations or the City's administrative requirements.
- C. The contractor agrees to submit a Section 3 action plan prior to contracting for any of the Project work to contractcompliance@minneapolismn.gov or to the assigned Contract Compliance Officer
- D. The contractor agrees to submit quarterly reports to contractcompliance@minneapolismn.gov two (2) weeks after the end of a quarter (Quarter 1 is due April 15, quarter 2 is due July 15, quarter 3 is due October 15, and quarter 4 is due January 15) documenting all efforts made to comply with Section 3.
- E. The contractor agrees to send to each labor organization or representative or workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- F. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 C.F.R. part 75, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 C.F.R. part 75. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 C.F.R. part 75.
- G. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 C.F.R. part 75 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 C.F.R. part 75.
- H. Non-compliance with HUD's 24 C.F.R. Part 75 regulation may result in a default of this contract.
- I. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b) 24.

Any questions about complying with Section 3 should be directed to City of Minneapolis Department Civil Rights - Contract Compliance Division (612-673-3076) or contractcompliance@minneapolismn.gov.

ENVIRONMENTAL COMPLIANCE: The borrower agrees to comply with the National Environmental Policy Act of 1969, and the HUD Environmental Review Procedures (24 C.F.R., Part 58) insofar as they might apply to the performance of the loan agreement. If federal funds are awarded, an environmental review and release of funds must be undertaken by the City before any choice limiting actions occur.

HISTORIC PRESERVATION: The borrower agrees to comply with the historic preservation requirements set forth in the National Historic Preservation Act of 1966 (16 U.S.C. 470) and the Archaeological and Historic Preservation Act of 1974, Public Law 93-291, and the procedures set forth in 36 C.F.R., Part 800, insofar as they apply to the performance of the loan agreement.

ARCHITECTURAL COMPLIANCE: The borrower agrees to comply with any regulations issued by HUD pursuant to compliance with Section 504 of the Rehabilitation Act of 1973, 24 C.F.R. §8.22 (new construction) and §8.23 (existing building), which prohibits discrimination against the handicapped in any federally assisted program. The City shall provide to the borrower any necessary guidelines for compliance with that portion of the regulations in force during the loan agreement period. The borrower must also comply with the Fair Housing Act 24 C.F.R. §100.205. Section 504 uses Uniform Federal Accessibility Standards (UFAS) and Fair Housing Act uses American National Standards Institute (ANSI – 1986).

LEAD BASED PAINT REMEDIATION: For Pre-1978 units, projects receiving funds from the Program must comply with Federal, State, and City lead-based paint regulations. All projects must have a lead-risk assessment done by an authorized company. The specific regulations are as follows:

Federal Regulations

EPA – 40 C.F.R. Part 745 especially Subpart D, E, F, L, Q, and any other regulations issued pursuant to Section 403 of the Toxic Substances Control Act (TSCA) as amended by the Residential Lead-Based Paint Hazard Reduction Act of 1992.

OSHA – 29 C.F.R. Part 1910 and Part 1926.

HUD – 24 C.F.R. Part 35 especially Subparts A, B, G, H, J, K & R

State Statute

Department of Health – Minnesota Statutes, Section 144.9501 through Section 144.9509 (The Childhood Lead Poisoning Act).

Section 144.9504 deals with “lead orders” issued by the Commissioner of Health.

Section 144.9508 deals with “rules” prepared or adopted by the Commissioner of Health for addressing lead contamination and its abatement.

City of Minneapolis Ordinance

Chapter 240, Minneapolis Code of Ordinances – Enforcement authority granted to the City’s Department of Regulatory Services-Environmental Health Division, to enforce “lead orders” issued by the State. HUD regulations for lead paint have been in existence for many years, however, on September 15, 2000, new regulations became effective. The regs consolidate all of HUD’s existing regulations in one part of the Code of Federal Regulations (CFR), requires control of lead- contaminated dust associated with the presence of lead-based paint, requires clean up or clearance, and requires trained and certified lead paint professionals to assure that lead hazard control work is done safely.

For more detail information, refer to Attachment 7-A (Summary of Lead-Based Paint Requirements by Activity) and Attachment 7-B (Four Approaches to Implementing Lead Hazard Evaluation and Reduction). www.hud.gov/lead and www.epa.gov/lead.

Attachment A
City of Minneapolis
Small and Underutilized Business Enterprise Program
Special Provisions for Development Projects

I. Overview

The City of Minneapolis policy is to provide equal opportunities to all businesses, with an effort to redress discrimination in the City's marketplace and in public contracting against minority-owned business enterprises ("MBEs") and women-owned business enterprises ("WBEs"). This is accomplished through the Small and Underutilized Business Program ("SUBP") as detailed in the Minneapolis Code of Ordinances Chapter 423. SUBP applies to any development project receiving a subsidy through the City of over \$175,000. SUBP goals are set on projects based on the project scope, subcontracting opportunities and availability of eligible MBEs/WBEs.

The City has set the following SUBP goals to facilitate participation of MBEs/WBEs on this project: _____% MBE and _____% WBE.

Only eligible MBEs/WBEs count towards the SUBP goals. An eligible MBE/WBE is:

1. Certified as a Disadvantaged Business Enterprise (DBE). This is the only MBE/WBE certification accepted by the SUBP.
2. Located within the City's marketplace.¹
3. DBE-certified within the scope of work that they will perform.
4. Performing a commercially useful function on the contract. An MBE/WBE performs a commercially useful function when it executes a distinct element of work and carries out its responsibilities by actually performing, managing, and supervising the work involved.

Firms that are DBE-certified as both 'MBE' and 'WBE' will count toward the 'MBE' goal only.

A developer's contractor should search for DBE-certified MBE and WBE firms using the Minnesota Unified Certification Program (MnUCP) directory, here: <http://mnucp.metc.state.mn.us/>.²

II. Good Faith Efforts Evaluation

The developer's contractor must either meet the goals listed above or demonstrate a Good Faith Effort to do so. A Good Faith Effort means that the developer's contractor made *every necessary and reasonable effort* to subcontract with MBEs/WBEs prior to subcontractor bidletting.

To determine if the developer's contractor demonstrated good faith efforts to meet the SUBP goals, the following list of *eight factors* may be considered:

1. Soliciting through all reasonable and available means (attendance at pre-bid meetings, advertising and/or written notices) the interest of all eligible MBEs/WBEs certified in the scopes of work of the contract. The developer's contractor must solicit MBEs/WBEs in sufficient time prior to bid opening or the proposal deadline to allow MBEs/WBEs to respond to solicitations. The developer's contractor must determine with reasonable certainty if the MBEs/WBEs are interested by taking appropriate steps to follow up on initial solicitations.

¹ The City's marketplace includes only the Minnesota counties of Anoka, Carver, Chisago, Dakota, Hennepin, Isanti, Le Sueur, Mille Lacs, Ramsey, Scott, Sherburne, Sibley, Washington, Wright, and the Wisconsin counties of Pierce and St. Croix.

² If a developer's contractor identifies a business that is not yet certified, but may qualify for certification as MBE or WBE, the developer's contractor should encourage the business to immediately begin the application process for certification with the MNUCP. The developer's contractor should include this in their Good Faith Efforts documentation.

2. Selecting portions of the work to be performed by eligible MBEs/WBEs in order to increase the likelihood that the project goals will be achieved. This includes, where appropriate, breaking out contract work into smaller units to facilitate MBE/WBE participation, even when a developer's contractor might otherwise prefer to perform these work items with its own forces.
3. Providing interested eligible MBEs/WBEs with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.
4. The developer's contractor must negotiate in good faith with interested eligible MBEs/WBEs and provide written documentation of such negotiation with each such business.
5. A developer's contractor should consider a number of factors in negotiating with potential MBE/WBE subcontractors and should take into consideration an eligible MBE or WBE's price and capabilities and scheduling, as well as established contract goals. However, the fact that there may be some additional costs involved in finding and using eligible MBEs/WBEs is not in itself sufficient reason for failure to meet the established MBE/WBE goals, as long as such costs are reasonable. The ability or desire to perform the work of a contract with its own organization does not relieve the developer's contractor of the responsibility to make good faith efforts. The developer's contractor(s) are not, however, required to accept higher quotes from eligible MBEs/WBEs if the price difference is excessive or unreasonable.
6. The developer's contractor must offer information regarding and make reasonable efforts to assist solicited eligible MBEs/WBEs in obtaining bonding, lines of credit or insurance as required by the City, the developer, or by the developer's contractor, provided that the developer's contractor need not provide financial assistance toward this effort.
7. Effectively using the services of minority/woman community organizations; minority/woman contractors' groups; local, state and federal business assistance offices; and other organizations as allowed on a case-by-case basis to provide assistance in the solicitation and placement of MBEs/WBEs.
8. Whether the apparent successful developer's contractor, or its subcontractors, met or exceeded the average eligible MBE/WBE participation obtained by others responding to the same solicitation.

III. Required Documentation

The developer's contractor must thoroughly document its efforts to solicit and incorporate MBE/WBE participation to meet the SUBP goals. The following documents must be submitted after subcontractor bidletting and prior to closing on the City subsidy:

1. *Contract Compliance Information Management System (CCIMS/B2GNow)*: The Prime Contractor will be required to submit a utilization plan into CCIMS when requested by Contract Compliance staff by the due date indicated. MBE and WBE firms will be required to confirm their participation in CCIMS before the utilization plan can be approved. If both or one of the MBE/WBE goals is not met, then a "waiver" (also referred to as a Good Faith Effort) will be requested. The following documents will be considered as part of the waiver request.
2. *Bidders and Solicitation List*: Must include all subcontractors, sub-consultants, service providers or suppliers that were solicited. It also indicates which MBE/WBE firms the developer's contractor intends to use.
3. *Supporting Documentation to Demonstrate Good Faith Efforts*: The developer's contractor must submit documentation evidencing the efforts taken to achieve the SUBP goals. The information may include, but is not limited to, copies of solicitation emails, copies of bids for all MBE/WBE firms, copies of bids for awarded non-W/MBE firms, bids received, faxes, and phone call logs.
4. *Good Faith Efforts Checklist*: A checklist based on the *eight factors* that may be considered in determining whether MBE and WBE participation was solicited in good faith. The developer's contractor must use the checklist during subcontractor bid solicitation to demonstrate the efforts that were made.

The developer's contractors who have been previously designated as high risk by the Minneapolis Director of Civil Rights may be required to submit additional documentation.

IV. Post-Award Substitutions

The developer's contractors shall not substitute, reduce participation of, or eliminate any MBE/WBE subcontractor listed in CCIMS without the prior written approval of MDCR. The developer's contractor must make good faith efforts to replace an MBE/WBE subcontractor that is unable to perform with another MBE/WBE to perform the same scope of work. A developer whose contractor substitutes, reduces participation of, or removes an MBE/WBE subcontractor listed in the CCIMS without prior written approval shall be subject to a fine of up to \$10,000.00 per violation or any of the penalties listed in Section V below.

V. Penalties for Non-Compliance

Compliance with SUBP is a material condition of the City's subsidy contract. If a developer, developer's contractor, subcontractor, supplier, vendor or subrecipient does not make a good faith effort to fulfill its obligations under SUBP, or fails to materially comply with the provisions of Minneapolis Code of Ordinances Chapter 423, the City may take the following actions wholly, partly, or in any combination:

- a) Temporarily withhold disbursements of City-provided funds pending correction of the deficiency.
- b) Permanently withhold payment for all or part of the activity not in compliance if the deficiency cannot be corrected, or the entity refuses to correct the deficiency.
- c) Suspend or debar the noncompliant developer, developer's contractor, subcontractor, supplier or vendor as ineligible for all current or potential contracts with the City or supported by City funds.
- d) Designate the noncompliant developer, developer's contractor, subcontractor, supplier or vendor as high-risk for future contracts and require of the developer, developer's contractor, subcontractor, supplier or vendor increased reporting requirements, mandatory audits and similar measures.

These penalty provisions and the provisions of section IV shall be fully incorporated into all contracts and shall be enforceable by the City against any developer, developer's contractor, subcontractor, supplier, vendor, or subrecipient who fails to materially comply with SUBP.

Please review Minneapolis Code of Ordinances Chapter 423 for more information or contact the City of Minneapolis Department of Civil Rights at (612) 673-3012 or contractcompliance@minneapolismn.gov

Bidding Procedures for Projects Funded by the Affordable Housing Trust Fund Program and Housing Revenue Bonds (Effective: May 2020)

THE CITY ENCOURAGES PROCUREMENT TRANSACTIONS TO BE CONDUCTED IN A MANNER THAT DEMONSTRATES REASONABLE DEVELOPMENT COSTS AS WELL AS PROVIDING FULL AND OPEN COMPETITION.

I. GENERAL CONTRACTOR AND SUBCONTRACTOR SELECTION METHODS:

- A. Sealed Bids:** The preferred method for general contractor selection is to publicly advertise for sealed bids at a pre-determined date and time. The general contractor bid solicitation must be publicized as further described in Section II below and must include clear and complete written specifications, and a standard bid response form. The selection of the successful bidder shall be made principally on the basis of price. A Lump Sum, Fixed Price or Stipulated Sum, contract shall be awarded to the lowest responsive responsible bidder.
- B. General Contractor Request for Qualifications (RFQ) with subsequent sealed bids for general contractor selection (previously the "Alternative Method"):** This method uses a publicly advertised RFQ to establish a short list of at least three (3) pre-qualified general contractors who will then compete for the general contracting work by submitting a sealed bid on a standard form based upon clear plans and specifications at a pre-determined public bid opening. With this method, the general contractor is not directly involved in creating the development plans or the project specification manual, and the general contractor may or may not have identified all of the subcontractors who may work on that particular project at the time the sealed bids are due.
- C. General Contractor Selection with subsequent bidding for subcontractor selection (previously, the "Second Alternative Method"):** This method, sometimes referred to as the "team approach," is generally intended for larger projects with a total development cost over approximately \$10 million where the general contractor is involved in estimating preliminary project pricing, drafting the development plans and project specification manual, and managing the subcontractor bidding process. The selected general contractor issues a public Request for Proposals (RFP) soliciting formal bids from qualified subcontractors based upon written plans and specifications. This subcontractor selection must comply with the bidding procedures described in Section II below.
- D. Cost Reasonableness Study:** In circumstances where City staff agree that a public selection of a general contractor or subcontractors creates an excessive burden on the project or generates insufficient competitive proposals or bids, the City may elect to complete a cost reasonableness study at its sole discretion and at the cost of the developer in lieu of requiring Method A., B., or C. above. This method includes the following procedures and documentation:
 - 1. **Declaratory Letter to CPED:** Developer provides CPED with a letter and supporting documentation demonstrating why a public selection of a general contractor or subcontractors created an excessive burden on the project, generated insufficient competitive proposals or bids, or another reasonable explanation describing why none of the Methods A., B., or C. was appropriate for the project.
 - 2. **Plans and Specifications Provided to CPED:** The developer furnishes CPED with the complete construction plans and written project specifications manual.

3. Consultant Selection: Using authority granted to CPED in the signed Recitals, Acknowledgement, and Consent Form from the RFP, CPED selects at its sole discretion at least one qualified consultant such as one or more architects or general contractors to review the construction plans and project specifications to estimate project costs and compare those costs to at least one other similar project.

II. ADDITIONAL POLICIES AND PROCEDURES

A. Advertisement Publication:

1. At a minimum, all advertisements must be published in Finance and Commerce twice for a minimum of one (1) week each. Direct mail invitations or solicitations are permitted as a supplement to the minimum required public advertisement.
2. Bid packages with construction plans and specifications used for general contractor or subcontractor selection must be made available concurrently with the public advertisement to applicable labor union trade organizations or regional council offices.
3. All solicitations must be reviewed by CPED staff prior to commencement of advertising.
4. Affidavits of publication must be provided to CPED which describes the specific advertisement that was published and the dates of publication.

B. Architectural Services: CPED recommends using the Minnesota Housing Finance Agency Architect's Guide (the April 2014 version is posted here:

http://www.mnhousing.gov/idc/groups/multifamily/documents/webcontent/mhfa_008062.pdf).

C. Sealed Bid or Proposal Opening and Documentation to CPED: Project bid openings must be public and must be attended by CPED staff. Upon the completion of the opening of the bids or advertisement responses, the following must be promptly submitted to CPED staff:

1. Copy of the sign-in sheet of all persons in attendance at the opening;
2. Copies of all bids or responses; and
3. Tally sheet listing all bidders or respondents, proposers, addendums received, responsive or non-responsive bids or responses, reason, and summaries of all of the pertinent financial information in the bids or responses.

D. Change Orders: CPED endeavors to minimize change orders where possible.

E. Contracting Requirements:

1. Please see the AHTF Contracting Requirements (Attachment 4) for a summary of the applicable SUBP, affirmative action, Davis Bacon, CPED Apprenticeship, and related rules.
2. The selected general contractor shall provide on CPED's Sworn Construction Statement form and Civil Rights Pre-Construction Booklet the names of all parties having contracts or subcontracts for specific portions of the work on said property and building or material entering into the construction and amounts of each.

