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Housing for Persons in Need Suggestions

Dr. Tom P. Abeles, Exec Dir
Navigating Futures
Minneapolis, MN
tom@navigatingfutures.com

Land Trusts

There is, currently, a critical need for quality housing that is affordable. Of equal importance, these properties need to be available for subsequent residents and sheltered from escalation and “gentrification”. By placing the land on which the building exists:

- a) The building is separated from the land which means that it’s price is just the structure and not the escalating cost of the land
- b) Land trusts are organizations owned by the residents who have a say in the management and are able to set the terms for resale of the building which is sold to the Trust which controls who will own and reside in the building in the future.

The City of Lakes Community Land Trust in Minneapolis is an example.

There are high front-end costs for governments who fund these projects as well as for those seeking to develop the properties. These funds can significantly raise the total cost, and thus affordability. If the government agencies absorb these in order to finance them on the back side, costs can be controlled and reduce time to reach occupancy.

There are opportunities to reduce both capital and operating costs by qualifying properties to meet a number of “green” designs. Management thru a land trust can provide such oversight for a number of properties and programs.

From: [Tom Abeles](#)
To: [Viana, Nicola \(MHFA\)](#); [Joe Nathan](#)
Subject: funding development of housing-land trusts
Date: Thursday, October 22, 2020 8:32:45 AM

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As testimony at the various MN Housing meetings have shown, there is a shortage of low income housing, particularly to alleviate the problems of homelessness, specifically youth as so well articulated by Joe Nathan and the other agencies that testified.

The critical issue here is that the funds are focused on new or rehabilitated buildings. As we know, once constructed/occupied, they become vulnerable to entering the housing market which becomes a loss for the long term, identified, needs and thus requires replacement as well as adding to an unfilled demand.

Land trusts can go a long way to keeping the cost of ownership and occupancy lower by:
 a) removing the cost of financing the land from the cost, and financing, of the buildings for the initial occupants, including agencies which maybe managing the property for the vulnerable occupants.

Land trusts protect the properties from exiting the intended use and thus retain that stock and focusing future funding on adding to rather than constantly replacing buildings.

Land trusts control the sale price of the extant stock from gentrification which impacts on the entire community.

Land trusts with creative financing by the State can lower the qualifications for occupancy, often from 80% AMI down to 20% or possibly lower.:

- 1) As suggested, modular and factory built designs
- 2) Energy efficiency in the building envelop and occupancy design
- 3) The opportunity to reduce energy costs thru individual solar installation of solar gardens and location that provide services that are within easy access (home/community gardens, development of support businesses in conjunction with housing). Land trusts can be used for business development such as stores that respond to area food deserts

tom
 dr. tom p abeles, exec dir
 navigating futures
 Minneapolis

From: [Leanna Stefaniak](#)
To: [#MHFA_HTC](#)
Subject: 2022-2023 Qualified Allocation Plan & Tenant Selection Plan Guidance Release: 2nd Public Comment Period
Date: Monday, October 26, 2020 3:02:43 PM

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Dear Ms. Wilson,

My name is Leanna Stefaniak. I am General Counsel for At Home Apartments, L.L.C., a St. Paul property management and development company. We have several properties that have an affordability component for which we have received funding from or through Minnesota Housing (bonds, tax credits, etc.). I am writing today to express my concerns regarding the proposed Tenant Screening Criteria.

My primary concern is the retroactive language. Minnesota Housing *may* have the authority to put in place further requirements regarding tenant criteria for new projects going forward. However, it does not have the authority to unilaterally modify or change requirements for projects that have already received funding. In fact the standard governing loan documents (Regulatory Agreement, LURA, etc.) explicitly state the documents can only be amended in a writing signed by both parties.

Establishing new rules for new projects is one thing - as the developer or owner has the opportunity to review the guidelines/mandates ahead of executing documents and knows what terms they are agreeing to. Imposing new or additional tenant screening restrictions/guidelines on existing properties after the fact without the agreement of both parties is not permissible and is inappropriate, especially when the proposed restrictions significantly alter the way properties operate and perform. A factor the developer, owner or operator did not have the opportunity to weigh when deciding to enter into long term agreements with specific loan covenants.

I respectfully urge Minnesota Housing to remove the retroactive language from its proposed criteria.

I thank you for your time and consideration.

Respectfully,
Leanna Stefaniak

--

Leanna M. Stefaniak, Esq.
Chief Real Estate Officer & General Counsel
At Home Apartments, L.L.C.
St. Paul, MN 55105

October 23rd, 2020

Members of the Board
Minnesota Housing Finance Agency
400 Wabasha Street North, Suite 400
Saint Paul, MN 55102



Dear Minnesota Housing Board,

We, as the Beacon collaborative, share your vision that all people have a home. We work toward this vision by creating homes, sheltering families, and advocating our values.

We believe that Minnesota should prioritize resources to those who need them the most, work toward racial equity, and that quality affordable housing belongs in all communities. We commend Minnesota Housing for centering similar values when creating their Qualified Allocation Plan (QAP) 2022-2023 revision recommendations in June 2020. Still, we found some inconsistencies in how those values and the scoring were playing out. We brought those to staff's attention during the open comment period in July 2020, and our collaborative submitted 66 of the 134 comments.

We celebrate that the updated October QAP recommendations correct the inconsistencies. Permanent supportive housing is now given its deserved priority in the scoring system because of its essential role in ending homelessness in Minnesota. Staff also revised the parameters that determine geographic priority to broaden projects' competitiveness across the state.

Please vote to approve the updated October QAP revised recommendations. We believe they align with our values and will invest resources in those who need them the most.

Thank You,

Deacon Lauren Morse-Wendt, Edina, Edina Community Lutheran Church

Deacon Erica Larson, Brooklyn Park, Lake Nokomis Lutheran Church

Rev. Korla Masters, Prior Lake, Shepherd of the Lake Lutheran Church

Rev. Emily Goldthwaite Fries, Minneapolis, Edina Morningside United Church of Christ

Rev. Michael Gonzales, Brooklyn Park, Wayman African Methodist Episcopal Church, Minneapolis

Rev. Drew Rindfleisch, Minneapolis, All Nations Indian Church U.C.C.

Rev. David Lindblom, Wayzata, St Barnabas Lutheran

Lee Blons, St. Paul, Beacon President/CEO.

Dan Gregory, Edina, Apple Valley Community of Christ

Lee Mauk, Minneapolis, Plymouth Congregational Church

Lisa Yost, Saint Paul, The House of Hope

Lynne Krehbiel-Breneman, St. Paul, St. Anthony Park United Church of Christ

Linda Sandvig, Plymouth, St Philip the Deacon Lutheran Church, Plymouth

Joan Bennett, Minneapolis

Brian Zakem, Minneapolis, Temple Israel

Mary Donovan, Robbinsdale, St. Joan of Arc

Art Downey, Bloomington, Edina Morningside Community Congregational

Lois Troemel, Plymouth, St. Barnabas Lutheran

Bruce Fisher, Minneapolis, Edina Morningside UCC.

Polly McCrea, Wayzata, St. Martin's by the Lake Episcopal
Robert McCrea, Wayzata, St. Martin's by the Lake
Betsy Cussler, Edina, Plymouth Congregational Church
Andy Otness, Edina, St. Stephens Episcopal
Linda Hubbard, Edina, Living Table UCC.
Roxanne Smith, Champlin, St Joseph the Worker
Peter Eichten, Minneapolis, Plymouth Congregational Church
Diana Warner, Bloomington, Westminster Presbyterian, Minneapolis
Karen Barstad, Minneapolis, Plymouth Congregational Church of Minneapolis
Sue Hlavac, Eden Prairie, Bethlehem Lutheran Church Twin Cities
Paul Nelson, Plymouth, Mt Olivet Lutheran of Plymouth
Paul Vliem, MINNEAPOLIS, Calvary Christian Reformed Church, Edina, MN
Kathryn Lamp, St. Paul, Olivet Congregational
Mary Vrabel, Minneapolis, Minnehaha United Methodist Church
Julie Andberg, Minneapolis, St. Joan of ARC.
Linda Jones, Richfield, Plymouth Congregational
Theresa Dolata, Minneapolis, Saint Joan of Arc Catholic Community
Wanda Anstett, Minneapolis, St. Joan of Arc
Kathy Gremillion, St Louis Park, First Universalist
Donald Fulton, Minneapolis, Gloria Dei Lutheran Church, St. Paul
Sheldon Ently, Shakopee, First Presbyterian
Pamela DeLaittre, Bloomington, Edina Morningside Community Church (UCC)
Ann King, Minneapolis, Living Table U.C.C.
Carolyn Engquist, Prior Lake, Shepherd of the Lake Lutheran Church, Prior Lake
Kathleen Campbell, Minneapolis, Westminster Presbyterian Church
Cathleen Godsall, Edina, St. Stephen's Episcopal Church- Edina
Anne Seltz, Minneapolis, Plymouth Congregational Church in Minneapolis
Charles Rodgers, Minneapolis, Greater Friendship Missionary Baptist
Thomas Ruffaner, Minneapolis, Living Table United Church of Christ
Janelle Hill, Minneapolis, Living Spirit UMC.
Barbara Green, Edina, Edina Morningside Community Church UCC.
Arnie Bigbee, Edina, Westminster Presbyterian, Mpls
Gayl Gustafson, Saint Paul, Woodland Hills
Sarah Mitchell, Minneapolis, Bethlehem Lutheran Church Twin Cities
Lynn Walsh, Minneapolis, Lake Nokomis Lutheran
Laura Helmer, Chanhassen, Beacon Board
Amit Yahav, Minneapolis, Temple Israel
Mary Cotton, New Hope, Unitarian Universalist Church of Minnetonka
JoAnn Knutson, Edina, Good Samaritan United Methodist Church of Edina
Hope Esparolini, Minneapolis, Plymouth Congregational Church
Brenda Dean, Woodbury, Progressive Baptist Church
Steven Pundt, Minneapolis, Plymouth Congregational Church

