

4d Participation Agreement

Property Owner(s): _____ (herein referred to as "Owner(s)")

Building 1:

Address(es): _____, **Minneapolis, MN 55**

Legal Description: _____

Total Building Units: _____

Percentage (%) of Units in building restricted to be affordable to and occupied by households at or below 60% of Area Median Income _____.

Building 2:

Address(es): _____, **Minneapolis, MN 55**

Legal Description: _____

Total Building Units: _____

Percentage (%) of Units in building restricted to be affordable to and occupied by households at or below 60% of Area Median Income _____.

(collectively, the "Property")

Date: _____, 20____

1. The Owner certifies that he/she/they are the Owner(s) of record of the Property.
2. The Owner has previously submitted to the City a complete 4d program application and rent roll demonstrating that the percentages of the rental housing units located in each Building as indicated above have rents that do not exceed 30% of the gross income of a family whose income equals 60% of the median family income as most recently established by HUD for the Minneapolis/St. Paul standard metropolitan statistical area.
3. The Owner has agreed to record a declaration against each building of the above described Property limiting the rents and incomes on the applicable percentages of the rental housing units located on each building as further described in the form of declaration attached hereto as Exhibit A (the "Declaration") so that subject to the requirements of Minnesota Statutes §273.128, Owner can qualify for preferable tax classification as class 4d under Minnesota Statutes §273.13, Subdivision 25(e)(1) for such Building. The Owner specifically represents that such preferable tax classification along with access to the other financial incentives described in this Participation Agreement is sufficient consideration for executing and filing the Declaration.

4. The Owner certifies that no existing tenants in the Property have been or will be evicted because of the filing of the Declaration.
5. Upon satisfaction of the foregoing conditions, the City will, in cooperation with the Owner:
 - a. Record the Declaration(s) in the Hennepin County land records.
 - b. Submit Owner’s first application to the State of Minnesota for the certification of 4d classification under Minnesota Statutes §273.128 for the Property and pay the associated application fee (“4d Application Fee”).
 - c. Qualify Owner for application to any and all City Green Business Cost-Share and Solar Energy funding offered for multifamily housing properties if owner elects to participate.
 - d. Provide Owner with a grant in an amount equal to \$_____ (not to exceed \$1,000) to help the Owner cover the cost of complying with the administrative and reporting requirements of the Declaration(s) as well as to help the Owner make health, safety and energy efficiency improvements to the Property.
6. Owners acknowledges that to maintain 4(d)(1) classification, Owner must annually reapply and certify to the Minnesota Housing Finance Agency that the property tax savings were used for one or more of the eligible uses identified in Minnesota Statutes §273.128, subd. 1(b):
 - a. Property maintenance
 - b. Property security
 - c. Improvements to the property
 - d. Rent stabilization; or
 - e. Increases to the property’s reserve account

IN FURTHERANCE WHEREOF, the parties have executed this Agreement as of _____, 20__.

OWNER: _____

OWNER: _____

CITY OF MINNEAPOLIS:

Elfric K. Porte, Housing Policy and Development Director