F. Competitive Bidding is Preferred: At least three (3) competitive bids, proposals or responses are preferred when a competitive process is used to select either the general contractor or subcontractors. When section 3 applies to a project and federal funds are \$200,000 or greater the rules on page 17 and 18 of the link below apply to section 3 bidders.

https://www.hud.gov/sites/documents/DOC_12047.PDF

G. Design-Build Prohibited: The design-build approach where the design phase of the project overlaps with the construction phase is a prohibited procurement method even when Method D is used. This excludes fire protection.

ATTACHMENT 4
BIDDING PROCEDURES

- H. Faxed or E-Mailed Bids Prohibited:** Faxed or e-mailed bids or responses are not permitted.
- I. General Contractor Self-Performing Construction Work:** The selected general contractor may self-perform work on the project only if the general contractor first announces as a disclosure their intention in its initial proposal that it intends to pursue self-performing some of the construction, and submits a separate sealed bid (or bids) on the subcontract work and if the general contractor and project owner verify in writing to the City prior to the posting of the advertisement for the subcontractor sealed bids that the general contractor has not developed or drafted specifications, requirements, statements of work, invitations for bids and/or requests for proposals.
- J. Procurement for Professional Services:** Procurement for professional services including architectural, engineering, and legal: CPED encourages but does not require a competitive process to be used to select professional consultants for projects.
- K. Project Manuals and Specifications Standard Format:** All project manuals or specification books shall be organized into Divisions and Sections using the 16 –division format and Construction Specification Institute (CSI) Master Format numbering system.
- L. Registered and Independent Professional Consultants:** All professional services shall be performed by professionals registered in Minnesota in their respective fields and independent of Developer and Contractor(s) engaged in the development unless the scope of work is limited to minor rehabilitation and simply replacing worn components/equipment with similar new components/equipment.
- M. Retainage:** Unless otherwise agreed to by the City, the General Contractor must include a retainage clause requiring a 5% holdback of hard construction with such holdback released upon completion of construction.
- N. Standard Forms Required for Bidding and Draws:**
1. A standard bid or proposal response form must be provided in the bid package to be completed by the respondents.
 2. Request for payment shall be submitted on AIA Document G702 Application and Certificate for Payment, and AIA Document G703 Continuation Sheet.
- O. Debarment and Suspension:** Pursuant to Executive Order 12549, "Debarment and Suspension", Developer shall ensure that no contracts are given to any party that is debarred or suspended or is otherwise excluded from or ineligible or participation in project receiving federal assistance through <https://www.sam.gov/portal/SAM/##11> and provide evidence of compliance to the City including the date of the search.

ATTACHMENT 5

SUMMARY OF LEAD-BASED PAINT REQUIREMENTS BY ACTIVITY

	Rehabilitation (Subpart J) Chapter 4			TBRA (Subpart M) Chapter 5	A,L,SS,O (Subpart K), Chapters 6 & 7
	≤ \$5,000	\$5,000 - \$25,000	>\$25,000		Homebuyer and Special Needs*
Approach to Lead Hazard Evaluation and Reduction	1. Do no harm	3. Identify and control lead hazards	4. Identify and abate lead hazards	2. Identify and stabilize deteriorated paint	2. Identify and stabilize deteriorated paint
Notification	Yes	Yes	Yes	Yes	Yes
Lead Hazard Evaluation	Paint Testing	Paint Testing and Risk Assessment	Paint Testing and Risk Assessment	Visual Assessment	Visual Assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation	Interim Controls	Abatement (Interim Controls on exterior surfaces not disturbed by rehabilitation)	Paint Stabilization	Paint Stabilization
	Safe work practices Clearance of work site	Safe work practices Clearance of unit	Safe work practices Clearance of unit	Safe work practices Clearance of unit	Safe work practices Clearance of unit
Ongoing Maintenance	For HOME rental only	For HOME rental only	For HOME rental only	Yes	Yes (if ongoing relationship)
EIBLL Requirements	No **	No	No	Yes	No
Options	Presume lead-based paint Use safe work practices on all surfaces	Presume lead-based paint and/or hazards Use standard treatments	Presume lead-based paint and/or hazards Abate all applicable surfaces	Test deteriorated paint Use safe work practices only on lead-based paint surfaces	Test deteriorated paint Use safe work practices only on lead-based paint surfaces
*Special Needs Housing may be subject to the requirements of Subpart J, M, or K depending on the nature of the activity undertaken. However, since most special-needs housing involves acquisition, leasing, support services, and operations, for the purposes of this table, it has been placed in this column. Chapter 7 explains how other requirements may also apply.					

FOUR APPROACHES TO IMPLEMENTING LEAD HAZARD EVALUATION AND REDUCTION

APPROACH 1. DO NO HARM		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Paint testing performed on surfaces to be disturbed.	Repair surfaces disturbed during work. Safe work practices used when working on areas identified as lead-based paint. Clearance performed on work site.	Presume lead-based paint is present and use safe work practices on all surfaces being disturbed.
APPROACH 2. IDENTIFY AND STABILIZE DETERIORATED PAINT		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Visual assessment performed to identify deteriorated paint.	Paint stabilization of identified deteriorated paint. Safe work practices used. Clearance performed unit-wide	Perform paint testing on deteriorated paint. Safe work practice requirements only apply to lead-based paint.
APPROACH 3. IDENTIFY AND CONTROL LEAD HAZARDS		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Paint testing performed on surfaces to be disturbed Risk assessment performed on entire dwelling	Interim controls performed on identified hazards. Safe work practices used. Clearance performed unit-wide.	Presume lead based paint and/or lead based paint hazards are present and perform standard treatments.
APPROACH 4. IDENTIFY AND ABATE LEAD HAZARDS		
Lead Hazard Evaluation	Lead Hazard Reduction	Options
Paint testing performed on surfaces to be disturbed. Risk assessment performed on entire dwelling.	Abatement performed on identified hazards. Interim controls performed on identified hazards on the exterior that are not disturbed by rehabilitation. Safe work practices used. Clearance performed unit-wide.	Presume lead-based paint and/or lead-based paint hazards are present and perform abatement on all applicable surfaces - deteriorated, impact, friction, chewable surfaces, and surfaces to be disturbed.



Lead Safe Housing Requirements Screening on Exemption or Limited Exemption

This worksheet should be placed in the project file for any residential property that is assisted with Federal funds. Parts 1-3 should be completed for all projects. Read the footnotes for additional information.

Property Owner and Address: _____

Part 1: Exemptions from Lead Safe Housing Rule including Lead Disclosure

If the answer to any of the following questions is yes, the property is exempt from all requirements of 24 CFR Part 35 (Lead Safe Housing Rule), including Disclosure and provision of the Protect Your Family Pamphlet (Subpart A). The regulatory citation of each exemption is cited as additional guidance.

Question	Citation	Yes	No
❖ Was the property constructed after January 1, 1978?	[35.86, 115]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is this a zero-bedroom unit? (e.g. SRO, efficiency)	[35.86, 115]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is this dedicated elderly ¹ housing? (i.e. over age 62)	[35.86, 115]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is this housing dedicated for the disabled? ²	[35.86, 115]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ For lease transaction, has a paint inspection conducted in accordance with 35.1320(a) established that the property is free of lead-based paint? The date of the original paint inspection was _____. An optional paint inspection conducted on _____ confirmed this prior finding.	[35.82, 115]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is this a short-term lease of 100 days or less, where no lease renewal or extension can occur?	[35.82]	<input type="checkbox"/> YES	<input type="checkbox"/> NO

¹Defined as retirement communities or similar types of housing reserved for households composed of one or more persons over age 62, or other age if recognized by a specific Federal housing assistance program.

However, if a child under age 6 resides or is expected to reside in such a unit, the unit is not exempt.

²The housing must be a residential property designated exclusively for persons with disabilities, defined as any person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of impairment, or is regarded by others as having such an impairment. However, if a child under age 6 resides or is expected to reside in such a unit, the unit is not exempt.

Part 2: Exemptions from Lead Safe Housing Rule Subparts B-R Only

If the answer to any of the following questions is yes, the property is exempt from the requirements of 24 CFR Part 35 Subparts B-R. The property must still follow disclosure requirements. The regulatory citation of each exemption is cited as additional guidance.

Question	Citation	Yes	No
<ul style="list-style-type: none"> ❖ Has all lead-based paint in the property been identified and removed (no encapsulation or enclosure), and has clearance been achieved as cited below? <ul style="list-style-type: none"> ▪ Clearance was achieved prior to September 15, 2000, and the work was done in accordance with 40 CFR Part 745.227(b). ▪ Clearance was achieved after September 15, 2000, and the work was done in accordance with 24 CFR Part 35.1320, 1325 and 1340. 	[35.115(a)(5)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Will a currently vacant unit remain vacant until it is demolished?	[35.115(a)(6)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is the property used for non-residential purposes? ³	[35.115(a)(7)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Are emergency actions immediately necessary to safeguard against imminent danger to human life, health or safety, or to protect the property from further structural damage (e.g. after natural disaster or fire)? (Note: Only the emergency actions are exempt.)	[35.115(a)(9)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Will all rehab exclude disturbing painted surfaces?	[35.115(a)(8)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is the assistance for emergency housing or foreclosure prevention for a particular unit, where the assistance ends no later than 100 days after the initial payment or assistance? If yes, Subpart K requirements do not apply. ⁴	[35.115(a)(11)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO

³ Except that spaces such as entryways, hallways, stairways, etc. serving both residential and non-residential uses in a mixed-use property are not exempt.

⁴ When a household is provided short-term emergency leasing assistance and will occupy a unit for less than 100 days, the unit is exempt from lead paint regulations. This emergency leasing exemption is attached to the unit, not the family, and is a one-time exemption. After being assisted for a total of 100 consecutive days, the unit becomes subject to regular Subpart K requirements. Multiple families cannot be cycled through the same unit at intervals of less than 100 days under this exemption.

Part 3: Limited Exemptions from Specific Hazard Reduction Requirements

*The HUD Final Rule allows for limited exemptions from specific requirements due to the characteristics of the rehabilitation work, the structure, or the occupants. If the answer to any of the following questions is yes, the grantee and/or occupant **may** waive certain requirements as described below. The other requirements of the LSHR will still apply.*

Question	Citation	Yes	No
❖ For minor maintenance or repair work, is the amount of painted surface to be disturbed below de minimis levels, as defined below? If yes for all areas/sizes, lead safe work practices and clearance are not required in that work area.	[35.1350(d)(1-3)]		
▪ Less than 20 square feet on an exterior surface	[35.1350(d)(1)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
▪ Less than 2 square feet in any single interior room ⁵	[35.1350(d)(2)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
▪ Less than 10% of surface area of an interior/exterior component ⁵	[35.1350(d)(3)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is the unit occupied by an elderly person(s)? If yes, relocation of the elderly occupant(s) is not required if complete disclosure of the nature of the work is provided and informed consent is obtained prior to rehabilitation.	HUD Interpretive Guidance, April 16, 2001, # J-24	<input type="checkbox"/> YES	<input type="checkbox"/> NO
❖ Is a unit that is subject to abatement requirements listed or eligible for listing on the National Register of Historic Places, or does it contribute to a National Register Historic District? If yes, the State Historic Preservation Office may request that interim controls be implemented rather than abatement. Ongoing maintenance and re-evaluation are required.	[35.115(13)]	<input type="checkbox"/> YES	<input type="checkbox"/> NO

I have evaluated the site and property, the work specifications, and interviewed the occupants. In my professional opinion, this unit qualifies for the indicated exemption(s).

Signature _____

Date _____

Print Name _____

⁵ To be exempt from safe work practices, the area of deteriorated paint in an interior room cannot exceed a total of 2 square feet OR 10% of a component with a small surface area, such as interior window sills, baseboards and trim. In other words, both thresholds always apply. For example, living room baseboards with 3 square feet of deteriorated paint cannot be exempted on the grounds that the 3 square feet constitutes less than 10% of the component. Similarly, deteriorated paint of an area of less than 2 square feet is not considered below the de minimis level if the area exceeds 10% of a small component, such as a windowsill.

2025 AHTF SELF SCORING WORKSHEET*

The City does not make awards based on scores alone.
See the AHTF NOFA for additional information.

Project Name	
Developer	
Address	
Census Tract No.	
ACP 50 Yes or No	
Proposed Financing Structure (Bonds, 4%, 9% etc.)	
Target Closing Date	
AHTF Amount Requested	
AHTF Amount Maximum Allowed	
Site Control - Yes or No (IF No, then application is disqualified)	
Ward	
Women have at least 51% ownership of your business or compose at least 51% of board member positions	<input type="checkbox"/> Yes <input type="checkbox"/> No
BIPOC or indigenous people have at least 51% ownership of your business or compose at least 51% of board member positions	<input type="checkbox"/> Yes <input type="checkbox"/> No

AHTF APPLICATION SCORING SUMMARY					
	Selection Criteria	Total Possible	Applicant's Proposed Scoring	CPED Scoring	Scoring Explanation with Application Section References
A.	Secured Funding %	10	0	0	
B.	Capacity of Property Manager and Quality of Property Management Plan	5	0	0	
C.	Capacity of Owner and Developer's Comparable Project Experience	5	0	0	
D.	City Owned Land or City Issued Request for Proposal	15	0	0	
E.	Economic Integration	5	0	0	
F.	Ratio of Soft Costs to Total Project Costs	6	0	0	
G.	Large Family Housing	20	0	0	
H.	Provision of Resident Support Services	10	0	0	
I.	Projects without PBV (30% AMI Units)	15	0	0	Points are claimed in I. or J. Not both categories
J.	Project Based Rental Assistance	15	0	0	Points are claimed in I. or J. Not both categories
K.	Housing for Homeless	20	0	0	
L.	Senior Housing	10	0	0	
M.	Neighborhood Support	1	0	0	
N.	Community Housing Development Org	5	0	0	
O.	Preservation, Rehabilitation, Stabilization	20 Points Possible			20 points possible, include all categories (a, b, c, d) that apply
	a. Preservation, Rehabilitation, Stabilization	5	0	0	
	b. Projects with Existing City Debt	5	0	0	
	c. Projects with Critical Physical Needs	5	0	0	
	d. Projects with existing Rental Assist.	5	0	0	
P.	New Construction/Adaptive Reuse Non ACP50	15	0	0	
Q.	Sustainable Building Policy	10	0	0	
R.	Alignment with Minneapolis 2040	Scored by Planning			50 points possible
	Efficient Site Utilization	8	0	0	
	Transit Access	10	0	0	
	Parks and Open Space	10	0	0	
	Cultural Districts	5	0	0	
	Plazas	4	0	0	
	Through-Block Connections	2	0	0	
	Goods and Services Corridor Access	5	0	0	
	Additional Building or Site Plan Features	6	0	0	
S.	Equitable Development	3	0	0	
T.	Areas of Civil Unrest	5	0	0	
Threshold Subtotal (85 pt. minimum)		245	0	0	

AHTF CPED UNDERWRITING					
Criteria No.	Criteria	AHTF Standard	Applicant's In Compliance?	CPED: In Compliance?	All boxes must be checked to qualify Additional explanation or information
1	Debt Coverage Ratio	DCR 1.15 yr 1 DCR 1.00 yrs 2-20 ECR 1.05 yrs 1-10 ECR 1.02 yrs 11-20			
2	Developer fee	Per Program Policies & Procedures			
3	Income Trend Factor, Expense trend factor over 20 yr. cash flash	Expense Inflator should be 1% higher than revenue inflator			
4	Maximum Rents	See Attachment 1			
5	Management and Operating Expenses: Includes 5. A-E and 3 years comparable audits	Property Mgt: Up to \$75 per unit/mo, min. \$5,000 annually			
6	Replacement Reserves	\$300/unit/yr seniors \$450/unit/yr			
7	Operating Reserves - remaining reserves must stay with the project for POA	6 mo of management and operating expenses & debt service			
8	Vacancy Rate	5-7% Residential 20% Commercial			
9	Sources and Uses Analysis	per underwriting			
10	Market Assessment (supportive of development structure including income averaging)	Per Program Policies & Procedures			
11	Subsidy Layering Review/gap analysis	per HOME			

*Note: The AHTF Program RFP trumps and supercedes the data in this attachment in the event that any data is inconsistent between the two documents

AFFORDABLE HOUSING TRUST FUND UNDERWRITING STANDARDS
April 2025

Proposals are required to meet CPED's underwriting standards to be eligible for funding. The City has an expectation that Projects will need to increase the deferred developer fee to address funding gaps prior to closing.

1. DCR Debt service coverage/ECR expense coverage ratio:

- A) 1.15 DCR minimum for year 1 and a minimum of 1.00 for years 2- 20
- B) 1.05 ECR minimum for 10 years, 1.02 for years 11-20.