Mary Schell, Minneapolis, St Joan of Arc

Judy Jungwirth, Bloomington, Mayflower UCC.

Krista Boyd, Plymouth, St. Barnabas Lutheran Church

Johanna Osman, St. Paul, Dar al Farooq Islamic Center

Katherine Flom, Minnetonka, Unitarian Universalist Church of Minnetonka

Dianne Frantz, Eden Prairie, Wayzata Community Church

Pam Stegman, Minneapolis

Cheryl Buranen, Minneapolis, Woodlake Lutheran, Richfield

Catherine Strand, Eden Prairie, St Joan of Arc

Linda Fei, Saint Paul, Unity Unitarian

Jean Heberle, Minneapolis, St Joan of Arc

Dorothy Eide, Minneapolis, Living Table UCC.

Beth Albee, Waconia, Shepherd of the Hill, Chaska

Barbara Gallea, Minnetonka, St. Joan of Arc Catholic Community

Sue Fust, Chaska, Unitarian Universalist Church of Minnetonka

William Christian, Shakopee, Shepherd of the Lake Lutheran Church, Prior Lake

Barbara Swanson, Saint Paul, Central Presbyterian of St. Paul, MN

Robert Carlson, Plymouth, Mt Olivet Lutheran Church of Plymouth

Lois Troemel, Plymouth, St. Barnabas Lutheran

Sarah Gavert, Jordan, Hope Lutheran Church, Jordan, MN

Margaret Wold, Plymouth, St. Barnabas Lutheran Church

Stephen Ziff, St Louis Park, Bet Shalom

Roberta Dering, Plymouth, St. Barnabas Lutheran Church

Stephen Briggs, Edina, St. Stephens Episcopal Church

Susan Lampe, Bloomington, Mayflower

Lisa Pole, Plymouth, St Barnabas Lutheran

Deborah Carlson, Maple Grove, St. Joseph the Worker

Robin Gault, Maple Grove, St. Joseph the Worker

Alyssia Gault, Ramsey, St. Joseph the Worker

Blake Carlson, St. Louis Park, Good Shepherd

Marillene Allen, Edina, St. Stephen's Episcopal Church

Belle Scott, Minneapolis, Mayflower

Stephen Ziff, St Louis Park, Bet Shalom

Paul Gaukstad, Jordan, Hope Lutheran Jordan MN

Cindy Dogan, Plymouth, St. Barnabas Lutheran Church

Tom Francis, Jordan, Hope Lutheran

Laura Vitelli, West Saint Paul, Beacon Vice President of Advancement & Congregational Engagement

Ben Helvick Anderson, Minneapolis, Beacon Director of Public Policy

From: [Lori Boisclair](#)
To: [#MHFA_HTC](#)
Subject: Comments to Proposed Tenant Selection Plan
Date: Wednesday, October 21, 2020 5:15:13 PM
Attachments: [image002.png](#)

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Greetings,

By way of background, Boisclair Corporation has been developing affordable housing since 1974. Notably Boisclair Corporation is documented in the congressional record for building the first Project Based Section 8 facility in the US. We have strived to provide safe affordable housing for almost 50 years. Government and Lender mandates are making it near impossible to develop and manage affordable housing as costs and tenant mandates escalate. Below are bulleted points government officials who are not on the front lines need to be aware of and consider in their decision making process.

- Fair Housing – how can a management company ensure all Managers are applying consistent guidance and critical thinking / decision making where individual assessments are to be considered. This opens up the flood gates for Fair Housing complaints. In addition is unreasonably burdensome and subject to implicit bias.
- Over the 30 years I have been at Boisclair Corporation; Managers have had to adapt to a host of social changes in affordable housing due to closing of institutions, government regulations, etc. - substance abuse, criminal behavior – low level crimes, repeat offenders, mental health, rioting, etc. In the past year, as a management agent we have dealt with suicide, clearing a Senior building because a resident had barricaded themselves in their unit and threatened to kill all individuals in the building, SWAT for drugs, rioting, countless domestic abuse calls, drug overdoses, prostitution in the laundry room, theft, dead animals left at the management office, feces smeared across an entire unit to get back at management for enforcement of house rules, public urination, theft and the list goes on. Our job is to provide safe, sanitary affordable housing for ALL. To protect ALL residents rights for peaceful enjoyment of their unit and property. The assumption that low level crimes are not relevant or should be consider in evaluating suitability to be a resident is incorrect thinking. It is twice as difficult removing this type of a resident and behavior than a resident who just shot off a gun through the building. These residents are the repeat offenders. The ones who disrupt everyone's safety and peaceful enjoyment of their homes. The one's who end up hurting building's operating budgets which then diminishes funds for daily operations and needed capital expenditures. Help us; don't tie our hands.

A consequence of allowing this type of behavior is the strain it puts on the operating and cap ex budgets. The demand for affordable housing; preservation and new construction is costly. Boisclair Corporation recently resyndicated just over 311 units at a cost of \$14M in Gap assistance or \$45,000 per unit and \$80,000 per unit in Rehab Costs. If Owner's were not continually asked to allow reckless behavior to others and to the property; savings would result in lower rehab and gap assistance allowing for additional units to be either rehabbed or constructed adding to the affordable housing stock.

It is my understanding HUD is reviewing its 2016 HUD guidance on criminal background screening. This coupled with the federal lawsuit challenging Minneapolis's screening ordinance; the MN Landlord community is of the opinion; MN Housing should wait on implementing the proposed Tenant Selection Plan until these items are completed or guidance is given.

Thank you,

Lori Boisclair
President



610 Ottawa Avenue North, Golden Valley, MN 55422

www.BoisclairCorporation.com



October 26, 2020

Minnesota Housing Finance Agency
400 Wabasha Street North, Suite 400
Saint Paul, MN 55102
Attn: Tamara Wilson

via email to HTC.MHFA@state.mn.us

RE: Public Comments to 2022-2023 QAP Proposed Changes

Dear Ms. Wilson,

After reviewing the intended major changes to the 2022-2023 QAP, CommonBond Communities would like to submit the following public comments:

Serves Lowest Income for Long Durations

Given we foresee that housing affordability will be a challenge in Minnesota for years to come, we support housing solutions that address both current and long-term needs. Therefore, we support Minnesota Housing's proposed change to prioritize projects that focus on long-term affordability including the requirement that all projects remain affordable for a minimum of 30 years.

We believe that Minnesota's QAP should prioritize the type of affordable housing that is most in need. Minnesota Housing's proposed creation of a pointing incentive for deeper rent targeting will drive more projects to 30% MTSP rents. While this may help prioritize projects that target Minnesota's greatest need, it also is likely to result in fewer projects being granted awards. Given that projects with deeper rent targeting have larger gaps and therefore require more tax credit funding, the pool of funds will be dispersed in larger allocations to fewer projects. While the advantage of supporting deeper rent projects may offset the disadvantage of fewer awards, we believe it is worth noting the expected impact and are neutral on this change.

Increasing Geographic Choice

We appreciate Minnesota Housing's efforts to refine how geographic choice is defined and measured. However, we remain concerned that current attempts to apply objective criteria create a level of rigidity that will effectively eliminate otherwise worthy projects from qualification. The addition of a new category based on the need for more affordable housing options, particularly given the weight that this category has, provides a significant boost to locations in census tracts that have a low percentage of affordable housing



or are heavily rent burdened. However, locations that fall just outside these census tracts but may effectively serve the same community but would receive significantly fewer points – dramatically diminishing the chances for receiving a tax credit award. This additional category, coupled with other map-based criteria heavily favors projects that meet strict, sometimes arbitrary map boundary requirements and discounts projects that may be supported by local decision-makers with a deeper understanding of need.