Should the project reflect a negative cash flow, an operating deficit reserve account will be required to be capitalized at the initial closing to satisfy any deficit through year 20. Interest must also be included. The proforma should show this use and source.

2. Developer Fee: Defined in the AHTF Program, Policies and Procedures.

3. Income and expense trend factor over 20 year cash flow: Expense inflator should be 1% higher than the revenue inflator.

4. Maximum rents: The rent and income limits for each unit must match. For example, a unit that is intended for a 50% AMI household must have a 50% AMI rent limit and a 50% AMI income limit unless there is project based rental subsidy or State Housing Support funding in the project. For example, a 30% AMI income limit may be matched with a fair market rent (FMR) limit if there is a rental subsidy.

Rent increases for occupied AHTF units are limited to once annually. This limit applies to the rent charged for the unit and not the portion of tenant paid rent for residents assisted with Section 8 or other rental assistance, which may increase or decrease based on changes in income. This limit also applies regardless of the term of the lease or any language in the lease that would allow rents to increase more than once annually. Rents must always comply with limits imposed by the program(s) that financed the development and/or respective unit. This includes other Minneapolis funding sources as well as funding sources provided by other funders.

The limitation on rents includes rent, services and utility payments or monthly allowances for services and other non-optional charges. If a project is receiving HOME funds from the City, the utility allowances must be determined using either the HUD Utility Schedule Model or another HUD allowed project specific methodology under 24 CFR 92.252(d). If a project is not receiving HOME funds from the City, the utility allowances shall be determined as the described above except that if another government-provided funding source for the project allows a different utility allowance, the City will accept such alternative utility allowance.

Upon determination that HOME funding applies to a given project, rents and the operating proforma will be adjusted to comply with HOME rent limits.

5. Management and Operating Expenses (excluding real estate taxes and reserves): Based on anticipated stabilized operating expenses occurring after the development is placed in service or upon full occupancy:

- A) General Administrative expenses (including marketing and leasing).

- B) Payroll 9 salaries, payroll taxes, fringe benefits
- C) Utilities
- D) Maintenance and Repair (including turnover costs)
- E) Property Management Fee: Up to \$75 per unit per month, minimum of \$5,000 annually provided that a higher fee may be permitted if funded by MHFA and allowed by MHFA's underwriting for the project. This fee should be the last operating expense paid after debt service.

Please include three years of comparable property audits or previous operating expenses audits to support operating expense budgets.

- 6. **Replacement Reserves:** Reserves for replacement shall be budgeted at no less than \$300 per unit per year for senior housing and \$450 per unit per year for all other housing.
- 7. **Operating Reserves:** Projects will be required to capitalize an operating reserve account at closing with no less than 6 months of management and operating expenses and debt service.

NOTE: Projects with any remaining reserves will be required to maintain those reserves with the project for the period of affordability. The LPA must include a provision addressing the terms and conditions for disbursement from the reserve accounts that specifically states that upon the transfer of any ownership interest or at the end of the compliance period, whichever is earlier, any funds remaining in the reserve accounts must remain with the development for the term of the loan or the affordability period, whichever is longer. Existing developments applying for City refinancing will be required to show existing reserves as a source.

- 8. **Vacancy Rate:** 5% - 7% for residential / 20% for Commercial. For any residential vacancy rate less than 7%, supporting information must be included in the market study.

9. **Sources and Uses Analysis:**

- A) Identify all sources (both private and public) of funds with dollar amounts and timing of availability of each source:
 - i. Firm commitment letters with all terms and conditions for all mortgages, grants, bridge (interim) loans and investment tax credits (historical, low-income, if applicable);
 - ii. If the applicant is a partnership or limited liability corporation, a copy of the partnership agreement or operating agreement, which will indicate the cash contributions by the partner(s) or member(s); and
 - iii. If equity is committed by the developer or owner(s), evidence of available equity funds.
- B) Identify all uses of funds associated with the project:
 - i. Acquisition documentation, such as purchase agreement, option or closing statement and appraisal or other documentation of value;
 - ii. Construction cost estimate, construction contract or preliminary bid(s);
 - iii. Contracts, quotes or other agreements substantiating key professional costs and the basis for estimating other soft costs and working capital items, including capitalized reserves;
 - iv. Agreements governing the various reserves which are capitalized at closing (to verify that the reserves cannot be withdrawn later as fees or distributions);
 - v. A third-party appraisal (to substantiate the value of the land and the value of the property after rehabilitation or the structure being built);
 - vi. IF LIHTC are utilized, documentation on the syndication costs (legal, accounting, tax opinion, etc.) from the organization/individual who will syndicate and sell the offering to

ensure that the project can support the fees necessary to syndicate/fund the project.

10. Market Assessment: As defined in the AHTF Program Policies and Procedures.

11. Subsidy Layering Review: Analysis and certification of investment funding needed to make a project feasible. Also known as a 'gap analysis'. In addition, if HOME funds are awarded to a project, the number of HOME assisted units will be calculated using the Cost Allocation Standard Method 24 CFR 92.216.

Government Data Practices Act Disclosure Statement

Print name(s) of Household Members signing this form:	

Funding provided by the City of Minneapolis for the development of the property listed below requires the submission of certain private information that relates to your application to occupy, or continue to occupy, a unit in the following property ("Property").

Some of the information you are being asked to provide may be considered private or confidential under the Minnesota Government Data Practices Act (MGDPA), Minnesota Statutes Chapter 13. Section 13.04(2) of this law requires that you be notified of the matters included in this Disclosure Statement before you are asked to provide that information. The Owner of the Property may also ask you to supply information that relates to your application. The Owner's request for information is not governed by the Minnesota Government Data Practices Act.

1. The City of Minneapolis is asking for information necessary for the administration and management of a Local, State or Federal program to provide housing for low and moderate income families. Some of the information may be used to establish your eligibility to initially occupy, or to continue to occupy, a unit in the Property. Other information may be used to assist the City in the evaluation and management of some of the programs it operates.
2. As part of your application, you are asked to supply the information contained in each of the following attachments that are checked with an "X" (all checked boxes apply):

☐ Attachment 1 – Affordable Housing Trust Fund

☐ Attachment 3 – NOAH Preservation Fund

☐ Attachment 2 – Housing Tax Credit Program

☐ Attachment 4 –

Each Attachment has two parts: Part A and Part B

3. The information asked for under Part A of the checked attachment(s) may be used by the City to establish your eligibility to occupy a unit in the Property. If you refuse to supply any portion of the information asked for under Part A, you may not qualify for initial or continued occupancy of a unit in the Property.

4. The information asked for under Part B will help the City in the evaluation and management of some of the programs it operates and your supplying of this information will be helpful to the City. Failure to provide any of the information asked for under Part B will NOT affect whether or not you qualify for initial or continued occupancy of a unit in the Property.
5. The Owner may also ask for information to determine whether or not it will rent a unit in the Property to you. If you supply, or refuse to supply, any information requested by the Owner, it will NOT affect a decision by the City, but could affect the Owner's decision to rent a unit to you. The determination by the Owner is separate from the City's determination and the City does not participate in the Owner's decision.
6. All of the information that you supply to the City will be accessible to staff of the City (and its agents) and may be made available to staff of the Office of the Minnesota State Auditor or Attorney General, the United States Department of Housing and Urban Development (HUD), the United States Internal Revenue Service (IRS) and other persons and/or governmental entities who have statutory authority to review the information, investigate specific conduct, and/or take appropriate legal action including but not limited to law enforcement agencies, courts and other regulatory agencies. The information may also be provided by the City to the Owner's management agents of the Property.
7. This Disclosure Statement remains in effect for as long as you occupy a unit in the Property and are a participant in the program(s) identified in #2 above.

I was (We were) supplied with a copy of and have read this Government Data Practices Act Disclosure Statement and the Attachments identified in #2 above.

Head of Household, Spouse, Co-Head and all household members age 18 or older must sign and date:

Applicant/Tenant signature

Date

Applicant/Tenant signature

Date

Applicant/Tenant signature

Date

Applicant/Tenant signature

Date

Applicant/Tenant signature

Date

Attachment 1
Affordable Housing Trust
Fund (AHTF) Funding
(HOME, CDBG or Local)

Part A

1. Information regarding the household composition including the name(s) and age(s) of all members in the household.
2. Student status.
3. The amount and source of all earned and unearned income of all household members.
4. The type, value and income derived from all household assets.
5. The type, value and income derived from all household assets disposed of for less than fair market value within the past 2 years.
6. Current and/or previous housing history (for program eligibility, if applicable).

Part B

1. Race
2. Ethnicity
3. Gender of head of household
4. Receipt of Public Assistance and Type of Assistance (i.e. Rural Development, Section 8, etc)
5. Homeless Household
6. Disabled Status
7. Household Type (i.e., single, elderly, etc., and related single parent)

Attachment 2

Housing Tax Credit

Part A

7. Household composition including the name(s), date(s) of birth and relationship to the head of household of all members in the household.
8. Student status.
9. The amount and source of all earned and unearned income of all household members.
10. The type, value and income derived from all household assets.
11. The type, value and income derived from all household assets disposed of for less than fair market value within the past 2 years.
12. Disabled status (for program eligibility, if applicable)
13. Current and/or previous housing history (for program eligibility, if applicable).

Part B

8. Race
9. Ethnicity
10. Gender of head of household
11. Social security number or alien registration
12. Homeless household status
13. Disabled Status
14. Household Type (i.e., single, elderly, etc., and related single parent)

Relocation Requirements for the City of Minneapolis Assisted Projects with Federal Funding

The City of Minneapolis requires compliance with 49 CFR Part 24 Uniform Relocation Assistance & Real Property Acquisition Act of 1970, as amended, for all projects receiving federal financial assistance from the City of Minneapolis. Please contact the City prior to application if you have any questions.

A relocation plan detailing the applicant's commitment and capability to assure compliance with the applicable relocation regulations must be submitted with any funding request that may potentially receive federal funds and would result in the displacement of any lawful occupant of the subject property.

The relocation plan's detail will need to reflect the nature and complexity of the proposed displacements. The City is clearly looking for the plan to demonstrate the applicant's understanding for the needs of the specific displacee, and how their needs will be addressed, persons or business being displaced.

Notices and Resident Communications

Required Notices

- A. General Information Notices (GIN notice)

The GIN notice is to be delivered to all adult residents notifying them of the pending project. The Dept. of HUD requires such notices be given at the time that there is an "application" for funding made to HUD. (Note, not receipt of funds)

 - i. Guideform Notices

The Dept. of HUD Handbook 1378 has two Guideform Notices to serve as the basis of a GIN notice. You will need to revise and personalize the notice to fit the specifics of your project.

Please see:
 - ii Appendix 2, Guideform General Information Notice Residential Tenant Not Displaced (for tenants remaining in occupancy)

- OR -

- iii. Appendix 3, Guideform General Information Notice Residential Tenant To Be Displaced (for tenants permanently displaced)

Note that any notice given to a tenant who is to be permanently displaced must be modified to address "voluntary" nature of any permanent displacement when using Dept. of HUD funds or MHFA tax credits.

B. Notice of Nondisplacement

See HUD Handbook 1378, Appendix 4, Guideform Notice of Nondisplacement to Residential Tenants. This notice is to be given after incomes have been certified and determination of eligibility for continued occupancy is made.

- C. Manner of Notice Delivery
All notices must be sent by certified, return receipt mail addressed to all adult occupants or delivered in person. Such notices must be accompanied by a signed receipt by all adults in occupancy.
- D. Accommodation for language barriers.

*HUD Chg 11 9-01-11 TO BE INCLUDED IN ALL RELOCATION LETTERS

“In order to help you fully participate in the relocation process, reasonable accommodations will be made for persons with disabilities and language assistance will be made available for persons with limited English proficiency. Please let our representative know if you need auxiliary aides, written translation, oral interpretation, or other assistance in order to fully participate in the relocation process.”

- E. Ongoing Communication
The City expects that displacee's will be periodically informed of the pending projects status and timelines impacting the displacee's displacement temporary or permanent. Informal communication such as, resident meetings, newsletters or memos are reasonable.

Temporary Relocation Outline

The intent of a temporary relocation plan is to demonstrate the displacing party's understanding and commitment for reasonable accommodation for residents while the subject building and unit are undergoing rehabilitation. A detailed budget is necessary to demonstrate adequate financing to accomplish reasonable accommodations for all residents whether temporarily displaced out of the unit or remaining in place.

1. Introduction
Building name, units, type occupancy, location,
Source of funding triggering relocation responsibilities
2. Rehabilitation Project Description
 - Describe extent and magnitude of rehab activities impact on availability of building basics by unit:
 - Sewer interruption schedule
 - Water interruption schedule
 - Use of Kitchen
 - Use of bathroom
 - Use of bedroom(s)
 - Access to unit
 - Elevator
 - Lead or asbestos abatement
 - ADA unit conversions
 - Other _____

This section addresses the contractor's need for access to the specific apartment units; in terms of duration and condition of unit during the contractor's occupancy.

3. Building Resident Demographics
 - Resident profile of those being impacted
 - Health issues:
 - ❖ Sleep accommodations during the day
 - ❖ Medication Access
 - ❖ Privacy
 - ❖ Handicap
 - ❖ Personal aide/case worker
 - Seniors
 - Children (ages & family size)
 - Employment – sleep during the day
 - Section 8 Residents
 - Hennepin County GAF Residents
 - Language barriers – need for interpreters – children not acceptable. See HUD Change 11, 9-01-11*

This section addresses the individual tenant's ability to remain in the unit during the day while construction is underway and how the unit is left in the evening.

4. Personal Property

- Remain in unit or removed – by whom, where?
- Move about unit – by whom?
- Resident's responsibilities

5. Reasonable Accommodation Plan

- In-Unit Rehab
 - When acceptable to remain in unit
 - Duration of contractor's work in unit
 - Number of extended revisits by contractor
 - Condition of unit each evening
 - Length of work day
 - Beginning and end daily times
 - Accommodations in building to minimize upset – meal options, day rooms, child safety

This section describes the building manager's plan to accommodate the residents who remain in occupancy during the day.

- Out of Unit Temporary Relocation
 - When implementing
 - Alternate housing options – how paid to vacate
 - Notice provisions
 - Notice/Contact to return

This section describes the process to remove a resident temporarily, because it has been determined that they cannot reasonably remain in the unit while rehabilitation is in process.

6. Project Implementation

- Who will be responsible for:
 - Determining resident needs, providing alternate moving options, required notices, claim payment and file maintenance
 - Communication plan – Notices, schedules

7. Temporary Relocation Budget

- Out of unit options _____
 - ❖ Vacant units
 - ❖ Motels
 - ❖ Apartments
 - ❖ Friend/family
 - ❖ Other
- Meals _____
- Transportation _____
- Personal Property Moves _____

- Staff/Consulting _____
- Other _____
- Total Temporary Relo Budget _____

The relocation plan level of detail will vary with size and magnitude of the project and specific resident needs. The above represents a brief overview of matters that may be relevant for your project. The above list is not meant to be exhaustive or limiting. It is provided by means to assist you in identifying relevant issues or relocation concerns.

Permanent Relocation Plan Content/Outline

1. Identify all sources of financing you expect to receive assistance from.
2. Proposed project timing and relocation timeline.
3. Identify displacee by unit number or address.
4. Nature of Permanent Displacement
Does HUD or MHFA voluntary permanent displacement policy apply?
5. Displacee demographics
See temporary relocation for guidelines
6. Identify displacee special needs to be addressed for successful relocation
7. Replacement housing preliminary search
Provide enough information to demonstrate that adequate comparable replacement housing can reasonably be expected to be available.
8. Acknowledge knowledge of URA standard for scope of services and who will be the responsible party to implement permanent relocation.
9. Relocation budget.

General

Questions

Please call your city project manager for any questions regarding the preparation of your relocation plan or the City's interpretation of any URA regulation citation. You will be directed to the relocation person assigned to your project.

Relocation Appeals

If the implementation of your project leads to a request for a relocation appeal, please contact your city project manager right away.