To alleviate this concern, we recommend that Minnesota Housing allows developers the ability to petition for these geographic points if their project falls in a location that is close to scoring, but just outside a boundary, by providing data and other information justifying need at that location.

Innovative Construction Methods

We applaud Minnesota Housing's support for innovative construction methods to lower cost and/or to reduce schedules. Advances in construction will enable all affordable housing developers to provide more affordable housing for our communities. However, our concern with the planned preference around innovative construction sits with the ambiguity around measuring the impact of that innovation. The establishment of a baseline for which to measure the cost or schedule impact is imprecise, leaving it and the resulting improvements open to independent interpretation. This creates an opportunity for applicants to embellish the actual impact, particularly those who hold general contractors in-house, and disadvantages others.

Supporting Community and Economic Development – POCIB/WBE

We are concerned about the additional opportunities for points for projects that meet POCIB/WBE criteria if these changes do not provide equal opportunities for non-profit organizations (e.g., a non-profit with a POCIB/WBE executive director or CEO would qualify for the points and at the same level as other companies and organizations).

Thank you very much for the opportunity to comment on the forthcoming changes to the 2022-2023 Qualified Allocation Plan. Please feel free to contact Andrew Babula at andrew.babula@commonbond.org or 651.265.4735 if you wish to discuss or clarify any of the above comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew Babula", written in a cursive style.

Andrew Babula
Director of Acquisitions and Development
CommonBond Communities

From: [Hirston, Michelle](#)
To: [#MHFA_HTC](#)
Subject: Proposed TSP changes- Comments for consideration
Date: Monday, October 26, 2020 3:04:47 PM

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Until TRACS 202-D is fully operational it is my opinion, if we limit ourselves to 3 years of evictions, we may erroneously allow a move in to occur that has a balanced owed to HUD as a result of an EIV discrepancy.

Removing the ability of the use of a reader or translator and requiring Owners/Agents to translate the TSP into written form will be costly. In addition to the initial expense of the written translation, site sill incur an expense each time an update is needed and or required. We are 100% against this change and would not support it.

Thank you

Michelle Hirston
Regional Property Manager
Property Management
Dominium
Plymouth, MN 55441
[.dominiumapartments.com](http://dominiumapartments.com)

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RE: Draft QAP Language on Accessibility

To Whom It May Concern:

After speaking at NCHSA in January, I was approached by several representatives from differing State Housing Agencies requesting the draft QAP language I mentioned in my presentation. This information addresses the NCSHA's recent Best Practices regarding Accessibility and the Department of Justice's New Accessibility Initiative.

I am respectfully submitting to your agency this draft QAP language composed by myself and Scott P. Moore, Attorney/Partner, Baird Holm LLP. If you are not the correct contact for this information within your organization, please forward this to the appropriate person and, if possible, copy me so I will have their contact information in the future.

If you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Mark English', with a stylized flourish at the end.

Mark English
President

Proposed QAP Accessibility Changes to be more in line with NCSHA new Best Practices. NCSHA Board of Director's Recommended Best Practices

(Approved December 2017)

- Item 23. Capital Needs Assessment (Necessary improvements to physical accessibility)
- Item 28. Construction Monitoring (evaluate compliance with Fair Housing and Accessibility rules)
- Item 34. Training (Fair Housing and Accessibility Rules)
- Item 41. Encouraging Fair Housing Compliance

Item 23. Capital Needs Assessment (Necessary improvements to physical accessibility)

When a project is newly constructed or proposed for rehab, we recommend that the owner/developer retain an independent, third party Capital Needs Assessment (CNA) conducted by a person who has a strong background in evaluating accessibility under the Fair Housing Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act. We have found that most CNA reviewers use an "accessibility checklist" that does distinguish among the three laws and does not identify all of the elements that must be made accessible under all three accessibility laws. A checklist simply does not ensure compliance. The reviewer must understand which law or laws apply, identify the appropriate technical accessibility standard for each law, and then apply that standard to the design plans and ultimately the construction being performed. A reviewer with experience in conducting accessibility inspections with a keen understanding of how HUD and the Department of Justice inspect a property is preferred. We stress that a CNA reviewer need not necessarily be an architect, but someone who has a deep and thorough understanding of the laws and technical accessibility standards and a proven record of inspecting properties for compliance with all federal, state and local accessibility laws and standards.

Item 28. Construction Monitoring (evaluate compliance with accessibility laws)

There are two parts to Construction Monitoring.

Part 1: Plan Review

Construction Monitoring can be addressed in two different aspects. First, having the Plans and Specifications reviewed by a firm or person that specializes in evaluating accessibility under the Fair Housing Act, Section 504 of the Rehabilitation Act, and the Americans with Disabilities Act. The Accessibility Specialist's review should include an analysis for all site, architectural, engineering drawings and complete specifications for all federal, state and local accessibility laws and standards. The Accessibility Specialist then provides revisions that are necessary to the plans. After those revisions have been incorporated into the plans, the Accessibility Specialist should conduct a subsequent review of the REVISED plans to ensure all of the necessary changes have been incorporated.

In the case of a proposed rehab, the owner/developer should give special consideration to the actual existing construction. In our experience, if the architect who is creating the plans for the rehab simply works off of the original plans for the development, the rehab plans will be inaccurate and the owner/developer will incur more expense revising the plans or modifying construction. The problem with working off the original plans is that often times construction in the field deviated from the original plans or elements have become inaccessible over time (e.g. a bathroom sink that was designed to be offset is centered on the lavatory leaving insufficient clear floor space at the sink or ground has settled creating excessive sloping and abrupt level changes in routes and at thresholds). We recommend that the Accessibility Specialist inspect the existing property and provide an itemized list of the elements that are not in compliance with the technical standards of the applicable accessibility laws. This will ensure the architect is aware of what elements must be incorporated into the rehab design plans to ensure compliance with accessibility laws.

Part 2: On-Site Accessibility Construction Inspections.

We recommend that the owner/developer retain the Accessibility Specialist to conduct a minimum of three inspections.

Initial Site Visit- The Accessibility Specialist visits the property during framing/plumbing/electrical rough-in. The initial site inspection will ensure the owner/developer is not faced with costly retrofits after completion of the development because the Accessibility Specialist can spot accessibility issues that can easily be remedied at this stage. For example, the Specialist can identify a failure to provide required grab bar backing in bathroom walls that are being framed. The Specialist is also able to identify if the plumbing is being installed in a manner that will result in a sink, toilet or bathtub failing to have adequate clear floor space for a wheelchair.

Second Site Visit – The Accessibility Specialist visits the property after the initial construction is completed but before the finishes are added. This will ensure the deficiencies noted in the initial inspection are corrected. The Specialist is also able to address accessibility issues that present themselves at this stage but not during initial construction. Examples of the accessibility issues that need to be reviewed at stage include placement and construction of accessible routes to the units and common areas as well as the thresholds at the primary and secondary doors.

Third Site Visit—The final visit is conducted after most of the finishing work is done. This allows the Accessibility Specialist to ensure previous recommendations have been incorporated. It also allows the Specialist to determine if the height of light switches and other environmental controls that have now been installed are compliant. In addition, the Specialist is able to determine if there is sufficient clear floor space inside the units including at kitchen appliances that have now been installed.

In our experience, many accessibility issues arise in the construction of the development even if the design plans are compliant. For example, a bathroom sink must have sufficient clear floor space in front of it for a wheelchair. If the vanity is only 36" wide, the architect will design and offset sink to ensure there is 24" off the centerline of the sink. However, the plumbers and/or cabinet installers often ignore the plans and install a sink in the center of the vanity leaving less than 24" off centerline and creating an accessibility violation that can only be cured by removing and replacing all of the vanities. On-site construction inspections will help eliminate these mistakes.

Item 34. Training (Fair Housing and Accessibility Rules).

Training is perhaps the most important practice to ensure compliance with accessibility laws and standards. A well-trained staff (not just one person), will allow everyone involved in the design and construction process to be able to spot issues and either solve the problem or bring it to the attention of someone in the organization who can consult with an Accessibility Specialist to solve the problem.

Stage 1 Training:

Prior to the beginning of construction members of the Development Team attend a training session (4-5 hours in length) addressing all applicable federal and state accessibility laws and standards. The Development Team is defined as the Architect, Developer/Owner, Contractor, Job Superintendent and a representative from all trades that affect Accessibility that include the following trades: Grading, Concrete, Framing, Electrical, Plumbing, Sheetrock, Cabinetry. All members of the Team must sign in for the training and receive a certificate of completion if they attend the entire training session.

Stage 2 Training:

A second on-site training is recommended. An on-site training not only helps the Development Team see the actual elements that are required to be accessible (an examples of inaccessible elements), but how these elements impact persons with disabilities. This will help the Development Team better appreciate how to ensure plans and construction are compliant with accessibility laws. Again, all members of the Team must sign in for the training and receive a certificate of completion if they attend the entire training session.

Item 41. Encouraging Fair Housing Compliance

NCSHA states, "To further encourage fair housing compliance, Agencies should implement monitoring procedures to ensure that Housing Credit developments comply with federal nondiscrimination standards for all protected classes."

While this requirement is inclusive of all of the other best practices discussed above, it clearly envisions state agencies taking affirmative steps to make sure housing credit property owners are complying with all aspects of federal nondiscrimination laws. Evidence from DOJ and HUD enforcement actions as well as private lawsuits suggests that many, if not most, housing developments have accessibility deficiencies that were present in the original design and construction of the property or through a failure to maintain accessible elements. A state agency cannot simply turn away from this evidence and claim that developments are complying with federal nondiscrimination standards for persons with disabilities with such awareness.

We recommend that state agencies require housing credit owners to bi-annually certify that they have evaluated the property to determine if it is in compliance with applicable federal accessibility standards and, if not, they have put a plan in place to remedy any noncompliance.

DOCS/2248147.1



October 26, 2020

2022-2023 QAP and Tenant Selection Plan Comments - Second Public Comment Period

Equity in Place (EIP) is a diverse group of strategic partners from organizations led by people of color and housing advocacy organizations that believe everyone in the Twin Cities region deserves access to opportunity wherever they want to live. Our work is centered around an understanding of the legacy and ongoing impact of structural racism in the development and growth patterns of our region — and underscores and amplifies how it has impacted our communities’ access to housing, property ownership, and wealth building opportunities. We believe the only way to address our regional inequities is by bringing the expertise of impacted communities into decision making processes in meaningful and powerful ways.

We submitted our initial comments for the QAP in July during the first round of public comment and are deeply appreciative to see that many of the important changes we proposed were reflected in this round of edits. These changes to the QAP and Tenant Selection Plan are critical to making the state’s housing investments more equitable and accessible to BIPOC communities and low-wealth communities. The following are good first steps reflected in proposed changes:

- Eventual Tenant Ownership selection review preference
- Increased incentive to serve larger family sizes
- Changes to tenant screening criteria related to credit score, eviction history, minimum income tests
- Deeper rent targeting for 30% MTSP rents
- Making points available for longer affordability periods
- Requiring that all projects remain affordable for at least 30 years
- Eliminating High Performing School and Economic Integration criteria

However, there are still lingering areas in which changes were not proposed, and we believe more work is required to improve the QAP. We urge you to consider these changes seriously and immediately; each delay in implementation represents a delay in our collective ability to achieve racial equity in our housing system. **Our biggest concern is that the agency is increasing the maximum unacceptable practices point limit to “-35”.** We strongly disagree with this decision. In this moment especially, renters are experiencing heightened levels of discrimination and harassment from property owners who

are trying collect rents even as unemployment continues. This proposed change, in the context of the fact that a higher proportion of BIPOC residents are renters *and* experiencing unemployment, means that the agency is allowing increased levels of renter mistreatment in the future. If anything, our tolerance for unacceptable practices needs to decrease. **We do not believe this reflects the racial equity goals and values of the agency, and ask that you eliminate the proposed change.**

Other changes that we would still like to see reflected in the QAP:

- **Expanding updates to tenant selection criteria beyond supportive housing units:** As proposed, the most meaningful changes to tenant selection criteria only protect residents of supportive housing units, which is a good start. However, in order to expand housing access to all Minnesotans, these changes - not allowing applicants to be screened out based on housing or credit history, and not allowing income to rent ratios - are needed for all units supported by Minnesota Housing.
- **Creation of enforcement mechanisms to ensure implementation of tenant selection plan guidance by property managers:** More often than not, prospective tenants don't know they have been discriminated against until they have been denied access to housing, and by then, it is too late. Minnesota Housing must ensure that property owners are following these guidelines - and should not put the burden on renters to prove when they have been wronged.
- **Expansion of penalties for fair housing violations as Unacceptable Practices** that result in negative points on future applications.
- **Creation of enforcement mechanisms to investigate and track Unacceptable Practices.**
- **Increasing points awarded for Equitable Development:** This is such a critical piece to creating a housing ecosystem that is culturally specific to the needs of community, and it is something that is deeply valued and celebrated when done well (ex: Ain Dah Yung Center in Saint Paul). However, the points awarded must reflect the fact that it takes an incredible amount of work and time to build trusting relationships between developers and Qualified Stakeholder Groups. More points should be awarded to acknowledge and honor this effort accurately.
- **Increasing points awarded to BIPOCBE/WBE:** The barriers that women and BIPOC communities must overcome to reach a position where they can even engage in the QAP process are enormous, such as accessing business financing from financial institutions that have historically excluded people of color. Both ownership and partnership must be awarded a significantly greater amount of points in order to meaningfully encourage BIPOCBE/WBE participation.
- **Eliminating or significant rethinking the Needs Affordable Housing score and mapping:** As we referenced in our comments on the first draft, we are concerned that this measurement and scoring will contribute to less investment in affordable housing in neighborhoods and communities with higher numbers of renters, low wealth people, and Black, Indigenous, people of color. At first glance at the maps and measurements, this could lead to continued disinvestment from areas in the core cities and inner suburbs that have experienced, and often are currently experiencing, decades of disinvestment already from the public and private sectors.

- As others have said, when mapped at the census block group level, this category produces results that are difficult to explain. For example, how can Powderhorn Park, now home to a homeless encampment with hundreds of residents who were so cost-burdened by housing that they no longer have a home, be deemed to not “need” affordable housing?

Thank you for the opportunity to provide feedback.

Equity in Place

African Career, Education, and Resources, Inc. / Alliance for Metropolitan Stability / American Indian Family Center / Community Stabilization Project / Center for Urban and Regional Affairs / Frogtown Neighborhood Association / Hope Community / Housing Justice Center / Jewish Community Action / Metropolitan Consortium of Community Developers / Minnesotans Standing Together to End Poverty and Homelessness / Native American Community Development Institute / New American Development Center / Pueblos de Lucha y Esperanza / Urban Homeworks / West Side Community Organization

From: [Lisa Marvin](#)
To: [#MHFA_HTC](#)
Subject: response
Date: Wednesday, October 21, 2020 10:35:31 AM

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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 Redline Tenant Selection Plan Guidance 7 of 7 October 2020 to a lifetime sex offender registration requirement under a state sex offender registration program.

***My response: Violent crimes are not covered with this change. You are endangering, at some properties, vulnerable individuals, other residents and the staff that take care of these properties.. Rape, sexual assault (people are not always registered), predator type convictions, armed convictions and more are not covered and I believe you could in fact be held accountable if something does happen by requiring a property to allow a person with that history to live at their community. You will make it more difficult to hire -which at the moment is the most difficult already and that is someone speaking with 30 years in the industry. You will not encourage new owners to participate and offer affordable housing when you continue to take away their right to attempt to keep the property safe, their residents safe, their staff safe. As an instructor, I am teaching for a company that had a manager sexually assaulted while at the property. It has impacted this property terribly and the people that work there. Your note about research and 7 years does not protect us from individuals that were not required to be subject to lifetime registration.

You do not take into account in this guidance “pattern of behaviors” when we print a public background that has pages and pages year after year of misdemeanors and gross misdemeanors. Why is that important? Because it escalates police calls to our properties. People check how many police calls before renting all of the time – is your property safe, while a loaded question for us makes those that check not want to live there if you have escalated call amounts.

When you are working in a building that has homeless youth homeless families for example-I can personally tell you that the building goes into red alert when police arrive. The building tension literally rises. I have never seen anything like it and while that is a larger problem with deep rooted challenges, we need to have the right to deny a resident if we feel it will put our other residents and staff at risk.

Lisa L. Marvin, CEO

Certified Fair Housing Specialist, COM and COS

Essence Property Management, Inc.

3601 18th Street South, Suite 117

St. Cloud, MN 56301

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WRITER'S DIRECT DIAL NUMBER

October 21, 2020

COMMENTS ON TENANT SELECTION PLAN GUIDANCE

Tamara Wilson
Minnesota Housing
400 Wabasha Street North, Suite 400
St. Paul, MN 55102

BY EMAIL AND FIRST CLASS MAIL

Dear Minnesota Housing:

Thank you for the opportunity to submit comments. These comments relate to the Tenant Selection Plan Guidance revised October 1, 2020.