FILE CHECKLIST – RELOCATION

Parcel No.: _____

Property Owner: _____

- ☐ URA Compliant Initial Information Letter _____
- ☐ URA Compliant Initial Meeting _____
- ☐ URA Compliant Minimum Compensation Analysis _____
- ☐ URA Compliant Replacement Housing Analysis _____
- ☐ URA Compliant Notice of Eligibility: _____
- ☐ URA Compliant Receipt for Relocation Booklet: _____
- ☐ URA Compliant 90 Day Vacate Notice(s): _____
- ☐ URA Compliant 30 Day Vacate Notice(s): _____
- ☐ URA Compliant Decent/Safe/Sanitary Inspection: _____
- ☐ Advance Payments: _____
- ☐ Copy of Check (s): _____

- ☐ Moving Claim Costs: _____
- ☐ Copy of Check (s): _____

- ☐ Replacement Housing Payment Claim Costs: _____
- ☐ Copy of Check (s): _____

- ☐ Claim Packet: _____
- ☐ Displacee Record Complete: _____

COMMENTS: _____

File complete: _____ By: _____

REVISED POLICY

October 10, 2003

MINNEAPOLIS RELOCATION POLICY

This policy applies to all private development receiving direct (e.g., loan, grant) or indirect (e.g. Industrial Revenue Bonds, Housing Revenue Bonds) City financing, including Neighborhood Revitalization Program financing, which will result in the displacement of residential or business tenants. In many instances a project will be receiving assistance from a program which is also governed by other Federal or State relocation standards. In such cases, those relocation regulations and standards shall apply exclusively. This policy is not applicable to rehabilitation or weatherization assistance for owner-occupied buildings of not more than three dwelling units where the owner occupant is the applicant for assistance.

I. DEFINITIONS

For the purpose of this policy the following definitions will apply:

- A. **Displacement**: A move by the occupant of a dwelling unit or commercial unit caused by a change in occupancy conditions which makes such unit unsuitable or unavailable for occupancy. This change may be due to major rehabilitation, demolition or an unreasonable increase in occupancy costs. Destruction of the dwelling unit by fire or a natural disaster not within the control of the property owner does not constitute displacement. Business tenants that move at the end of a lease term are not considered displaced under this policy.
- B. **Unreasonable Increase in Occupancy Cost**: Any increase in cost shall be considered unreasonable if it causes the household rent to exceed the greater of the following:
 - 1. The tenants' cost of the rent and utilities at the time that the contract for assistance is executed or,
 - 2. 30% of the residential tenant's households gross income.
- C. **Eligible Occupants**: Persons that are occupying buildings owned by developers receiving City development assistance as defined herein. To be eligible the occupant must have been legally occupying the building on or before the date of the application for assistance.

Eligibility for assistance commences on the date of closing of acquisition or development assistance.

Tenants who move in after the date of application for financial assistance by the developer must be notified in writing of the impending development and the fact that they will not be eligible for relocation assistance. This notice will be given when they make their rental application. An otherwise eligible tenant will not be eligible

if he/she is evicted for good cause. Good cause shall be limited to non-payment of rent, destruction of property, endangering the health and safety of other occupants, gross and repeated disturbance of the peace of other occupants, conducting illegal activities, or maintaining a nuisance. Owner-occupants, including owners who were in occupancy at the time of an assisted acquisition, are not eligible occupants.

Former tenants who have been displaced as a result of circumvention of this policy shall be eligible occupants as defined by this policy (i.e., in the case of a non-acquisition assisted developer, evicting the tenants or raising the rents before obtaining City assistance, or in the case of an acquisition-assisted developer, obtaining an agreement from the seller to evict tenants before a sale).

- D. Continued Occupancy: An offer from the developer to an eligible occupant to continue to occupy the same unit (or a similar suitable replacement dwelling in the same building) or project for a period of at least two years from the date assistance is awarded or used, whichever is later.
- E. Displacement Plan: A plan containing a description of benefits to be provided to permanently and temporarily displaced occupants, of relocation services to be provided by the developer and a statement of any circumstances unique to the project.
- F. Persons: Any individual, partnership, corporation or association.
- G. Suitable Replacement Dwelling: A dwelling unit which meets the following criteria:
 - 1. Meets Section 8 existing housing program standards.
 - 2. Will not cause an unreasonable increase in occupancy costs.
 - 3. Is of adequate size as defined by HUD Section 8 occupancy guidelines.
 - 4. Is generally as desirable with respect to access to public transportation, community facilities, is not subject to severe environmental problems.
 - 5. If at all possible is located in the same area.
 - 6. Offers a reasonable prospect of long-term tenure.

II. DISPLACEMENT PLANS

The developer shall provide the City with a displacement plan at the time of the financial commitment request. Individual occupant data stating income, sex and ages of all household occupants, and the size and rent level of the unit currently being occupied, shall be included in the plan. For properties with vacant units, the plan must be accompanied by a signed affidavit from the owner/applicant attesting:

1. That at the time the building was being vacated the current owner/applicant had no financial interest in the building and that no agreement existed between the present owner and the seller requiring the eviction of tenants.
2. That, if the owner/applicant did have an interest in the building, no evictions were made except for cause:
3. That the landlord did not evict by causing the units to be uninhabitable.

This plan must be approved by the funding agency of the City before the financial assistance being requested is approved. The plan should be reviewed for consistency with the provisions of this policy.

III. NOTICES

A. Preliminary Notices to Tenants: Within twenty days of the execution of a purchase agreement, or within twenty days of the approval of an assistance agreement with the City, in the case of a project not involving acquisition, the developer shall give a written notice to each tenant which shall include the following information:

1. The type of development planned.
2. How and when the tenant will be affected.
3. A statement as to whether or not the tenant is an eligible occupant (i.e., has resided in the unit for more than 90 days).
4. A statement that the tenant may be eligible for continued occupancy or relocation assistance in the event the assisted acquisition or application for other assistance is completed.
5. A statement that the tenant should not move until he/she/it has discussed relocation with the developer; that if they move without contacting the developer, they may waive their right to assistance; furthermore, shall state the name and address of the person(s) authorized by the developer to handle relocation.

B. Notice of Relocation Eligibility: Within thirty days of firm commitment for financing or closing of sale, whichever is later in the case of acquisition-assisted development, or within thirty days of the closing on the assistance agreement in the case of a non-acquisition assisted project, the developer shall inform each tenant in writing whether he/she/it will be offered the right to continued occupancy, and the terms of such occupancy, including whether or not any temporary relocation will be necessary. If the tenant is not offered continued occupancy, then the notice must inform the tenant of the right to relocation services, and benefits and the name and address of the person(s) to contact to discuss relocation, or must inform the tenant that he/she/it is not an eligible occupant and is not entitled to relocation benefits.

The developer will not require any lawful occupant to move either temporarily or permanently from his/her/its unit without at least 6 days advance written notice, except for cause as herein defined.

IV. CONTINUED OCCUPANCY/TEMPORARY DISPLACEMENT

- A. Continued Occupancy: If the tenant is extended an offer to continue occupancy, the developer's contract must include a maximum housing cost for the period of continued occupancy commencing from the date of closing in the case of assisted acquisition, or date of contract for assistance in the case of a non-acquisition development on the following terms:
1. There shall not be any unreasonable increase in occupancy cost in the first year.
 2. At the beginning of the second year, the rent may be increased. The monthly increase shall not exceed the sum of the average monthly increase in the owner's costs for utility charges and property taxes over the previous year, plus five percent (5%) of the monthly costs (exclusive of utilities) charged the prior year.
 3. If a tenant is offered but refuses continued occupancy, the owner is not obligated to make further efforts under this policy. The developer will notify the funding agency of the City if such an offer is refused.
- B. Temporary Displacement: The developer may require the tenant to relocate for a temporary period only if the relocation is necessary to carry out the project and he/she/it is permitted to occupy a unit in the completed project. If required, the temporary relocation will not exceed 12 months in duration; a decent, safe, and sanitary dwelling in an area not subject to unreasonably adverse environmental conditions will be available to the tenant for the period of the temporary relocation; and the developer will reimburse the tenant for actual, reasonable, out-of-pocket expenses, including moving costs to and from the temporary dwelling and any increase in monthly cost (rent and reasonable utility costs) incurred in connection with the temporary relocation. If the new unit is not ready for occupancy within the 12 month period, the developer will notify the tenant of the earliest date by which it will be ready, and the tenant in that case will have the right to agree to wait until the extended date or to request that he/she/it be treated as permanently displaced.

V. PERMANENT DISPLACEMENT/SERVICES AND BENEFITS

- A. Replacement Housing Services and Assurances: A minimum of 30 days before mandatory vacation of the premises, the developer shall provide eligible residential tenants to be permanently displaced, a reasonable choice of suitable replacement dwellings.

The developer shall provide relocation services to such displaced residential tenants. These services shall include, at a minimum, an interview with each displacee to determine the housing needs of the household and provision of current continuing information on the location and cost of suitable replacement dwellings. Transportation assistance to view replacement housing shall also be provided, if needed. The developer may contract with the City for these services.

- B. Rental Assistance or Certificate for Assisted Housing:

Fifteen (15) days preceding the date a residential tenant is required to vacate, the developer must provide the City with either:

1. A lump sum payment equal to twenty-four (24) times the difference between the tenants current gross rent and the gross rent of a comparable, suitably sized unit, identified by the developer and approved by the City or
2. Assurance that a Section 8 Housing Certificate or voucher has been issued or approved for the displaced tenant. If a certificate or voucher is not available, the City will disburse a Rental Assistance Payment in two annual installments. The amount will be based on the monthly difference between the gross on-site rent and the lesser of the gross comparable or actual replacement rents times twenty-four (24) months. Any remainder will be refunded to the developer. Gross rents will be determined by applying the most current Section 8 Utility Schedule. However, if the tenant is not eligible for assisted housing and chooses to purchase a house, the Agency will disburse the Rental Assistance Payment based on comparables or \$2,000.00 whichever is the lesser of two at the time of closing on the replacement house.

- C. Moving Expenses for Permanent Displacement: In the case of permanent displacement from a property, a displaced residential tenant may elect to receive either a Fixed Payment for a self-move, or have their Actual Moving Costs reimbursed. Business tenants are eligible only for actual moving expenses as defined at Section 2 below.

1. Fixed-Payment Schedule

Furnished Rooms:

When a dwelling unit is furnished by the landlord, the tenant will be eligible to receive a moving expense payment of \$30.00 for the first room and \$15.00 for each additional room they occupy. The tenant will also be

eligible to receive a Dislocation Allowance of \$250.00 which is to help cover sundry costs due to displacement, such as disconnection and reconnection of phone service, damage deposits, and so forth.

Unfurnished Rooms:

When a dwelling unit is furnished by the tenant, not including stoves or refrigerators, the tenant will be eligible to receive a payment as defined in the schedule below. This schedule also includes the \$250.00 Dislocation Allowance.

<u>No. of Rooms</u>	<u>Room Schedule</u>		<u>Dislocation Allowance</u>		<u>Total</u>
1 Room*	\$ 75.00	+	\$250.00	=	\$325.00
2 Rooms	125.00	+	250.00	=	375.00
3 Rooms	175.00	+	250.00	=	425.00
4 Rooms	225.00	+	250.00	=	475.00
5 Rooms	250.00	+	250.00	=	500.00
6 Rooms	275.00	+	250.00	=	525.00
7 Rooms	300.00	+	250.00	=	550.00

*The one-room allowance includes efficiencies and sleeping rooms.

Bathrooms, closets and hallways are not to be included as rooms for the purpose of computing the Fixed-Payment Moving Expense Allowance.

The Agency will determine the number of rooms furnished at the time of displacement, should there be any disagreement between the tenant and developer over this issue.

2. Actual Moving Expenses

Should the tenant elect to receive Actual Moving Expenses, the billing should be charged directly to the displacing developer. The amount to be billed will be the lowest of three competitive bids received from licensed moving companies.

Compensable moving expenses include:

- a. Transportation of the displaced person and personal property from the acquired site to the replacement site. Transportation costs for a distance beyond fifty (50) miles are not eligible.
- b. Packing, crating, unpacking and uncrating of the personal property.
- c. For residential tenants, disconnecting, dismantling, removing, reassembling relocated household appliances, other personal property, or utilities (including a telephone) to a service equivalent to that existing in the displacee household.
- d. Storage of the personal property, as the developer determines to be necessary (generally, the period of needed storage will not exceed 12 months).
- e. Insurance of the personal property in connection with the move and necessary storage.

VI. BENEFITS FOR NON-ELIGIBLE OCCUPANTS

Any residential occupant of a dwelling unit as of the date of closing who is displaced, but not otherwise eligible for benefits as contained in this policy will be eligible for actual moving expenses in an amount not to exceed \$250.00. These occupants shall also be informed of at least two available rental units which are comparable in terms of size of unit and, if at all possible, are located in the same area.

VII. WAIVER OF BENEFITS

Eligible occupants may waive part or all of the benefits they are eligible to receive. To do so (and hence relieve the developer of the requirements of this policy) the eligible occupant must sign a written statement that they have received notice of relocation policy rights and stating which benefits are to be waived.

VIII. CONTRACT WITH THE CITY

A developer may contract with the City to provide the services and benefits contained in this policy. Execution of such a contract does not relieve the developer of any responsibilities under this policy. Further, the possibility of a contract with the City does not create an obligation on the part of the City to enter into such a contract.

IX. APPEALS

A tenant who believes he/she/it has not received the proper relocation assistance or opportunities to relocate to a suitable unit may appeal to the Community

Development Committee of the City Council, or, where the assistance was provided to the developer through a program administered by the Minneapolis Community Development Agency (MCDA), to the MCDA Board of Commissioners. Those bodies shall have the power to order the developer to provide further assistance or benefits to a tenant or take other such corrective action as may be appropriate. Such appeal must be brought within six (6) months of the alleged violation of this policy. After exhaustion of this appeal process, the tenant may seek judicial review of his/her/its appeal on its merits.

Tenant Selection Plan Guidance

Each property funded through the City of Minneapolis must have a tenant selection plan. Below is information that should assist housing providers in creating a plan. Project funding sources and jurisdictions may also impose tenant selection plan requirements. This is not intended to be a complete list or to supersede those requirements. You should consult with an attorney to ensure your tenant selection plan complies with all applicable laws and regulations, program requirements, the Fair Housing Act, the Violence Against Women Act (VAWA) and the Minnesota Human Rights Act.¹

General Considerations

1. **Written Tenant Selection Plan.** Housing providers must have a written tenant selection plan. The plan must be made available to applicants before they apply and/or pay an application fee.
2. **Wait List.** The tenant selection plan must provide for the selection of tenants from a written waiting list in the chronological order of their application, insofar as practicable.
3. **Notice of Acceptance.** The tenant selection plan must clearly describe the process and timeframe for notifying applicants of acceptance.
4. **Eligibility.** The tenant selection plan must provide clear information on eligibility criteria such as income restrictions and any program-specific requirements. It must also clearly state the processes and criteria that will be used to evaluate applications.
5. **Security Deposit.** Under the new city ordinance, security deposits are capped at a single month rent (scenario 1 below). If a property owner chooses to ask for more than one month of rent up front, the security deposit is capped at half (50%) of a single month rent. In this scenario, the resident may also choose to pay the security deposit in installments (scenario 2 below).

Scenario 1 - Security Deposit = 1 month's rent	Scenario 2 – Security Deposit = ½ month's rent + installment option
Upfront costs for renter: Security Deposit + first month's rent	Upfront costs for renter: Security deposit + first month's rent + additional rent
Example – Rent = \$1000/month Security Deposit = \$1000 + First Month's Rent = \$1000 Total upfront costs for potential renter: \$2000	Example – Rent = \$1000/month *Security Deposit = \$500 + First Month's Rent = \$1000 + Last Month's Rent = \$1000 Total upfront costs for potential renter = \$2,500 <i>*\$500 security deposit may be paid over 3 months</i>

6. **Appeal Process.** Any appeal process should be clearly stated in the tenant selection plan and the notice of denial should inform applicants how to seek an appeal. Some programs require housing providers to offer unsuccessful applicants an appeal. Housing providers may find that an appeal is a useful way to obtain additional mitigating information.
7. **Domestic Violence.** All projects assisted with the City's Affordable Housing Trust Fund must comply with the requirements of the Violence Against Women Act (VAWA) regardless of the source of funding. Among other requirements, VAWA provides that an applicant "may not be

denied admission...on the basis that the applicant...is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission”.⁴

8. **Applicants with Disabilities.** Housing providers must provide a reasonable accommodation process and make that information readily available to applicants.⁵ Housing providers should also make sure that tenant selection plans do not raise barriers to individuals with disabilities, such as imposing requirements that applicants be able to “live independently”.
9. **Tenant-Based Rental Assistance.** As a condition of funding through the City of Minneapolis, housing providers must accept Housing Choice Vouchers and are not permitted to refuse to lease a unit to, or discriminate against, a prospective resident because the prospective resident receives tenant-based rental assistance.⁶
10. **Serving Households that are Homeless or at Risk of Homelessness.** The City of Minneapolis is committed to the goal of housing stability for all Minneapolitans. Preventing and ending homelessness is crucial to that goal. Households at risk of or experiencing homelessness often encounter barriers to housing beyond just their ability to pay. Property managers and owners are encouraged to recognize that supportive housing programs are intended to house people who often have poor credit, poor rental histories, or criminal backgrounds. Supportive housing programs are successful in serving the people for whom they are designed only when these issues do not raise insurmountable barriers to accessing housing.

Housing with support services is a proven intervention for assisting households with histories of homelessness and barriers to accessing and maintaining housing. Supportive Housing improves housing stability, employment, health and many other quality of life factors. Research demonstrates that individuals in Supportive Housing require less emergency medical treatment, inpatient psychiatric care, detox services and are less likely to become jailed. Supportive Housing is often the most appropriate intervention for people experiencing homelessness, mental illness, substance abuse disorders, and other disabilities.

To the extent permitted by the rules and regulations related to the type of housing, housing providers are encouraged to adopt lenient and flexible criteria regarding these common barriers when creating a tenant selection plan. The development of a tenant selection plan should be a collaborative effort between the management agent, the owner, and the supportive service provider. Please note the following:

- a) Poor rental and credit history may be evidence of financial or personal stress that will be alleviated by living in affordable supportive housing. As a result, an applicant’s poor rental or credit history may not be a reliable indication of future behavior. A screening process that allows individuals to demonstrate mitigating circumstances and takes into account factors like a support structure, the potential benefit of available services, and an affordable rent level may help to mitigate unnecessary barriers to housing. For example, requiring a year or more of consecutive housing history or a good credit score would likely be an unnecessary barrier for an applicant for supportive housing.
- b) Criminal backgrounds can raise additional hurdles in a population experiencing homelessness.¹³ The individualized screening process discussed in the HUD Guidance will help housing providers better distinguish between a criminal background that indicates a demonstrable risk to resident safety and/or property and one that does not.

Preferences and Designated Populations

1. **City Community Preference Policy.** The tenant selection plan must describe the steps for compliance with the City's Community Preference Policy.
2. **Nondiscrimination and Serving Designated Populations.** Projects shall not illegally discriminate on the basis of race, color, creed, religion, national origin, sex, sexual orientation, marital status, status with regard to public assistance, disability or familial status in the rental of the units in the Project or the furnishing of facilities or services in connection therewith and shall comply with the requirements of state and local laws with respect thereto, including Minnesota Statutes §363A.09.

Any referral processes, limitations on tenant eligibility or preferences given to a particular segment of the population must not violate nondiscrimination requirements in federal, state or local law and be explicitly described and approved by the City.

A process, limitation or preference does not violate nondiscrimination requirements if the housing is restricted by age or if the housing also receives funding from a Federal program that limits eligibility to a particular segment of the population and the limit or preference is tailored to serve that segment of the population.

If a project receives Federal AHTF funding but does not also receive funding from a Federal program that limits eligibility to a particular segment of the population, the project may have a limitation or preference for persons **with disabilities** who need services offered at the project **only if**:

- a) The limitation or preference is limited to the population of families (including individuals) with disabilities that significantly interfere with their ability to obtain and maintain housing;
- b) Such families will not be able to obtain or maintain themselves in housing without appropriate supportive services; and
- c) Such services cannot be provided in a nonsegregated setting. The families must not be required to accept the services offered at the project. In advertising the project, the owner may advertise the project as offering services for a particular type of disability; however, the project must be open to all otherwise eligible persons with disabilities who may benefit from the services provided in the project.

If a project does not receive federal AHTF funding and does not receive funding from a Federal program that limits eligibility to a particular segment of the population, the project may have a limitation or preference for a particular segment of the population that is considered a protected class only if:

- a) The designated population needs the supportive services being provided at the project in order to reasonably obtain and maintain housing;
- b) Such services cannot reasonably be provided in a nonsegregated setting; and
- c) The Project is open to all otherwise eligible persons who may benefit from the services provided in the project.

Applicant Screening Process

A city ordinance related to tenant screening went into effect on June 1, 2020. The ordinance applies to properties with rental licenses in the City of Minneapolis. Property owners should review the ordinances along with this guidance. The ordinance language can be found [here](#).

1. **Inclusive Screening Criteria.** Under City of Minneapolis ordinance 244.2030, a property owner must either conduct the individualized assessment required below, or apply inclusive screening criteria that do not reject an applicant for any of the following reasons:

Criminal history.

- a) Any arrest in an inactive case that did not result in conviction;
- b) Participation in or completion of a diversion or a deferral of judgement program, including stays of adjudication and continuances for dismissal or without prosecution;
- c) Any conviction that has been vacated or expunged, or for which the applicant received a stay of imposition of sentencing and complied with the terms of the stay;
- d) Any conviction for a crime that is no longer illegal in the state of Minnesota;
- e) Any conviction or any other determination or adjudication in the juvenile justice system;
- f) Any conviction for misdemeanor offenses for which the dates of sentencing are older than three (3) years;
- g) Any criminal conviction for felony offenses for which the dates of sentencing are older than seven (7) years; however, a landlord may deny an applicant who has been convicted of the illegal manufacture or distribution of a controlled substance as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802) or for those same offenses that mandate denial of tenancy in federally assisted housing subject to federal regulations, including but not limited to when any member of the household is subject to a lifetime sex offender registration requirement under a state sex offender registration program; or
- h) Any criminal conviction for the following felony offenses for which the dates of sentencing are older than ten (10) years: first-degree assault (Minnesota Statutes Section 609.221), first-degree arson (Minnesota Statutes Section 609.561), aggravated robbery (Minnesota Statutes Section 609.245), first-degree murder (Minnesota Statutes Section 609.185), second-degree murder (Minnesota Statutes Section 609.19), third-degree murder (Minnesota Statutes Section 609.195), first-degree manslaughter (Minnesota Statutes Section 609.20, subd. 1, 2, and 5), kidnapping (Minnesota Statutes Section 609.25, subd. 2(2)), or first-degree criminal sexual conduct (Minnesota Statutes Section 609.342, subd. 1(b) and (g)).

Credit history.

- a) Credit score by itself, although information within a credit report directly relevant to fitness as a tenant can be relied upon by a landlord; or
- b) Insufficient credit history unless the applicant in bad faith withholds credit history information that might otherwise form a basis for denial.

Rental history.

- a) An eviction action pursuant to Minnesota Statutes Chapter 504B if the action:
 - i. Was dismissed or resulted in a judgement for the applicant before the applicant submits the application;

- ii. Was settled with no judgment or writ of recovery issued that was entered one (1) or more years before the applicant submits the application;
- iii. Resulted in a judgement against the applicant that was entered three (3) or more years before the applicant submits the application; or
- iv. Insufficient rental history unless the applicant in bad faith withholds rental history information that might otherwise form a basis for denial.
- v. If a landlord uses a minimum income test requiring an income equal to three (3) times the rent or higher, the landlord must allow an exception to that test where the applicant can demonstrate a history of successful rent payment with an income less than three (3) times the rent.

2. **Individualized assessment.** A landlord that applies screening criteria that are more prohibitive than the inclusive screening criteria above, must conduct an individualized assessment for any basis upon which the landlord intends to deny an application. In evaluating an applicant using individualized assessment, a landlord must accept and consider all supplemental evidence provided with a completed application to explain, justify, or negate the relevance of potentially negative information revealed by screening. Supplemental evidence refers to any written information submitted by the applicant in addition to that provided on the landlord's form application that the applicant believes to be relevant to the applicant's predicted performance as a tenant. When evaluating the effect of supplemental evidence on landlord's decision of acceptance or denial of an applicant, the landlord must also consider:

- a) The nature and severity of the incidents that would lead to a denial;
- b) The number and type of the incidents;
- c) The time that has elapsed since the date the incidents occurred; and
- d) The age of the individual at the time of the incidents occurred.

3. **Additional Research and Data.** Wilder Research completed a [study](https://www.wilder.org/sites/default/files/imports/AEON_HousingSuccess_CriminalBackground_Report_1-19.pdf) on behalf of four non-profit housing providers to examine whether an applicant's criminal history predicted their ability to maintain stable housing. The study found that many criminal offense categories have no significant effect on housing outcomes and that the effect of prior criminal offenses on a resident's housing outcomes declines over time. The study's findings may help in crafting tenant selection plans.

https://www.wilder.org/sites/default/files/imports/AEON_HousingSuccess_CriminalBackground_Report_1-19.pdf

4. **Denials**

- a) *Inclusive screening criteria.* If a denial is based on the inclusive screening criteria above, a landlord shall notify the applicant in writing within fourteen (14) days of rejecting a rental application and identify the specific criteria the applicant failed to meet. Before denying an applicant, a landlord must consider supplemental evidence provided by the applicant if provided at the time of application submittal.
- b) *Individualized assessment.* After performing an individualized assessment pursuant to above, a landlord may deny an applicant if the denial is non-discriminatory in accordance with the Fair Housing Act. A landlord shall notify the applicant within fourteen (14) days of rejecting a rental application and such notification shall include the following:
 - i. The basis for denial; and
 - ii. The supplemental evidence, if any, that the landlord considered and an explanation of the reasons that the supplemental evidence did not adequately compensate for the factors that informed the landlord's decision to reject the application. The notification shall be in writing and retained by the landlord for a period of two (2) years. A landlord shall provide a copy to the department of regulatory services upon request of the director of regulatory services or the director's designee.

5. **Exception.** Whenever local, state, or federal funding or loan requirements for tenant screening conflict with any portion of Minneapolis, MN Code of Ordinances section 244.2030, the funding or loan requirements will take precedence over only those portions in conflict.
6. **Tenant Background/Credit Reports.** Many housing providers use consumer reports, such as tenant background or credit reports, as part of the application process. The Federal Trade Commission (FTC) provides guidance for housing providers who use such reports.² The FTC notes that when a housing provider takes an adverse action based on information in a consumer report, the housing provider must provide a notice to the applicant that includes
 - a) The name, address and telephone number of the Credit Reporting Agency (CRA) that supplied the consumer report, including a toll-free telephone number for the CRAs that maintain files nationwide;
 - b) A statement that the CRA that supplied the report did not make the decision to take the adverse action and cannot give the specific reasons for it; and
 - c) A notice of the applicant's right to dispute the accuracy or completeness of any information the CRA furnished, and the applicant's right to a free report from the CRA upon request within 60 days³.

Eviction Proceedings

At least fourteen (14) days before bringing an eviction action alleging nonpayment of rent or other unpaid financial obligations in violation of the lease, a landlord must provide written notice to the residential tenant specifying the basis for future eviction action.

For an allegation of nonpayment of rent or other unpaid financial obligations in violation of the lease, the landlord must include the following in the written notice:

- a) The total amount due;
- b) A specific accounting of the amount of the total due that is comprised of unpaid rents, late fees, or other charges under the lease; and
- c) The name and address of the person authorized to receive rent and fees on behalf of the landlord.

A notice provided under this section must:

- a) Provide a description of how to access legal and financial assistance through information posted on the city's website; and
- b) State that the landlord may bring an eviction action following expiration of the fourteen (14) day notice period if the tenant fails to pay the total amount due or fails to vacate.

The landlord or an agent of the landlord must deliver the notice personally or by first-class mail to the address of the leased premises. The notice may, in addition to but not in place of personal delivery or first-class mail, be delivered by email or other electronic means to the residential tenant at the residential tenant's email address or electronic account on file with the landlord.

If the tenant fails to correct the rent delinquency within fourteen (14) days of delivery or mailing of the notice, or fails to vacate, the landlord may bring an eviction action under Minnesota Statutes Section 504B.321.

Rental Occupancy Conflict of Interest

Owners may not lease an income restricted unit in the Project to any persons related to: (i) Owner; (ii) a principal of Owner; (iii) the architect; or (iv) any attorney or to any one of the foregoing's employees, directors, officers or agents.

No owner, developer, or sponsor of a project assisted with HOME funds (or officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor or immediate family member or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer, or sponsor) whether private, for-profit or nonprofit (including a community housing development organization (CHDO) when acting as an owner, developer, or sponsor) may occupy a HOME-assisted affordable housing unit in a project during the required period of affordability specified in § 92.252(e) or § 92.254(a)(4). This provision does not apply to an employee or agent of the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

¹ It is the City of Minneapolis' policy to affirmatively further fair housing in all programs so that individuals of similar income levels have equal access to its programs, regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, or sexual orientation. Property owners and managers are expected to comply with laws, ordinances and regulations prohibiting housing discrimination when creating and implementing a tenant selection plan, including Minneapolis Code of Ordinances Chapter 139.

² Federal Trade Commission, Using Consumer Reports: What Landlords Need to Know, available at <https://www.ftc.gov/tips-advice/business-center/guidance/using-consumer-reports-what-landlords-need-know>.

³ If the rejection is based on a credit score, the housing provider must also inform the applicant of the numerical score used as well as information on the basis of the score. For more information, see 15 U.S.C. §§ 1681m(a), 1681g(f).

⁴ 42 USC § 14043e(b)(1); 24 CFR § 5.2001. Housing providers subject to VAWA should review HUD regulations and policies regarding how to fully comply with the requirements.

⁵ See, e.g., Minn. Stat. § 363A.10 ("[D]iscrimination includes . . . a refusal to make reasonable accommodations in rules, policies, practices, or services, when accommodations may be necessary to afford a disabled person equal opportunity to use and enjoy a dwelling."); 42 U.S.C. § 3604(f)(3)(B); Joint Statement of the Department of Housing and Urban Development and the Department of Justice, Reasonable Accommodation Under the Fair Housing Act (May 17, 2004), available at <http://www.hud.gov/offices/fheo/library/hud DOJstatement.pdf>.

⁶ See Minneapolis Code of Ordinances, Chapter 139.40 (e).

⁷ U.S. Department of Housing and Urban Development, Office of General Counsel Guidance on Application of Fair Housing Act Standards to the Use of Criminal Reports by Providers of Housing and Real Estate-Related Transactions (Apr. 4, 2016), available at http://portal.hud.gov/hudportal/documents/huddoc?id=HUD_OGCGuidAppFHASandCR.pdf [HUD Guidance].

⁸ Some funding sources incorporate additional criminal screening requirements. Housing providers should consult with an attorney to ensure their plan complies with all program requirements.

⁹ HUD makes clear that the Fair Housing Act does not prohibit housing providers from rejecting applicants with convictions of the illegal manufacture or distribution of the controlled substances listed in section 102 of the Controlled Substances Act, 21 U.S.C. 802. HUD Guidance at 8. HUD stresses that the limitation applies only to convictions for manufacturing or distribution of those substances, and does not apply to arrests (without conviction) for those offenses or to convictions for drug possession. *Id.*

¹⁰ The HUD Guidance cites research "reporting that after six or seven years without reoffending, the risk of new offenses by persons with a prior criminal history begins to approximate the risk of new offenses among persons with no criminal record." HUD Guidance at 7 fn 34, citing Megan C. Kurlycheck et al., *Scarlet Letters and Recidivism: Does an Old Criminal Record Predict Future Offending?*, 5 CRIMINOLOGY & PUB. POL'Y 483 (2006). That research also refers to studies showing that recidivism decreased significantly if the individual avoided engaging in criminal activity for two years. Kurlycheck at 7.

¹¹ HUD notes that by "delaying consideration of criminal history until after an individual's financial and other qualifications are verified, a housing provider may be able to minimize any additional costs that such individualized assessment might add to the applicant screening process." HUD Guidance at 7.

¹² HUD Guidance at 9 ("For example, the fact that a housing provider acted upon comparable criminal history information differently for one or more individuals of a different protected class . . . is strong evidence that a housing

provider was not considering criminal history information uniformly or did not in fact have a criminal history policy.”).

¹³ The HUD Guidance notes the relationship between criminal backgrounds and homelessness, citing research explaining “how the increasing numbers of people leaving carceral institutions faced an increased risk for homelessness and, conversely, how persons experiencing homelessness are vulnerable to incarceration.” HUD Guidance at 1 fn 7 (citation omitted)

City of Minneapolis
Model Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence, Sexual Assault, or Stalking

Emergency Transfers

The City of Minneapolis (City) is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA), the City allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.¹ The ability of the City to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether there is another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

The City will provide a list of properties that includes AHTF-assisted units. The list will include the following information for each property: The property's address, contact information, the unit sizes (number of bedrooms), and to the extent known, any tenant preferences or eligibility restrictions for AHTF-assisted units.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD).