By way of background, I have been representing property owners and managers in residential rental housing for over 40 years. When many of the cities began to pass rental licensing laws in the 70s and 80s, and mandated background screening, I reached out to city officials and police departments to caution that some recommended forms of screening, such as a denial based on arrests, might be considered discriminatory. As a result of a number of meetings and communications with police departments, Crime Free offices, and elected officials, I spent years providing Crime Free training for the police departments and rental licensing liaison offices for the cities of Minneapolis, St. Paul, Brooklyn Park, Hopkins, St. Louis Park, and others. I have also worked with numerous clients throughout the state of Minnesota, and in the metro area, to develop Tenant Selection Criteria and disclosures that comply with state and federal Fair Housing laws, federal laws relating to credit reports and use of credit scores, and state statutes and city ordinances. Much of my practice is involved with Fair Housing training and defending property owners and management companies in Fair Housing cases. Our office does some work with supportive housing but most of my practice and the comments in this letter relate to market rate properties, Section 42 tax credit properties, and locally financed bond or affordable housing.

I have serious fears and reservations about the proposed Tenant Selection Plan Guidance being advanced by Minnesota Housing. Areas of concern include:

Guidance or Mandate. Is this a "guidance" or a mandate? If you are providing funding to a professional property owner and developer that has successfully developed, managed, and has a proven track record of running affordable properties, shouldn't some deference and respect be given to the business experience and history of an owner that has learned from years of experience what resident selection criteria work, and do not work, to produce lease compliant residents? The mandates of the state and federal Fair Housing laws, and VAWA, have been in place for years. Many

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of my clients have worked with us to develop compliant and consistent procedures. Although your guidance states “Consult with an attorney to determine if 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,” this Guidance is likely to be interpreted by your reviewers and others as a mandate.

Supplemental Evidence. The requirement that the Tenant Selection Plan “must state” that an applicant “can provide additional information with a completed application to explain, justify, or negate the relevance of potentially negative information that may be revealed by screening” is contrary to the standard practices of professional property owners and managers of all types of properties, including project-based federally subsidized properties and rural development properties. With the exception of the 2016 HUD Guidance on criminal background screening, which stated without any substantiation, empirical study, or evidentiary support, that an individualized assessment was a better way to evaluate criminal background screening, the requirement to set aside objective screening criteria relating to income, credit, rental history, evictions, or criminal and public record history, to include consideration of supplemental evidence, makes every rental decision an invitation for a Fair Housing complaint.

I have successfully defended many Fair Housing complaints over criminal screening. Being able to show that criminal screening models consider the age and severity of the offense, but treat people with the same records the same without regard to protected class status (race, color, national origin, etc.) makes the difference between winning or losing in these cases. Anytime there is a circumstance where a property manager strayed from the established criteria, conducted an individual assessment or considered supplemental evidence, the cost and magnitude of defending a Fair Housing claim, with the need to justify or distinguish every exception ever made in the policy, explodes.

Potential time delays and burdens for considering supplemental evidence, or conducting an individualized assessment is overwhelming to most leasing and management staff personnel. For Section 42 tax credit newly developed properties, where the time for doing a lease up can be short, and the requirements for determining income compliance can be substantial, the requirement to consider “supplemental evidence,” that could include everything from hard to read personal letters of character, voluminous court documents that even lawyers that do not do criminal work cannot interpret, or subjective opinions from unknown persons, is daunting. The notion that any owner or management company could achieve or enforce some consistency across the variety of persons asking for exceptions to the objective criteria is also doubtful. Speaking bluntly, I doubt anyone with experience in leasing properties, supports this requirement or believes it is a “good” or workable idea.

More importantly, there is now significant reason for Minnesota Housing to take a pause before incorporating requirements that originate from the 2016 HUD Guidance on Criminal Background Screening and the 2013 Discriminatory Effect Rule. HUD has published a Final Rule on disparate impact analysis, and the discriminatory effect rule, that goes into effect on October 26, 2020. In the Federal Registrar notice discussing the comments that were received on the new rule, HUD states

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that many commenters in the housing industry criticized the 2016 Guidance, and the suggestion of conducting an individualized assessment, as being unreasonably burdensome, difficult to administer, and inherently subject to implicit bias or subjective interpretation. HUD states that it will be reviewing the 2016 Guidance for consistency with the Final Rule. I do not believe the 2016 Guidance will be found to be consistent or “compliant” under the new Final Rule. (Federal Register Volume 85, 186, September 24, 2020 at 60330)

The assumption in Minnesota Housing’s proposed Tenant Selection Guidance that the 2016 HUD criminal guidance somehow represents “the law” or best practices, is not supported by the new Final Rule or the most recent pronouncement from HUD on the subject. HUD specifically states in its Final Rule that the 2016 subregulatory guidances are not binding. (Federal Register Volume 186, Thursday September 24, 2020 at 60297)

The 2016 HUD Guidance was criticized and by persons in the housing industry as making sweeping assumptions that were not supported by law or practice. In announcing that individualized assessments were “less discriminatory” or the “preferred mechanism for housing providers to fairly screen individuals with criminal history barriers” (the “2016 HUD Guidance”), HUD turned a blind eye to years of Fair Housing training and HUD publications that taught landlords that Fair Housing obligations require “rental criteria to be uniformly applied to all applicants.” Even if individualized assessments were not expensive and time consuming, it is difficult to see how any property management firm or its staff could provide individualized assessments that assure “equal treatment.”

The proposed Tenant Selection Guidance also relies heavily on findings that are drawn from a 2019 research paper known as the Wilder study. The proposal does not address recent questions that have arisen about the validity of the Wilder study, including questions that were raised by organizations that participated in the study.

The Wilder study did not examine the impact of criminal records on market rate housing or affordable tax credit housing. The limited participants in the study all provided supportive housing services. Importantly, the study also failed to consider the impact of records held by individuals with multiple offenses, as opposed to one offense. The Wilder study focused on individuals convicted of lower grade crimes, and considered the likelihood a convict committing the same or a similar crime in the future.

Wilder, and the 2016 HUD Guidance, narrowly assume that the relevant metric in determining the validity of criminal screening is whether or not a person with a criminal record re-offends or commits the “same offense.” Criminal record screenings, particularly records that show persons with multiple offenses, can be relevant and probative to achieve these valid and legitimate business/rental housing goals:

Persons that are willing to violate the laws of society, and do it enough to “get caught and convicted,” are more likely to be persons that do not follow “rules.”

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Landlords, particularly those with an obligation to follow strict compliance guidelines relating to income limits, student status, and eligibility, have a legitimate interest to rent to people that will “follow the rules” and be truthful.

The 2016 HUD Guidance talks about the then effective 2013 Discriminatory Effect rule, and speculates that the business reason for a landlord’s criminal screening is a landlord’s concern about potential dangers to other tenants or to the property. Landlords care about other types of unlawful activity as well. From the standpoint of peaceful enjoyment of property, someone that engages in public urination, selling liquor to minors, disturbing the peace, or thinks that smoking weed at a no smoking property is “no big deal,” can create a living hell for neighbors, and for the management company trying to protect everyone’s right to the use and enjoyment of the property. The assumption that low level crimes are not relevant, or should not be considered in evaluating somebody’s suitability as a tenant does not reflect any real world experience with property management. It is pretty easy to get rid of somebody that fires a loaded weapon at a rental property. But a landlord can spend thousands of dollars, months of legal proceedings, and lose good residents in trying to get rid of a tenant that engages in ongoing, more minor, lease violations.

Most tenants believe their landlord should screen and deny housing to persons with a record of assault, sex offenses, armed robbery, or similar. Most renters would be shocked if they were told that anything older than “7 years” might not count, or that an applicant with a “good story” could put Management in a position to “make an exception.” Alleged “negligent screening” can give rise to claims for liability on early termination of lease.

Some cities and municipalities, particularly out of the metro area where developers face more hurdles in promoting and developing affordable property, take Crime Free Drug Free practices as a serious matter. I have been involved in meetings with clients being “called on the carpet” by local law enforcement or licensing officials when the affordable housing project appears to be a source of “too many police calls” or unlawful activity. Owners and managers that do not take proactive steps to prevent and deter unlawful activity, including screening, can face fines, and potentially loss of rental license.

Significantly, one federal lawsuit has recently been filed challenging the Minneapolis screening ordinance as unconstitutional on several different grounds.

Before Minnesota Housing approves these broad mandates to be added to your Tenant Selection Plan Guidance, I urge you to take a step back and to, at a minimum, postpone taking action to implement these changes until a consideration and analysis of the impact of HUD’s final rule on disparate impact and announced review 2016 criminal guidance is completed.