Eligibility for Emergency Transfers

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer if the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

Emergency Transfer Request Documentation

To request an emergency transfer, the tenant shall notify the City and submit a written request for a transfer. The City will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

¹ Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under the City's Affordable Housing Trust Fund program; OR
2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

Confidentiality

The City will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives the City written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence Against Women Act For All Tenants for more information about the City's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

Emergency Transfer Timing and Availability

The City cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. The City will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. The City may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If the City has no safe and available units for which a tenant who needs an emergency is eligible, the City will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, the City will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

Safety and Security of Tenants

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

Attachment: Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

**EMERGENCY TRANSFER
REQUEST FOR CERTAIN
VICTIMS OF DOMESTIC
VIOLENCE, DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286
Exp. 06/30/2017

Purpose of Form: If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

The requirements you must meet are:

(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking. If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

(2) You expressly request the emergency transfer. Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit. This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

Submission of Documentation: If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your

housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER

1. Name of victim requesting an emergency transfer: _____

2. Your name (if different from victim's) _____

3. Name(s) of other family member(s) listed on the lease: _____

4. Name(s) of other family member(s) who would transfer with the victim: _____

5. Address of location from which the victim seeks to transfer: _____

6. Address or phone number for contacting the victim: _____

7. Name of the accused perpetrator (if known and can be safely disclosed): _____

8. Relationship of the accused perpetrator to the victim: _____

9. Date(s), Time(s) and location(s) of incident(s): _____

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11. _____

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

12. If voluntarily provided, list any third-party documentation you are providing along with this notice:

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

Attachment

Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

1. Tubman Center – 3111 First Avenue South, Minneapolis, MN 55408 – 612-825-000
<https://www.tubman.org/>
2. Domestic Abuse Service Center – Hennepin County Government Center, 300 S 6th Street, Minneapolis, MN 55487 – 612-348-5073 <https://www.hennepinattorney.org/get-help/crime/domestic-abuse-service-center>
3. Breaking Free – 770 University Ave. W, St. Paul, MN 55104 - 651-645-6557
<http://www.breakingfree.net/>
4. Minnesota Coalition for Battered Women (MCBW) – 60 East Plato Blvd Suite 230, St. Paul, MN 55107 – 866-223-1111 <https://www.mcbw.org/>
5. National Domestic Hotline - 1-866-331-9474 or text 22522

City of Minneapolis

Notice of Occupancy Rights under the Violence Against Women Act¹

To all Tenants and Applicants

The Violence Against Women Act (VAWA) provides protections for victims of domestic violence, dating violence, sexual assault, or stalking. VAWA protections are not only available to women, but are available equally to all individuals regardless of sex, gender identity, or sexual orientation.² . The City of Minneapolis requires compliance with VAWA for all projects receiving development assistance through its Affordable Housing Trust Fund (“AHTF”). This notice explains your rights under VAWA. A HUD-approved certification form is attached to this notice. You can fill out this form to show that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking, and that you wish to use your rights under VAWA.”

Protections for Applicants

If you otherwise qualify to rent a unit in an AHTF-Assisted Project, you cannot be denied admission or denied assistance because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

¹ Despite the name of this law, VAWA protection is available regardless of sex, gender identity, or sexual orientation.

² Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

Protections for Tenants

If you are applying to rent a unit in an AHTF-Assisted Project, you may not be denied assistance, terminated from participation, or be evicted from your rental housing because you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

Also, if you or an affiliated individual of yours is or has been the victim of domestic violence, dating violence, sexual assault, or stalking by a member of your household or any guest, you may not be denied occupancy rights in an AHTF-Assisted Project solely on the basis of criminal activity directly relating to that domestic violence, dating violence, sexual assault, or stalking.

Affiliated individual means your spouse, parent, brother, sister, or child, or a person to whom you stand in the place of a parent or guardian (for example, the affiliated individual is in your care, custody, or control); or any individual, tenant, or lawful occupant living in your household.

Removing the Abuser or Perpetrator from the Household

Your landlord may divide (bifurcate) your lease in order to evict the individual or terminate the assistance of the individual who has engaged in criminal activity (the abuser or perpetrator) directly relating to domestic violence, dating violence, sexual assault, or stalking.

If your landlord chooses to remove the abuser or perpetrator, your landlord may not take away the rights of eligible tenants to the unit or otherwise punish the remaining tenants. If the evicted abuser or perpetrator was the sole tenant to have established eligibility for assistance under the program, your landlord must allow the tenant who is or has been a victim and other household members to remain in the unit for a period of time, in order to establish eligibility under the AHTF program or, find alternative housing.

In removing the abuser or perpetrator from the household, your landlord must follow Federal, State, and local eviction procedures. In order to divide a lease, your landlord may, but is not required to, ask you for documentation or certification of the incidences of domestic violence, dating violence, sexual assault, or stalking.

Moving to Another Unit

Upon your request, the City of Minneapolis (the “City”) may permit you to move to another unit, subject to the availability of other units. In order to approve a request, the City may ask you to provide documentation that you are requesting to move because of an incidence of domestic violence, dating violence, sexual assault, or stalking. If the request is a request for emergency transfer, the City may ask you to submit a written request or fill out a form where you certify that you meet the criteria for an emergency transfer under VAWA. The criteria are:

- (1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.** If the City does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, the City may ask you for such documentation, as described in the documentation section below.
- (2) You expressly request the emergency transfer.** The City may choose to require that you submit a form, or may accept another written or oral request.
- (3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

OR

You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer. If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you expressly request the transfer.

The City will keep confidential requests for emergency transfers by victims of domestic violence, dating violence, sexual assault, or stalking, and the location of any move by such victims and their families.

The City's emergency transfer plan provides further information on emergency transfers, and the City must make a copy of its emergency transfer plan available to you if you ask to see it.

Documenting You Are or Have Been a Victim of Domestic Violence, Dating Violence, Sexual Assault or Stalking

The City can, but is not required to, ask you to provide documentation to "certify" that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking. Such request from the City must be in writing, and the City must give you at least 14 business days (Saturdays, Sundays, and Federal holidays do not count) from the day you receive the request to provide the documentation. The City may, but does not have to, extend the deadline for the submission of documentation upon your request.

You can provide one of the following to the City as documentation. It is your choice which of the following to submit if the City asks you to provide documentation that you are or have been a victim of domestic violence, dating violence, sexual assault, or stalking.

- A complete HUD-approved certification form given to you by your landlord with this notice, that documents an incident of domestic violence, dating violence, sexual assault, or stalking. The form will ask for your name, the date, time, and location of the incident of domestic violence, dating violence, sexual assault, or stalking, and a description of the incident. The certification form provides for including the name of the abuser or perpetrator if the name of the abuser or perpetrator is known and is safe to provide.
- A record of a Federal, State, tribal, territorial, or local law enforcement agency, court, or administrative agency that documents the incident of domestic violence, dating violence, sexual assault, or stalking. Examples of such records include police reports, protective orders, and restraining orders, among others.
- A statement, which you must sign, along with the signature of an employee, agent, or volunteer of a victim service provider, an attorney, a medical professional or a mental health professional (collectively, “professional”) from whom you sought assistance in addressing domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse, and with the professional selected by you attesting under penalty of perjury that he or she believes that the incident or incidents of domestic violence, dating violence, sexual assault, or stalking are grounds for protection.
- Any other statement or evidence that the City has agreed to accept.

If you fail or refuse to provide one of these documents within the 14 business days, the City does not have to provide you with the protections contained in this notice.

If the City receives conflicting evidence that an incident of domestic violence, dating violence, sexual assault, or stalking has been committed (such as certification forms from two or more members of a household each claiming to be a victim and naming one or more of the other petitioning household members as the abuser or perpetrator), the City has the right to request that you provide third-party documentation within thirty 30 calendar days in order to resolve the conflict. If you fail or refuse to provide third-party documentation where there is conflicting evidence, the City does not have to provide you with the protections contained in this notice.

Confidentiality

The City and your landlord must keep confidential any information you provide related to the exercise of your rights under VAWA, including the fact that you are exercising your rights under VAWA.

Neither the City nor your landlord may allow any individual administering assistance or other services on their behalf (for example, employees and contractors) to have access to confidential information unless for reasons that specifically call for these individuals to have access to this information under applicable Federal, State, or local law.

Neither the City nor your landlord may enter your information into any shared database or disclose your information to any other entity or individual. The City or your landlord may, however, disclose the information provided if:

- You give written permission to release the information on a time limited basis.
- The information is needed to be used in an eviction or termination proceeding, such as to evict your abuser or perpetrator.
- A law requires the City or your landlord to release the information.

VAWA does not limit your landlord's duty to honor court orders about access to or control of the property. This includes orders issued to protect a victim and orders dividing property among household members in cases where a family breaks up.

Reasons a Tenant Eligible for Occupancy Rights under VAWA May Be Evicted

You can be evicted for serious or repeated lease violations that are not related to domestic violence, dating violence, sexual assault, or stalking committed against you. However, your landlord cannot hold tenants who have been victims of domestic violence, dating violence, sexual assault, or stalking to a more demanding set of rules than it applies to tenants who have not been victims of domestic violence, dating violence, sexual assault, or stalking.

The protections described in this notice might not apply, and you could be evicted, if your landlord can demonstrate that not evicting you would present a real physical danger that:

- 1) Would occur within an immediate time frame, and
- 2) Could result in death or serious bodily harm to other tenants or those who work on the property.

If your landlord can demonstrate the above, your landlord should only evict you if there are no other actions that could be taken to reduce or eliminate the threat.

Other Laws

VAWA does not replace any Federal, State, or local law that provides greater protection for victims of domestic violence, dating violence, sexual assault, or stalking. You may be entitled to additional housing protections for victims of domestic violence, dating violence, sexual assault, or stalking under other Federal laws, as well as under State and local laws.

Non-Compliance with The Requirements of This Notice

You may report violations of these rights and seek additional assistance, if needed, by contacting or filing a complaint with the Minneapolis field office for the United States Department of Housing and Urban Development at 920 2nd Ave. S. #1300, Minneapolis, Minnesota 55402.

For Additional Information

The City must make a copy of HUD's VAWA regulations available to you if you ask to see them.

For questions regarding VAWA, please contact Carrie Goldberg [(612) 673-5240] .

For help regarding an abusive relationship, you may call the National Domestic Violence Hotline at 1-800-799-7233 or, for persons with hearing impairments, 1-800-787-3224 (TTY). You may also contact the Domestic Abuse Project [(612) 874-7063 x232] .

For tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

For help regarding sexual assault, you may contact the Minnesota Coalition for Battered Women [(651) 646-6177 or (800) 289-6177]

Victims of stalking seeking help may contact the Battered Women's Legal Advocacy Project [(612) 343-9842 or (800) 313-2666].

Attachment: Certification form HUD-5382

**CERTIFICATION OF
DOMESTIC VIOLENCE,
DATING VIOLENCE,
SEXUAL ASSAULT, OR STALKING,
AND ALTERNATE DOCUMENTATION**

**U.S. Department of Housing
and Urban Development**

OMB Approval No. 2577-0286

Purpose of Form: The Violence Against Women Act (“VAWA”) protects applicants, tenants, and program participants in certain HUD programs from being evicted, denied housing assistance, or terminated from housing assistance based on acts of domestic violence, dating violence, sexual assault, or stalking against them. Despite the name of this law, VAWA protection is available to victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

Use of This Optional Form: If you are seeking VAWA protections from your housing provider, your housing provider may give you a written request that asks you to submit documentation about the incident or incidents of domestic violence, dating violence, sexual assault, or stalking.

In response to this request, you or someone on your behalf may complete this optional form and submit it to your housing provider, or you may submit one of the following types of third-party documentation:

- (1) A document signed by you and an employee, agent, or volunteer of a victim service provider, an attorney, or medical professional, or a mental health professional (collectively, “professional”) from whom you have sought assistance relating to domestic violence, dating violence, sexual assault, or stalking, or the effects of abuse. The document must specify, under penalty of perjury, that the professional believes the incident or incidents of domestic violence, dating violence, sexual assault, or stalking occurred and meet the definition of “domestic violence,” “dating violence,” “sexual assault,” or “stalking” in HUD’s regulations at 24 CFR 5.2003.
- (2) A record of a Federal, State, tribal, territorial or local law enforcement agency, court, or administrative agency; or
- (3) At the discretion of the housing provider, a statement or other evidence provided by the applicant or tenant.

Submission of Documentation: The time period to submit documentation is 14 business days from the date that you receive a written request from your housing provider asking that you provide documentation of the occurrence of domestic violence, dating violence, sexual assault, or stalking. Your housing provider may, but is not required to, extend the time period to submit the documentation, if you request an extension of the time period. If the requested information is not received within 14 business days of when you received the request for the documentation, or any extension of the date provided by your housing provider, your housing provider does not need to grant you any of the VAWA protections. Distribution or issuance of this form does not serve as a written request for certification.

Confidentiality: All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking shall be kept confidential and such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections to you, and such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

**TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE,
DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

1. Date the written request is received by victim: _____

2. Name of victim: _____

3. Your name (if different from victim's): _____

4. Name(s) of other family member(s) listed on the lease: _____

5. Residence of victim: _____

6. Name of the accused perpetrator (if known and can be safely disclosed): _____

7. Relationship of the accused perpetrator to the victim: _____

8. Date(s) and times(s) of incident(s) (if known): _____

10. Location of incident(s): _____

In your own words, briefly describe the incident(s):

This is to certify that the information provided on this form is true and correct to the best of my knowledge and recollection, and that the individual named above in Item 2 is or has been a victim of domestic violence, dating violence, sexual assault, or stalking. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature _____ Signed on (Date) _____

Public Reporting Burden: The public reporting burden for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. The information provided is to be used by the housing provider to request certification that the applicant or tenant is a victim of domestic violence, dating violence, sexual assault, or stalking. The information is subject to the confidentiality requirements of VAWA. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget control number.

LEASE ADDENDUM

VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

TENANT	LANDLORD	UNIT NO. & ADDRESS
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This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

Purpose of the Addendum

The lease for the above referenced unit is being amended to include the provisions of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA).

Conflicts with Other Provisions of the Lease

In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

Term of the Lease Addendum

The effective date of this Lease Addendum is _____. This Lease Addendum shall continue to be in effect until the Lease is terminated.

VAWA Protections

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
2. The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse.
3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

Tenant

Date

Landlord

Date

Community Preference Policy:

Affordable Housing Trust Fund (AHTF)

Adopted Community Preference Policy Summary

The City of Minneapolis established a Community Preference Policy that applies to housing units resulting from the sale of City-owned property or financing through City funding programs. Under this policy, up to 50% of the units so created, determined on a program-by-program basis, shall give preference to eligible residents in the sale or rental of those units. Eligible residents are limited to those former and existing residents of the NSP-designated areas of the city who have or are facing involuntary displacement due to extreme economic forces since January 1, 2007.

[Community Preference Policy – Housing Policy and Development RCA-2020-01047.](#)

Policy Goal

The goal of the Community Preference Policy is to disrupt involuntary displacement of Minneapolis residents. Preference policy opportunities will apply to those who have either experienced or are at-risk of experiencing displacement from identified Minneapolis neighborhoods due to extreme economic forces or housing crisis. This Community Preference Policy intends to serve current and previous Minneapolis community members, focusing on anti-displacement of Black, Indigenous, People of Color, and Immigrant (BIPOCI) and low wealth communities, which are disproportionately impacted by involuntary displacement. Involuntary displacement can and has been a result of extreme economic forces, such as gentrification and rapidly increasing housing costs.

Eligible Renter

- City of Minneapolis residents living in the eligible location area, as identified in Exhibit A, beginning January 1, 2007.
- Households shall attest to eligibility by signing an eligibility affidavit.
- Renter must meet tenant selection plan criteria and unit income-restriction requirements.

Applicable Units

To the extent not inconsistent with the requirements of other funding sources for a project, the Preference Policy shall apply to initial leasing of 50% of the total new restricted units¹ (new construction or adaptive reuse) less those units filled through other housing waiting list processes, including Coordinated Entry and/or Project-based Vouchers. The Policy applies to AHTF-funded projects located anywhere in the City.

(Total new restricted units – units filled through other waiting list processes) * 50% = Applicable Units

¹ For purposes of the AHTF, restricted units means the Extremely Low Income Units, the Very Low Income Units, the Sixty Percent Income Units and the Low Income Units.

Applicable units shall be leased to eligible renters through the Preference Advertising Period.

Preference Advertising Period

The property owner shall collect rental applications for 10 business days after the subject property is listed on the HousingLink website prior to commencing contact with non-preference applicants.

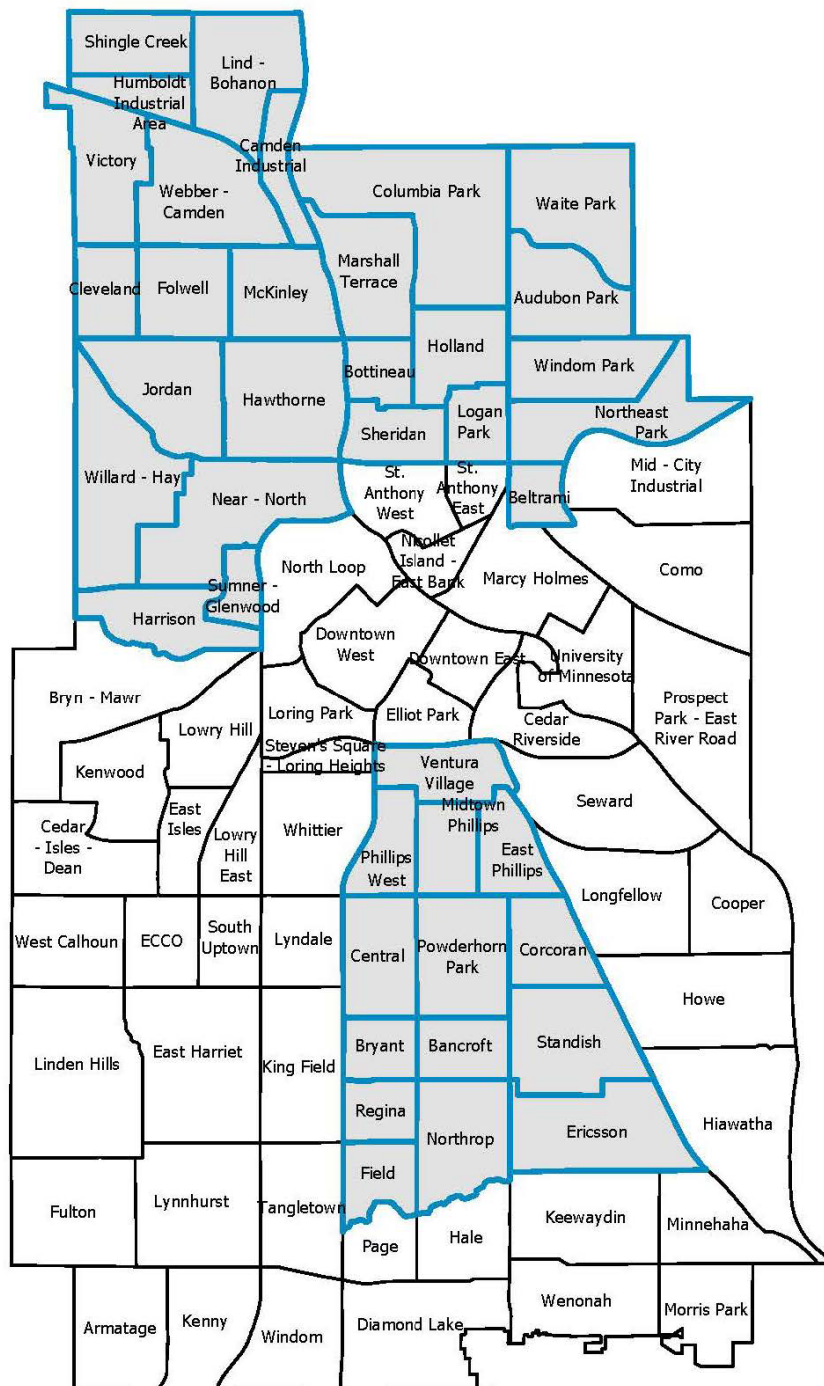
Renter Selection

The property owners must sort rental applications received during the Preference Advertising period by those applications claiming preference eligibility and those not claiming preference eligibility. Preference eligible renters must be placed at the front of the list until such time the applicable units are leased. If there are more preference eligible renters than applicable units, remaining preference eligible renters shall be placed back in their original place in the overall lease-up waiting list. If there are fewer preference eligible renters than applicable units, property owners should continue to prioritize any applications received claiming preference after the initial 10-day period, to the extent practicable, but may otherwise continue regular lease-up.

Exhibit A: Community Preference Policy Eligible Neighborhoods and Map

Potential renters must live or have lived in these neighborhoods on or before January 1, 2007, to be eligible for the preference.

Audubon Park	Ericsson	McKinley	Sumner-Glenwood
Bancroft	Field	Midtown Phillips	Ventura Village
Beltrami	Folwell	Near-North	Victory
Bottineau	Harrison	Northeast Park	Waite Park
Bryant	Hawthorne	Northrup	Webber-Camden
Camden Industrial	Holland	Phillips West	Whittier
Central	Humboldt Industrial	Powderhorn Park	Willard Hay
Cleveland	Jordan	Regina	Windom Park
Columbia Park	Lind-Bohanon	Sheridan	
Corcoran	Logan Park	Shingle Creek	
East Phillips	Marshall Terrace	Standish	



AHTF HOME Monitoring Consulting Services Fees – AHC

HOME Desk Audit Monitoring Review (completed annually on every project):

2023:	\$65/unit with a minimum of \$600/project
2024-2027:	\$70/unit with a minimum of \$650/project

HOME Site Visit Monitoring Review (completed per inspection cycle) and in addition to the desk audit review:

2023:	\$65/unit with a minimum of \$600/project
2024-2027:	\$70/unit with a minimum of \$650/project

HOME Desk Audit Monitoring Review on Housing Tax Credit Projects for **post 2018 projects** receive a 50% discount (completed annually on every project):

2023:	\$32.50/unit with a minimum of \$300/project
2024-2027:	\$35.00/unit with a minimum of \$325/project

HOME Site Visit Monitoring Review on Housing Tax Credit Projects for **post 2018** projects receive a 50% discount (completed per inspection cycle and in addition to the desk audit review):

2023:	\$32.50/unit with a minimum of \$300/project
2024-2027:	\$35.00/unit with a minimum of \$325/project

Utility Allowance Change in Methodology Request:

2023-2027:	\$500 per request
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CHDO File Review:

2023-2027:	Initial set up fee:	\$125
	File review:	\$65

CHDO CHECKLIST

The information contained in this checklist refers to the definition of Community Housing Development Organization (CHDO) in Subpart A, Section 92.2 of the HOME Final Rule. This checklist should be used as a tool to educate participating jurisdictions about the documents they must receive from a nonprofit before it may be certified as a CHDO.

I. LEGAL STATUS

- A. The nonprofit organization is organized under State or local laws, as evidenced by:

☐ **A Charter, OR**
☐ **Articles of Incorporation.**

- B. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:

☐ **A Charter, OR**
☐ **Articles of Incorporation.**

- C. Has a tax exemption ruling from the Internal Revenue Service (IRS) under Section 501(c) of the Internal Revenue Code of 1986, as evidenced by:

☐ **A 501(c) Certificate from the IRS.**

- D. Has among its purposes the provision of decent housing that is affordable to low and moderate-income people, as evidenced by a statement in the organization's:

☐ **Charter,**
☐ **Articles of Incorporation,**
☐ **By-laws, OR**
☐ **Resolutions.**
☐ **A HUD approved audit summary**

II. CAPACITY

- A. Conforms to the financial accountability standards of Attachment F of OMB Circular A-110, "Standards for Financial Management Systems," as evidenced by:

☐ **A notarized statement by the president or chief financial officer of the organization;**
☐ **A certification from a Certified Public Accountant; OR**
☐ **A HUD approved audit summary.**

- B. Has a demonstrated capacity for carrying out activities assisted with HOME funds,

as evidenced by:

_____ Resumes and/or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds, OR

_____ Contract(s) with consulting firms or individuals who have housing experience similar to projects to be assisted with HOME funds to train appropriate key staff of the organization.

C. Has a history of serving the community where housing to be assisted with HOME funds will be used, as evidenced by:

_____ Statement that documents at least one year of experience in serving the community, OR

_____ For newly created organizations formed by local churches, service, or community organizations, a statement that documents that its parent organization has at least one year of experience in serving the community.

NOTE: The CHDO or its parent organization must be able to show one year of serving the community from the date the participating jurisdiction provides HOME funds to the organization. In the statement, the organization must describe its history (or its parent organization's history) of serving the community by describing activities which it provided (or its parent organization provided), such as developing new housing, rehabilitating existing stock, and managing housing stock, or delivering non-housing services that have had lasting benefits for the community, such as counseling, food relief, or childcare facilities. The statement must be signed by the president of the organization or by a HUD-approved representative.

III. ORGANIZATIONAL STRUCTURE

A. Maintains at least one-third of its governing board's membership for residents of low income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations, as evidenced by the organization's:

**_____ By-Laws,
_____ Charter, OR
_____ Articles of Incorporation.**

Under the HOME Program, for urban areas, the term "community" is defined as one or several neighborhoods, a city, county, or metropolitan area. For rural areas, "community" is defined as one or several neighborhoods, a town, village, county, or multi-county area (but not the whole state).

B. Provides a formal process for low-income, program beneficiaries to advise the organization in all of its decisions regarding the design, siting, development, and management of all HOME-assisted affordable housing projects, as evidenced by:

_____ **The organization's By-laws,**
 _____ **Resolutions, OR**
 _____ **A written statement of operating procedures approved by the governing body.**

C. A CHDO may be chartered by a State or local government, however, the State or local government may not appoint: (1) more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government may not, in turn, appoint the remaining two-thirds of the board members; and (3) no more than one-third of the governing board members are public officials, as evidenced by the organization's:

_____ **By-Laws,**
 _____ **Charter, OR**
 _____ **Articles of Incorporation.**

D. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity may not appoint more than one-third of the membership of the CHDO's governing body and the board members appointed by the for-profit entity may not, in turn, appoint the remaining two-thirds of the board members, as evidenced by the CHDO's:

_____ **By-Laws,**
 _____ **Charter, OR**
 _____ **Articles of Incorporation.**

IV. RELATIONSHIP WITH FOR-PROFIT ENTITIES

A. CHDO is not controlled, nor receives directions from individuals or entities seeking profit from the organization, as evidenced by:

_____ **The organization's By-laws, OR**
 _____ **A Memorandum of Understanding (MOU).**

B. A CHDO may be sponsored or created by a for-profit entity, however:
 (1) The for-profit entity's primary purpose does not include the development or management of housing, as evidenced by:

_____ **The for-profit organization's By-laws**

AND;

(2) The CHDO is free to contract for goods and services from vendor(s) of its own

choosing, as evidenced by the CHDO's:

_____ **By-Laws,**
 _____ **Charter, OR**
 _____ **Articles of Incorporation.**

EXCERPTS FROM AN IRS LETTER

A sample of typical requests from the IRS to organizations seeking 501(c)(3) status is provided below. Although all situations are unique, this sample can help an organization more effectively plan and prepare for the process. For additional information, contact your local IRS office.

(1) Submit a detailed description of all the activities of the organization -- past, present, and planned -- showing how you operate or will operate to achieve your purposes. Each activity should be separately described and the description should include as a minimum, the following:

- (a) Its purpose and nature.
- (b) Frequency and duration.
- (c) How, when, where, and by whom it was, is, or will be conducted.
- (d) The requirements a person or organization must meet in order to participate in or receive benefit from the activity.
- (e) The amounts of any charges or fees and the basis for them.
- (f) What the activity has accomplished or will accomplish.
- (g) State what percentage of the total time and effort of the organization is devoted to carrying out each activity.

(2) If the organization pays, has paid, or will pay compensation to or on behalf of persons who are officers, directors, or trustees or members of their families, or any other compensation, submit the following:

- (a) The name and title or relationship of such person to whom payment has been, is being, or will be paid.
- (b) The nature and/or purpose of payments (i.e., salary, wage, housing allotment, car allowance, etc.) and the amount of payment made or to be made on behalf of such person. If payments are to be made in more than one category, state each separately.
- (c) A detailed description of the positions filled by and the duties and services for which compensation will be paid.
- (d) The amount of time each person devotes to the position (if prospective, how the payment will be affected by an upward or downward adjustment in time based on need of the organization).
- (e) The qualifications (training, background, experience) of such person for the position, duties, and services.
- (f) If any such person is employed outside the organization, the hours per week and weeks per year devoted to such outside employment.
- (g) Who determines compensation to be paid? What criteria is used to determine compensation?
- (h) How do you or will you insure that all compensation paid is "reasonable" and in return for service rendered?
- (i) Does the organization pay or plan to pay any of the personal living expenses of employees, directors, officers, founders, members, etc.? If so, explain in

detail. Be specific.

(3) Submit copies of any brochures, pamphlets, newsletters, advertisements, or other literature regarding your organization.

(4) Providing housing for individuals who earn a certain percentage of an area's median income is not sufficient to establish that you are operated exclusively for charitable purposes, a prerequisite for exemption under Section 501(c)(3). Basing a determination of exempt status on a strict percentage test is generally not sufficient to confer tax-exempt status under Section 501(c)(3).

If it appears that the organization may be engaged in assisting the poor and distressed, the organization must be able to show how it qualifies under 501(c)(3). If you claim to be eliminating prejudice and discrimination, submit descriptions of the existing prejudicial and discriminatory conditions that exist in the areas you are targeting for assistance and an explanation of how your activities will seek to alleviate such conditions. Be specific in your descriptions. Describe any educational or other programs you will provide to eliminate prejudice and/or discrimination.

(5) If you claim to combat community deterioration, submit descriptions of the areas you will be targeting for relief. Provide evidence of the deterioration of the community. State whether any of the areas you will be targeting for assistance have been recognized as depressed by a governmental agency.

(a) Submit a copy of such determination as to the condition of the area served.

(b) Submit a description from the authorizing agency as to how that agency defines "blight."

(6) State whether any of your housing recipients will earn more than 80% of the area's median income.

(7) Why do you include moderate income families in your housing activities? How will this serve a charitable purpose? Discuss in detail.

(8) Have you been issued an employer identification number? If so, please let us know the number that has been assigned to you.

(9) Please submit any additional information you feel will help us better understand your organization.

AHTF HOME Policies and Procedures

All Affordable Housing Trust Fund (AHTF) policies previously mentioned in this document must be followed for all projects regardless of funding source. In addition to the AHTF policies, projects funded with HOME Partnership Investment funds must follow these additional HOME requirements. If a section is not listed below, there are no additional or alternative requirements than what is already stated previously in the AHTF policies. **(Section lettering based on Draft 3 Section VIII Program Procedures):**

C. Loan – HOME funded projects have a 5-20 year HOME affordability period depending on the amount of funding and/or activity (92.252(e)). The HOME requirements will not apply to the remainder of the 30-year AHTF period of affordability, and the project will be subject only to AHTF restrictions.

Rental housing activity	HOME Minimum period of affordability in years
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Under \$15,000	5
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: \$15,000 to \$40,000	10
Rehabilitation or acquisition of existing housing per unit amount of HOME funds: Over \$40,000, or rehabilitation involving refinancing	15
New construction or acquisition of newly constructed housing	20

The definition of commitment for HOME funded projects is reflected by the execution of the Written Agreement and set-up in IDIS. The HOME period of affordability commences with meeting the requirements for project completion (92.2) and the designation of project completion in IDIS.

During development and the subsequent HOME period of affordability (POA), HOME projects must follow requirements in both the AHTF Written Agreement and the HOME Regulatory Agreement, including all attachments. Failure to comply with HOME requirements at any time during the HOME POA can result in full repayment of the HOME assistance.

D. HOME Uses –

Eligible activities include: acquisition of property, relocation, construction of new housing for permanent or transitional rental, and other reasonable and necessary expenses related to the development, rehabilitation or stabilization of affordable, non-luxury rental housing.

HOME funds may be used for costs included in 92.206, and HOME may not be used for a new construction or conversion projects in an area of minority concentration or for prohibitive uses as identified in 24 CFR 92.214(b)1.

Eligible Costs are defined as follows:

Project Costs - the total of all Acquisition Costs and Construction Costs, provided that architectural, engineering or related professional services required to prepare plans, drawings, specifications or work write-

ups are only eligible as Project Costs if such costs were not incurred more than 24 months prior to the date of commitment of HOME funds to the Project, if applicable.

Acquisition Costs - all costs and expenses incurred in connection with acquiring the Land and all improvements located thereon, including the purchase price therefore, legal fees, sales commissions, and professional fees incurred in evaluating such acquisition, and relocating the residents therefrom.

Construction Costs - all costs paid to complete construction of the Improvements, including, but not limited to, site preparation costs, architectural fees, engineering fees, surveying charges, contractor fees, bond fees, insurance costs, legal fees, and all costs of labor, material and services paid or incurred by Borrower as shown on a sworn construction cost statement approved by Lender, but not including any profit to Borrower or any affiliated entity acting in its capacity as developer or general contractor except for an approved Developer Fee.

The City's project coordinator will review disbursement requests and supporting materials to ensure that disbursements are only for eligible Project Costs and sign the disbursement request form to evidence such review.

All documentation of eligible costs, including supporting documentation, including documentation on allocation of costs, will be kept in the City's electronic files in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule ([Multi Family Records Retention.dotx](#)).

The minimum HOME subsidy is \$1,000 per assisted unit. The maximum amount of HOME funds that a participating jurisdiction may invest on a per-assisted-unit basis in affordable housing may not exceed the per-unit dollar limits established for elevator-type projects that apply to the area in which the housing is located. These limits (Attachment 12 of the AHTF Supporting Documents) should be determined annually based upon HUD guidance at 92.250:

I. Contracting -

The AHTF Contracting Requirements in Attachment 4 apply to HOME projects.

M/WBE efforts (Minority and Women Business Enterprises): HOME requirements (92.350(b)) can be met by following the City's Small and Underutilized Business Enterprise Program Special Provisions for Development Projects to ensure the inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, including, without limitation, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services.

Davis Bacon: The HOME Rule (92.354) requires projects with 12 or more HOME-assisted units to follow the Davis-Bacon Act (40 USC 3141) and the Contract Work Hours and Safety Standards Act (40 USC 3701), but AHTF policy (Attachment 4) applies the City's local requirements to projects with 8 or more total units.