Respectfully submitted,


DONNA E. HANBERY

DEHcmg10202020

VIA EMAIL

October 26, 2020

Minnesota Housing
attn: Tamara Wilson,
400 Wabasha Street North, Suite 400
St. Paul, MN, 55102

RE: 2022-23 Revised Qualified Allocation Plan and Tenant Selection Plan Guidance

To Whom It May Concern:

The Housing Justice Center (HJC) submits the following comments on the Minnesota Housing's Revised Draft 2022 QAP and the Proposed Tenant Selection Plan Guidance.

Tenant Selection Plan Guidance

Housing Justice Center is greatly encouraged by the revisions to the tenant selection plan guidance, in particular the broader application of the prohibition of use of credit scores as a screening criteria for LIHTC developments at all income levels. The tenant section plan guidance as amended is consistent with the findings of recent research and we believe that this is a move in a positive direction.

We are also supportive of the move toward requiring an opportunity to present mitigating factors and individualized circumstances. We ask that the agency continue to work to refine what this means and how to ensure that the presentation of individualized circumstances can lead to better outcomes for renter households with barriers to housing access.

We believe that the section on criminal history for housing development that are not specifically supportive housing still remains too vague and should include specific limitation on the use of older criminal convictions as opposed to general principals about the meaning of past convictions. Our analysis of tenant selection plans in tax credit buildings show a broad range of approaches that sometimes serve to screen people in, but often serve to screen people out of housing opportunities. Limitations such as those in the Minneapolis and Saint Paul ordinances as well as the guidance provided to supportive housing in the Tenant Selection Plan would serve to create more equitable housing opportunities.

We also appreciate and support the revision requiring compliance with the new tenant selection plan guidance for all existing properties financed by Minnesota Housing. We believe that this will increase the public benefit of public investment in housing opportunities.

Qualified Allocations Plan and Associated Documents

Overall, we were pleased to see several significant amendments to the Draft QAP and Self Scoring Worksheet, including a sharper focus on POCIBE and WBE in accessing public development resources and more clearly articulated focus on equitable engagement of community stakeholders in the development process.

As a general observation, the QAP and associated documents remain overly complicated and confusing. Identifying the highest priorities from a mission standpoint and ensuring that projects that meet these priorities can access resources is the purpose of the QAP. Funding support for financially feasible developments that serve the lowest income people for the longest period of time with the broadest array of public benefits in terms of racial equity should be an inevitable outcome of the QAP process. This is difficult, but not impossible.

1. We still contend that the QAP still does not do enough to prioritize housing for people with incomes below 30% of AMI. Any incentives that exist for serving lower-income households can be overshadowed by the geographic and financial factors with the potential result of rewarding 60% AMI developments above more deeply affordable development. No public resources should go into 60% AMI housing unless there is a tradeoff through income averaging that creates 20% AMI, 30% AMI, or 40% AMI units.
2. To this end, the agency must do more to refine its approach to financial readiness to proceed. The current structure still presents three different challenges contrary to what the agency is trying to accomplish. First, there is still a disadvantage for communities with lower achievable rents and therefore more significant gaps. Secondly, the calculation is a disadvantage for developments that choose to set their rents lower. Third, this creates potential issues for emerging development entities who may have less access to resources coming into the funding process. We would be happy to have more discussion about this issue and ways to address the objective of efficient use of resources without creating a barrier for deeply affordable housing in areas that struggle to access investment.
3. We still believe that Minnesota Housing should require that rents in buildings funding using tax credits need to be set at or below voucher payment standards. Under 42 U.S.C. (6)(B)(iv) renters cannot be discriminated against because they have a housing choice voucher. However, we are aware of some instances where rents of presumably affordable units are set above vouchers payment standards. This is particularly challenging for very low-income households where the

difference between the portion of the payment standard and the rent puts potential renters above 40% of the household's income paid toward housing costs and therefore prohibits them from using their voucher. As a condition of receiving tax credits, rents should be below voucher payments standard unless the unit is designated as a 70% or 80% unit using income averaging, and the rent is utilized to cross-subsidize deeply affordable unit rents.

4. The methodology for Need for More Affordable Housing Options appears to be off the mark in terms of actually addressing the great housing need. In order to focus on people are areas with the greatest need, it might make more sense to look at either severe housing cost burden or serious housing problems, rather than basic housing cost burden. In terms of the level of need and the priority of resources, there is a difference between someone who is paying 31% of their income toward housing costs and someone who is paying 51% of their income toward housing costs, but the QAP methodology treats this the same. There are also racial equity implications of the methodology – for example, according to the most recent CHAS data, BIPOC households in the households in the Twin Cities are 4x more likely to be low income and experiencing severe housing problems (paying more than 50% of income toward housing, lack of kitchens, or severe overcrowding) than white households. The other side of the equation – looking at areas that lack housing at 50% AMI – appears to incentivize strange land use decisions that prioritize exurban areas.
5. We greatly appreciate the increasing penalties for unacceptable practices in the HTC Procedural Manual. We still believe, however, that unacceptable practices should include documented violations of labor standards including wage theft and labor trafficking, as well as persistent violations of habitability standards including instances of violations in other properties owned and operated by a development entity.

We want to thank the agency for all of the work and thought that go into the creation of the QAP. Where we spend our resources and for who is a manifestation of our values as a state. We think that this QAP is a step forward but could also go further toward articulating the values that we share about safe, stable, dignified housing that people can afford, free from discrimination and with a range of choices to meet individual needs and preferences.

Truly,

A handwritten signature in black ink, appearing to read 'Margaret Kaplan', with a long, sweeping horizontal stroke extending to the right.

Margaret Kaplan
President, Housing Justice Center

October 26, 2020

Ms. Tamara Wilson
Minnesota Housing
400 Wabasha Street North, Suite 400
St. Paul, MN 55102

RE: Tenant Selection Plan Guidance

Dear Ms. Wilson:

Thank you for the opportunity to comment on the Tenant Selection Plan Guidance draft dated October 1, 2020. It appears that this Tenant Selection Plan is intended to apply retroactively to projects which have already received funding through Minnesota Housing. Consequently, it appears that Owners have not agreed to the provisions that have been added to this document. Specifically concerning are the following:

1. Page 1 – Item 1 -- Requirement that owner provide meaningful access to information for people with limited English proficiency. It is not easy to find or schedule interpreters in many languages. Currently, applicants/residents bring interpreters with them to meetings when they need them, and this works well. Often family members can translate, and they know how to meet the needs of the applicant/resident as well as those of the manager/owner. It is not practical for owners/managers to coordinate interpreters, given the numerous languages/dialects represented within our communities – and the inability to understand what is being requested when no interpreter is present at initial contact.
2. Page 1 – Item 4 – Fair Housing Attorneys consistently indicate that considering Supplemental Evidence is likely to lead to Fair Housing challenges, since owners/managers would now be required to make subjective assessments.
3. Pages 2-3 item 8 – The examples of circumstances that are related to abuse which might be considered unlawful are problematic. In reality, many victims of violence do not take the actions necessary to prevent their abusers from coming back to their units. Instead, they allow and encourage their abusers to come back time after time, and the abusers repeatedly cause problems at the property. In more than 75% of domestic abuse cases at my clients' properties, the victim has numerous lease violations for disturbing the peaceful enjoyment of the property, loud fighting, or allowing trespassed individuals back on the property. All of these items should be allowed to be considered when determining whether a household can move-in.
4. Pages 5-6 Rental history – Eviction actions that are settled should be allowed to be considered. Eviction actions that are more than 3 years old should be allowed to be considered. Most landlords do not file eviction actions unless there is significant reason for eviction. If an eviction action has been filed, owners/managers have the right to consider this, and most existing residents want this considered. Noise violations, fighting, smoking in a non-smoking unit, having a barking dog and other things that are a nuisance to other residents in the building should be allowed to be considered.
5. Page 6 For supportive housing units, Owners must be allowed to screen out households based on housing history, including evictions, references from other landlords, and money owed to

previous landlords or utility companies. Past performance/history have a strong correlation with successfully interacting with neighbors and getting along in a property. I almost always regret overriding my regular screening criteria to take a household with a negative reference, or a history of eviction or lease violations because the resident often creates many nuisance problems for the site manager and other residents.

6. Pages 6-7 for supportive housing units, Owners must be allowed to screen out households based on criminal convictions. Participation in a diversion or deferral of judgment program does not guarantee success in a property, and households with criminal backgrounds might have been considered "successful" in some recent studies, but that doesn't mean that the household isn't disruptive or a significant problem for the community.

I understand the need to find ways to house people who have difficulty finding housing. However, many of the households who have difficulty finding housing have difficulty because they cannot follow rules, and their failure to follow rules creates significant issues for their neighbors and the developments as a whole.