M. Design Standards – The AHTF Program requires the Minnesota Housing's Rental Housing Design/Construction Standards for all projects, including HOME. The standards are available here: <https://www.mnhousing.gov/rental-housing/building-standards.html> .

N. Leases – All HOME projects must have leases that are at least for one year and may not contain any prohibited lease terms found at 24 CFR 92.253(b). The lease for each HOME assisted unit leases must include an executed:

- (1) HOME Lease Addendum; and
- (2) VAWA Addendum.

The City's monitoring agent is responsible for reviewing leases for compliance and documenting their review and the Project Owner is responsible for maintaining copies of all leases in accordance with the requirements of 24 CFR 92.508(a)(3).

P. Minimum Property Standards –

Developments must comply with the construction standards in 24 CFR 92.251.

The project is subject to multiple inspections during the construction/rehab of a project. The City will conduct both progress and final inspections to ensure the work is completed in accordance with the work write up and the foregoing standards. All documentation of compliance with the foregoing will be kept in the City's electronic files in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule ([Multi Family Records Retention](#)).

The ongoing occupancy standards of 92.251(f) apply throughout the HOME period of affordability.

Borrowers must establish and maintain accurate and complete books, accounts and records demonstrating that the Project meets the property standards of 24 CFR Part 92.251 and the lead- based paint requirements of 24 CFR Part 92.355. Borrower shall retain all such books, accounts and records for a period of five (5) years from the date of Completion Date unless there are any litigation, claims or audit findings pending involving the Project in which case, the books, accounts and records shall be retained until 5 years after all such litigation, claims or audit findings are resolved and final action taken.

Q. Construction – The City will attend monthly draw meetings, perform monthly inspections documenting progress and perform a final inspection certifying the project is in compliance with requirements. The City will perform the Debarment and Limited Denial Participation (92.350(a)).

Z. HOME Monitoring Fee – The HOME Final Rule (92.214(b)(1)) permits the City to charge a fee for HOME monitoring during the HOME Period of Affordability. The cost must be included in project operating costs for underwriting. The City's current annual HOME monitoring fee for projects is included in the Supporting Documents.

BB. Funding Commitments/Underwriting – The City will execute the AHTF Written Agreement with the owner as part of the closing. Neither an award of AHTF funds nor the execution of an AHTF Written Agreement that includes federal funding constitutes a commitment of funds or site approval without satisfactory completion of the federally required environmental review and issuance of a Authority to Use Grant Funds (AUGF) form and Borrower compliance with the conditions precedent to disbursement in Sections 3.01 and 3.02 of the AHTF Written Agreement. This will ensure that the requirements of the 92.2 commitment definition paragraph (2)(i) are met and the borrower has obtained all necessary financing to begin the construction of

the project within 12 months of the agreement date prior to any disbursement of funds. The agreement must also contain a schedule previously agreed upon by the owner and City.

Note that the HOME Statute and Rule (92.500(d)(1)(i)) require City commitment of HOME funds within 24 months of the execution of the HOME Investment Partnership Agreement by HUD, but this commitment deadline has been suspended in recent annual appropriations. City staff should monitor whether suspensions are included in future appropriations.

All documentation of compliance with the foregoing as detailed in the City's Closing Checklist will be kept in the City's electronic files in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule ([Multi Family Records Retention](#)).

DD. Areas of Concentrated Poverty (ACP50) and Non-ACP 50L – For HOME funded projects, the City will require that HOME-assisted projects meet the site and neighborhood standards of 24 CFR 983.57(e)(2)-(3). (92.202(b)) and shall maintain records demonstrating compliance in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule ([Multi Family Records Retention](#)).

FF. Lead Based Paint – Currently, the City is limiting HOME funding to new construction rental housing and 24 CFR Part 35 The Lead Safe Housing Rule does not apply. If HOME funds are provided for acquisition and/or rehabilitation of pre-1978 buildings, then Part 35 will apply.

II. Property Management Plan: An owner of a HOME funded project must follow the termination of tenancy requirements found at 24 CFR 92.253(c). An owner may not terminate the tenancy or refuse to renew the lease of a tenant of rental housing assisted with HOME funds, except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable Federal, State, or local law; for completion of the tenancy period for transitional housing or failure to follow any required transitional housing supportive services plan; or for other good cause. Good cause does not include an increase in the tenant's income or refusal of the tenant to purchase the housing.

To terminate or refuse to renew tenancy, the owner must serve written notice upon the tenant specifying the grounds for the action at least 30 days before the termination of tenancy.

JJ. Tenant Selection – An owner of a HOME funded project must follow the City's affirmative marketing requirements and tenant selection requirements that follow 24 CFR 92.253(d). The owner must adopt and follow written tenant selection policies that limit the HOME-assisted housing units to Very Low and Low Income families and include only requirements that are reasonably related to the applicant's ability to perform the obligations of the lease (such as pay the rent, not damage the unit, not interfere with the rights and quiet enjoyment of other tenants).

Any preferences (of a segment of a population) must be pre-approved by the City, be specifically permitted in the written agreement and be consistent with the City's Consolidated Plan and the nondiscrimination requirements of 92.253(d)(3). The tenant selection plan must be reviewed and approved prior to the execution of an AHTF Written Agreement in accordance with the City's tenant selection plan checklist.

MM. Minimum Affordability, Minimum Count and Project Size– 24 CFR 92.252 (a)-(b) must be followed HOME units will be fixed. Exceptions will be evaluated on a case-by-case basis at the sole discretion of the City.

HOME units are required to be occupied by tenants with initial household incomes that are at or below 60% AMI. Tenants whose income increase above the 80% AMI may remain in their units and pay adjusted rent in accordance with the AHC Compliance Manual which can be found at <https://ahcinc.net/wp-content/uploads/2024/08/January-2018-AHC-HOME-Manual.pdf>.

Units with 5 or more HOME-Assisted units must have 20% of the units occupied by tenants with household incomes that are at or below 50 AMI.

Initial occupancy of the HOME-assisted units must occur within 18 months of construction completion.

PP. Project-Based Section 8 Vouchers. 24 CFR 92.252(b)(2) must be followed. If the unit is a Low HOME unit (with tenant household income at or below 50% AMI at initial occupancy) that receives Federal or [State project](#)-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's [adjusted income](#), then the maximum rent (i.e., tenant contribution plus [project](#)-based rental subsidy) is the rent allowable under the Federal or [State project](#)-based rental subsidy program.

QQ. Timely Completion – HOME Projects are expected to begin construction within 12 months of commitment (24 CFR 92.2 definition of commitment) and the date of the AUGF/Release of Funds Letter.

HOME funded rental projects must complete construction within 4 years of the date of commitment (92.206(e)(2) and the 92.2 definition of project completion.) A one-year extension is available with HUD approval.

Initial occupancy of every HOME-assisted unit must be achieved within 18 months of construction completion (92.252).

TT. Relocation Policy – In addition to the AHTF relocation policies, HOME funded projects will also follow relocation policies at 24 CFR 92.353.

UU. Rent –

The maximum rent charged must follow HUD's HOME rent limits (High and Low units) which include tenant paid utilities. The HOME rent limits are at:

- 95.252(a) – High HOME rent limits for Low Income units (@ 60% AMI or below)
- 95.252-(b) – Low HOME rent limits for units required for Very Low Income (@ 50% AMI or below)

Current rent limits are available at: <https://www.hudexchange.info/programs/home/home-rent-limits/>.

SRO Projects 24 CFR 92.252 (c) SRO projects must be followed. Rent limits are dependent on whether food and sanitary facilities are included in the unit. The City will provide rent limits as appropriate based on the SROs unit amenities.

Initial rent schedule and utility schedule (24 CFR 95.252(d)) The City will approve initial rents. HOME units are required to utilize utility amounts determined by the HUD Utility Schedule Model. See the City's HUSM schedules in the supporting documents. In lieu of the City's HUSM schedules, a project may seek approval of an Energy Consumption and Engineered Model (ECM) from the City's HOME Monitoring Agent.

Subsequent rents during the affordability period 24 CFR 95.252(f). The City will provide owners with updates on rent increases (if allowed) on annual basis. The City will never require owners to lower the rents below the initial rents at project occupancy.

Adjustment of HOME rent limits for an existing project 24 CFR 95.252-(g). In extreme cases, an owner may request the City to submit a waiver to HUD to change the rents for a project. This is done in rare circumstances and only if proven necessary for continued viability for a project.

Tenant income 24 CFR 95.252 (h). Owners must determine eligibility for units based upon source documentation. Project owners shall secure an income certification from the proposed tenant(s) of each HOME-Assisted Unit prior to such tenant(s)' initial occupancy using source documentation as required by 24 CFR 92.203(a)(1)(i) and the HOME Regulations and annual income self-certifications thereafter. Every sixth (6th) year of the HOME Affordability Period, the Borrower must again use at least 2 months of source documentation to certify annual income of households occupying the HOME-Assisted Units in accordance with 24 CFR 92.203(a)(1)(i).

Owners must maintain records that document compliance of their HOME-assisted rental properties with the HOME requirements. These records must also support the accuracy of the reports that owners/managers submit to the City's monitoring agent. Required records include documentation related to tenant income verifications, leases, unit rents, affirmative marketing, and property standards. Owners must keep records for the most recent five-year period or until 5 years after the HOME Affordability Period terminates, whichever occurs later.

Over income tenants 24 CFR 95.252 (i). Tenants whose income increase above the 80% AMI may remain in their units. Over income tenants will pay 30% of their adjusted income for rent. Units may be temporarily out of compliance with over income tenants but acceptable as long as they are paying 30% of their adjusted income. Since the units are fixed, projects may have times where full compliance is not achieved until the tenant voluntarily moves out and the unit is then rented to an income eligible household.

AAA. Underwriting Standards –

The City reviews and approves the developer's experience and financial capacity in accordance with the adopted Underwriting Standards. In addition, the Development Finance Committee (DFC) reviews the developer's experience, financial capacity and the proforma for proposed AHTF projects and makes a recommendation to City Council for approval of AHTF funding or not. Prior to closing, the Borrower must demonstrate that the project has sources and uses that match the underwriting and has a positive cash flow for 20 years as documented through the underwriting and proforma

Cost Allocation and Subsidy Layering is required for all HOME funded projects. The City will follow the Cost Allocation Standard Method 24 CFR 92.216. The City will follow the subsidy layering requirements of CPD Notice 15-11.

The Underwriting Workbook has additional tabs and worksheets to document the required cost allocation and subsidy layering review for HOME projects. All documentation of compliance with the foregoing will be kept in the City's electronic files in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule ([Multi Family Records Retention.dotx](#))

BBB. Ongoing Occupancy and Monitoring:

The City will conduct on-going monitoring during the period of affordability for all HOME units. The City will use its monitoring agent and follow the AHC Compliance Manual which can be found at at <https://ahcinc.net/wp-content/uploads/2024/08/January-2018-AHC-HOME-Manual.pdf> .

Ongoing monitoring will include both a review of occupancy of tenants for income levels and rent/utilities paid on an annual basis as well as physical inspections once within 12 months of completion and then at least every 3 years (to ensure they are meeting all required property standards. Inspections may occur more frequently if health and safety issues or other problems are identified.

Projects with 10 or more-HOME-assisted units are also subject to a Financial Review on an annual basis. The City will review the financial condition to confirm continued financial viability of the housing. If the review reveals financial issues, the City will take correct actions.

The City will perform site visits of our monitoring agent, as well as review and approve annual reports of all projects from the monitoring agent.

All documentation of compliance with the foregoing will be kept in a combination of the City's electronic files, the monitoring agent's files and the owner's files in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule [Multi Family Records Retention](#).

CCC. CHDO Requirements –

All HOME funded projects that are using HOME CHDO set-aside funding must be documented to meet CHDO status at time of funding commitment (24 CFR 92.2 CHDO definition). Attachment 13 of the AHTF Supporting Documents contains the checklist that must be used to document eligibility of the organization for CHDO set-aside funding.

CHDOs must meet one of the own, develop or sponsor definitions in 92.300(a)(2)-(5) in the ownership and control of a rental project assisted with CHDO set-aside funds.

CHDOs are required to follow a fair lease and grievance procedure approved by the City and provide a plan for and follow a program of tenant participation in management decisions.

CHDOs must maintain their CHDO Status during the period of affordability for their HOME CHDO set-aside funded projects. The City will monitor on an annual basis to ensure that CHDOs are still meeting these requirements during the period of affordability.

DDD. Match Contribution –

All HOME funded projects are required to comply with HOME matching contribution requirements in 24 CFR 92.218, 92.219, 92.220, and 92.221. The City will maintain a match log and project records documenting the type, amount, and timeframe of credit for match contributions.

Currently, the City is limiting HOME funding in the AHTF Program to new construction rental housing and not all matching contribution requirements apply to these projects. If HOME funds are provided for commercial space in mixed use projects, not HOME-assisted units, tenant-based rental assistance (TBRA) or homeownership in the future through the AHTF Program, then those requirements will apply and be

documented. The AHTF HOME Match Log will document the type, amount and timeframe of credit for match contributions for each project supported by the project's records.

All documentation of compliance with the foregoing for the AHTF Program will be kept in the City's electronic files in accordance with the HUD recordkeeping requirements of 24 CFR 92.508 and the City's record retention schedule ([Multi Family Records Retention.dotx](#)).

Disclosure of Information on Household Income and Composition.

- (a) On an annual basis, Tenant(s) shall certify the household's income, composition and student status by completing and signing a Tenant Income Certification as provided by property owner or its agents.
- (b) Tenant(s) shall sign consents to third party income and asset verification as necessary and reasonably requested by property owner or its agents.

Property owner or its agents may terminate the lease or refuse to renew the lease of a household for failure to supply the items listed in (a) or (b) above, within thirty (30) days of the request consistent with the process described below.

Lead Paint Disclosure. For properties built prior to January 1, 1978, owner shall provide tenant with an EPA approved lead hazard information booklet and execute the Lead Based Paint Acknowledgement Disclosure form.

Lease. The initial lease between a tenant and an owner of rental housing assisted with HOME funds must be for not less than one year, unless by mutual agreement between the tenant and the owner.

Disclosure of Prohibited Lease Terms. The lease of a HOME assisted unit may not contain any of the following provisions:

- (a) **Agreement to be Sued.** The lease cannot contain a tenant agreement to be sued, admit guilt, or accept a judgment in favor of the property owner or its agents in a lawsuit brought in connection with the lease.
- (b) **Treatment of Property.** The lease cannot contain a tenant agreement that the property owner or its agents may take, hold or sell personal property of the tenant(s) without notice to the tenant and a court decision on the rights of the parties. This prohibition, however, does not apply to disposition of personal property remaining in the unit after the tenant(s) has moved out. The property owner or its agents may dispose of this personal property in accordance with state law.
- (c) **Excusing the Property Owner or its Agents from Responsibility.** The lease cannot contain tenant agreement not to hold the property owner or its agents legally responsible for actions or failure to act, whether intentional or negligent.
- (d) **Waiver of Notice.** The lease cannot contain a tenant agreement that the property owner or its agents may institute a lawsuit without notice to the tenant(s).
- (e) **Waiver of Legal Proceedings.** The lease cannot contain a tenant agreement that the property owner or its agents may evict the tenant(s) without instituting a civil court proceeding in which the tenant(s) has the opportunity to present a defense, or before a court decision on the rights of the parties.
- (f) **Waiver of Jury Trial.** The lease cannot contain a tenant agreement to waive any right to a jury trial.
- (g) **Waiver of Right to Appeal Court Decision.** The lease cannot contain a tenant agreement to waive right to appeal or to otherwise challenge in court a decision in connection with the lease.
- (h) **Tenant Chargeable with Cost of Legal Actions Regardless of Outcome.** The lease cannot contain a tenant agreement to pay attorney fees or other legal costs even if the tenant wins a court proceeding by the property owner or its agents against the tenant(s). The tenant, however, may be obligated to pay costs if the tenant(s) loses.
- (i) **Mandatory Supportive Services.** The lease may not require the Tenant to accept supportive services.

In addition, property owner or its agents may not terminate tenancy or refuse to renew the lease except for serious or repeated violation of the terms and conditions of the lease; for violation of applicable federal, state, or local law; or for other good cause. Any termination or refusal to renew must be preceded by the property owner or its agents' service on the household of a written notice specifying the grounds for the action, at least thirty (30) days in advance of such action.

If any provision of the lease or any other addendum thereto conflicts with any provision in this HOME Lease Addendum, the provisions of the HOME Lease Addendum shall prevail. Property owner or its agents and the tenant(s) have reviewed the above information and agree to the terms of this HOME Lease Addendum and hereby acknowledge the receipt of a signed and dated copy hereof.

Tenant

Date

Tenant

Date

Tenant

Date

Tenant

Date

Owner or Authorized Agent

Date