Please consider creating more developments that cater all units to households who have difficulty following rules, and teach them how to follow the rules. It is very difficult to manage properties when households are loud, smoke in non-smoking buildings, yell at and threaten neighbors, etc.

Thank you for considering these comments. Please feel free to contact me at 763-226-1833 if you have questions or concerns.

Sincerely,

Juanita I. Pekay

JIP:tim

General Considerations - from Lloyd Management Inc.

4. Supplemental Evidence – While we allow a full appeal process for all applicants and outline supplemental evidence that can be provided, we prefer to have applicants submit the information during the appeal. Our automated screening criteria makes the initial approval or denial and adding the supplemental evidence too soon will put the initial determination on a human level which makes enforcing criteria equally across all applications more difficult. We would prefer to see “This information must be evaluated ~~at the time of application final to determine~~ **before a final determination of** acceptance or denial of an applicant and must also consider:” and tie in with #7 more and help support 11.d.

8. Domestic Violence – Should the sentence read: “...otherwise discriminate against ~~women~~ **any individual** because of their status as domestic violence survivors are likely unlawful under federal law.”?

10. Tenant-based Rental Assistance – can it be modified to exclude properties with project-based assistance? Example: “As a condition of receipt of funding through Minnesota Housing, housing providers are not permitted to refuse to lease a unit to, or discriminate against, a prospective resident because the prospective resident has a housing choice voucher (HCV) or any other form of tenant-based rental assistance, **although the tenant based assistance may not be accepted if the property has project-based assistance.**”

Tenant Screening Criteria

2.b.&c. We believe landlords should be able to factor in housing/eviction history and money owed to previous landlords within the previous 1-2 years minimum, unless there is a program in place that will reimburse the property for any future losses due to damages, evictions, non-payment of rent. It can place an unfair financial burden on the manager/property owners. Cash flow at our properties with LTH/service units often do not allow for the property to retain/pay the type of intensive housing supports needed for some households. This criterion is also vital in our efforts to provide a peaceful environment for our existing renters and to keep costs/rents reasonable.

If we cannot use the information to screen applicants, we would most likely not gather the information at all. However, if the housing history created an initial denial, the subsequent appeal process allows a wonderful opportunity for the applicant, services and owner/manager to discuss the behavior, any supplemental information, and what steps have been/will be taken to avoid it in the future.

2.d.vii. This section is a bit confusing to our staff the way it is written. Is it saying we CAN NOT use criminal felony convictions over seven years old EXCEPT for the manufacture and/or distribution of controlled substances or sex offenses placing the individual on the lifetime sex offender registry? Maybe break out the exceptions out of the statement as to what we must allow?

October 26, 2020

Devon Pohlman
Manager of Multifamily Programs
Minnesota Housing
400 Wabasha St N #400
St Paul, MN 55102
Via email: htc.mhfa@state.mn.us

Re: MHP Comments on Minnesota Housing 2022-23 Qualified Action Plan (QAP)'s proposed changes based on prior public comment

Dear Ms. Pohlman:

On behalf of the Minnesota Housing Partnership, thank you for the opportunity to provide comments on the Minnesota Housing 2022-23 Qualified Action Plan. We have submitted comments on the 2022-23 QAP on two prior occasions, in February 2020 and July 2020.

Minnesota Housing Partnership (MHP) convenes, guides and mobilizes diverse partners working to improve conditions of home and community, from private developers and tribal leaders to elected officials. Crossing boundaries to forge broad coalitions, we amplify a common vision: building strong, equitable communities that provide opportunity for everyone, especially those with lower incomes. We provide capacity building and technical assistance in rural areas and Native nations, produce original research, and advocate for policies that advance affordable housing and strengthen communities.

MHP appreciates many of the most current proposed modifications made by Minnesota Housing to the QAP including:

- **Increasing Geographic Choice.** MHP supports the additional adjustments made to reflect the realities of transit availability in Greater Minnesota communities.
- **Multifamily Award History.** In previous comments, MHP strongly supported the addition of this criteria. MHP supports these additional changes to ensure criteria applied to reasonable geography in Greater Minnesota as well as Twin Cities metropolitan area.
- **Retitling to Black, Indigenous, and People of Color-owned/Women-owned Business Enterprise.** MHP continues to support this change, as one transparent way to ensure clarity that Black business enterprises are reflected in scoring criteria. MHP supports additional efforts to disaggregate data and program evaluation based on race, as reflected in a letter to Commissioner Ho of June 24, 2020, providing general program feedback.

MHP supports the following but has some reservations:

- **Greatest Need Targeting.** In previous comments, MHP expressed support for targeting resources to households at or below 30% AMI. In many communities, there is significant need for more deeply affordable units that do not require supportive services. The proposed change, which is intended to balance the types of projects that are awarded funding, does little to address this significant gap in the housing continuum. With the Legislature's failure to include deeper affordability without supportive services as a new eligible use for Housing Infrastructure Bonds and the lack of projected new resources due to the State's forecasted budget deficit, MHP believes extra points should be awarded to any project in which 50-100% of the units serve households at or below 30% AMI, regardless of whether they provide supportive services. Additionally, it is important to reiterate in these comments that permanent supportive housing can be a challenge in Greater Minnesota. In fact, further restricting units can make it harder to utilize LIHTCs in Greater Minnesota.
- **Innovative Construction Methods.** While MHP appreciates setting incentives to reduce total construction costs, we note that COVID may have an ongoing impact on construction costs including material availability, reducing ability to reduce costs. MHP also notes that it continues to support quality construction that produces long term energy efficiency and energy savings and cost metrics that allow best calculation of these long-term benefits.
- **Qualified Stakeholder Group.** We support incentives to ensure Communities Most Impacted (CMI) are at the table throughout the planning and development processes. The proposed changes provide necessary clarity and guidance. Because it takes significant time and skill to design and implement appropriate engagement strategies, MHP encourages MH to provide technical assistance to communities and developers who need to build capacity in this area.
- **Tenant Selection Criteria.** MHP appreciates that Minnesota Housing is continuing to adjust criteria to balance landlord concerns about new screening process implementation with needed additional protections for renters against unfair and exclusionary screening processes. MHP will continue to seek feedback as Minnesota Housing implements its current proposed changes and anticipates this may be a section where additional changes will be proposed for future QAP selection. MHP notes that additional detail is needed to clarify how compliance is implemented.

MHP appreciates the opportunity to provide feedback on the proposed changes to the 2022-23 QAP.

Sincerely



Libby Murphy
Deputy Policy Director

October 26, 2020

Minnesota Housing Finance Agency
Tamara Wilson
400 Wabasha St. Suite 400
St. Paul, MN 55101

Submitted via electronic delivery

Subject: Qualified Allocation Plan (QAP) and Tenant Selection Plan Guidance (TSPG) 2nd Comment Period

I write today on behalf of the Minnesota Multi Housing Association and its 1,900 members representing nearly 400,000 units in the state of Minnesota. Our comments raise areas of concerns and of support on the draft 2022-2023 Qualified Allocation Plan and the Tenant Selection Plan Guidance.

TSPG LANGUAGE

Retroactive Mandate Language

We have concerns about the retroactivity of the new tenant screening guidelines. The policy goals are admirable but the process for achieving those goals is deeply flawed. This language would functionally alter the terms an owner has agreed to when purchasing or developing a project using Section 42 resources. This new guidance could have serious adverse effects on the financial viability of a multi housing dwelling.

Furthermore, we do not find anywhere in State Statute or Agency Rulemaking that allows a prescriptive tenant selection process to be required by the Agency. Additionally, federal law does not prescribe a tenant selection process in U.S. Code 42. Under a normal selection process, priority points are awarded toward their project for meeting the needs of a community. This mandated one-size-fits-all approach to the tenant selection plan breaks with the historical norms of the Agency and instead mandates this as a new policy on all MHFA Section 42 projects. We oppose this mandate. It is our understanding that the terms of agreements with the Agency, such as the Bond Regulatory Agreement and LURA, cannot be amended unless both parties agree in writing.

Prospective Language

As we consider the future of housing in Minnesota, it is concerning that a new regulation could push some out of the market of developing affordable housing for Minnesota residents. At a time of historic investment in housing at the legislature and with an incredible need in our state, it is disappointing the Agency wishes to disincentivize affordable housing development.

Effective Dates

The language contains different effective dates which reduces clarity in several sections of the guidance. For example, there are different effective dates for requirements even within sentences which makes it nearly impossible to understand the intentions of some sections due to the way it is presented.

Supportive Housing Definition

As we consider this push by the Agency, we have concerns about how the Agency has or will define supportive housing. The Minnesota Housing website seems to broadly define the goals of supportive housing to include, to “move people experiencing homelessness into affordable, permanent housing” among other supportive housing goals. This also seems to suggest that an affordable housing project might be subject to the additional supportive housing tenant screening criteria, despite not offering

supportive services. We suggest that the Agency provide a definition which clearly defines supportive housing as housing in which supportive services are offered within a housing development.

QAP LANGUAGE

Construction Innovation

We are supportive of the change you made based on the comments from Rise Modular on the reduction of total construction cost by at least 10%.

Greater Minnesota Projects

We are disappointed to see there has been no significant change in how the Agency will use tax credits in Greater Minnesota. In communities of less than 15,000, it is nearly impossible to pencil out a project with Agency resources. These are important communities which support important economic drivers in Minnesota. These communities continue to have significant rental housing needs that go unmet by Agency resources.

Changes during COVID

In a year where housing has been destabilized, it is disappointing to see the Agency push new regulations and administrative burdens onto owners and operators of rental housing. The process for second comments is only scheduled for three weeks while owners and operators are busy managing during a pandemic. Disappointingly, the first opportunity provided by the Agency for testimony and questions was on October 21st, 5 days before final comments are required to be submitted. The Agency should not implement new rules where there is not complete stakeholder agreement or at least the opportunity for considerable stakeholder participation.

Sincerely,

Cecil Smith
President & CEO
Minnesota Multi Housing Association

Dear Commissioner Ho:

This is a thanks, along with some suggestions regarding priorities for Minnesota Housing's Qualified Action Plan. Thank you for your efforts to help meet needs of Minnesota youth, individuals and families who are homeless, and for holding listening sessions around the state. As you've asked, we've encouraged legislative support.

Some of the people who are signing this letter have been homeless. Others of us are district & charter educators, elected officials and a number of community and social media activists. We're eager to work with you.

We have several recommendations regarding modification of the draft.

#1 Please include housing and related services for children and youth who are homeless as a priority. As we read the draft, we did not see the word "youth." Yet both reports to the Minnesota Department of Education, ([found on Minnesota Education Report Card](#)) and the most recent Wilder Foundation report cite the fact that there are thousands of homeless youth. [Wilder's most recent report](#) notes that homeless children and youth under age 24 "represent nearly half of the homeless population (46%)" Authorities acknowledge that these numbers do not reflect the full extent of youth homeless. MDE's numbers, for example, reflect only the number of homeless on one day in October. Yet many districts report that the number of homeless youth can be double, even triple this number of the course of a year.

Moreover, as [Wilder notes](#), "African Americans, American Indians, and youth who identify as LGBTQ are particularly over-represented among the homeless population. Researchers have found, long term negative impacts of homeless on children and youth. Minnesota's [Dr. Tom Kottke](#), for example, pointed out that "Children are more likely to meet developmental milestones when raised in stable and healthy housing... . The [American Psychological Association](#) notes, "Homelessness has particularly adverse effects on children and youth including hunger, poor physical and mental health, and missed educational opportunities. Homeless children lack stability in their lives with 97% having moved at least once on an annual basis, which leads to disruptions in schooling and negatively impacts academic achievement." Research also pointed to the need for supportive housing environments such as, for example, Prior Crossing and Ain Dah Yung.

2. Please include as a priority, teen parents and their children who are homeless. The [American Psychological Association](#) notes that "Homeless single mothers often have histories of violent victimization with over one third having [post-traumatic stress disorder](#) (PTSD) and over half experiencing major depression while homeless. An

estimated 41 percent develop dependency on alcohol and drugs and are often in poor physical health.”

3. **We encourage language in the RFP that is explicitly, broadly inclusive** – of all races, ethnic groups, sexual orientation, marital status, age, disability, etc.

4. **Please include the possibility of students building homes for homeless**, as currently [is being done in some communities via Youthbuild.](#)

With respect and eagerness to collaborate,

Chauntyll Allen, member, St Paul Public School Board, organizer, Black Lives Matter
Nancy Bitenc, co-founder, United for Action: Dramatically Reducing Youth & Family Homelessness

Charlotte Castro, Educator

Anne DSousa, homeless advocate, moderator, Advocates for Those Unsheltered page, Facebook

James Farnsworth, Executive Director, Highland Business Association

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Katie Groh de Aviña, Executive Director, El Colegio High School

Margaret Hastings, Director “ Illegal to Be Homeless”

Aaliyah Hodge, MPP

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Jane Leonard, President, Growth & Justice

[Jonette M. Lucia, MMA consultant, Retired Coordinator, Northwest Hennepin Family Service Collaborative](#)

[John Mannillo, Chair of Saint Paul STRONG](#)

[Diggitt McLaughlin, St Paul Community Activist and West Sider](#)

[Alberto Monserrate, CEO, New Publica](#)

[Amy Meuers, Chief Executive Officer, National Youth Leadership Council](#)

[Joe Nathan, PhD, Director, Center for School Change, co-founder, United for Action](#)

[Carin Peterson, President, Sheridan Neighborhood Association](#)

[Sue Watlov Phillips, M.A., Executive Director, MICAH](#)

[John Poupart, Former Ombudsman Mn Dept of Corrections, President and Founder American Indian Policy Center \(retired\)](#)

Jane Prince, St .Paul City Council, Ward 7

Khulia Pringle, Family Advocate. MN Parent Union

Khalique Rogers, Consultant to Youthprise on Homelessness, Univ of Mn student

Tony Simmons, Executive Director, High School for Recording Arts

Caleigh Souhan, Vice President of Sheridan Neighborhood Organization.

David Tilsen, former Minneapolis Public School Board member

Deb Tilsen, songwriter

Jim Scheibel, Professor of Practice, Hamline University, Former Mayor, Saint Paul

Wokie Weah, President, Youthprise

From: [Jane Anderson](#)
To: [#MHFA_HTC](#)
Subject: TSP comments
Date: Wednesday, October 21, 2020 11:28:24 AM

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I have read the proposed changes to the TSP and have these comments:

1. Evictions: There are evictions for non-payment of rent and there are evictions for other breaches of the lease. Instead of saying that anyone with a UD that is older than 3 years must be accepted, there should also be some sort of exception to this if the UD was for serious breaches of the lease like criminal activity or damage to the unit etc. 3 years is also not enough time, it should be at least 5. This recommendation applies to Supportive Units as well. I understand that homeless households have many barriers to housing but if someone committed a crime on a property or completely damaged a unit they lived in previously, it seems extremely unfair that landlords have no choice but to accept this household.
2. Criminal Convictions as it relates to Supportive units: Paragraph viii: The word ANY is extremely problematic or felonies. So if someone is convicted of murder, rape, arson, or other serious crimes, landlords have to accept that person if the conviction happened more than seven years ago??? This is a frightening prospect.

Let me know if you have any questions.
Thanks for reading.

Jane Anderson
Vice President
Northstar Residential, LLC
(952) 544-0331

From: [Pearl, Sherry](#)
To: [#MHFA_HTC](#)
Subject: Tenant Selection Plan proposals
Date: Wednesday, October 21, 2020 12:53:39 PM

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I am responding to the limitations that MHFA expects to put in place for landlords and screening criteria.

When I first heard of the proposal for Minneapolis and St. Paul my thought was I will no longer manage the property in Minneapolis that I have been managing for over 8 years and explained the reasons why to my customer. The customer who has been renting in south Minneapolis for over 40 years has decided to sell the last property they hold in the city due to the restrictions that are being put on the landlords.

One of the issues I have is with the lack of ability to hold a tenant's UD against them because it may have been settled in court. The resident may owe several thousands of dollars but the landlord just wants the tenant out at this point and therefore makes an agreement to have them move out. This will show that it was settled in court and the next landlord cannot hold this against the tenant. When a landlord attends court the judge will not hear the case unless a settlement has been attempted between the defendant and the plaintiff. Most cases in housing court are settled.

The second issue is we are also expected to allow any person in even though they have a bad rental history. If a tenant has destroyed another property or failed to pay rent the business should not be required to put their business and possibly their rental license at risk. When the tenant destroys another property or doesn't pay rent there will be no entity to reimburse the business for the lost income. Depending on the area of the property it could end up being significant. I worked with homeless individuals and all of them damaged my apartments. It cost several thousands of dollars in damages to repair the units. I could no longer afford to continue to rent to the chronically homeless. The agency I was working with stated they would reimburse for any damages but never did.

The third issue is we are unable to deny a person based on any convictions for petty misdemeanors, prostitution, alcohol related crimes, or low level property crimes (theft). In this case there is no timeline. A person may have been sentenced for a crime last week and we are unable to deny them because they committed one of the crimes above. When the person has a history of committing these types of crimes we cannot deny the applicant.

The final issue is we are unable to use the fact that a person has a bad credit history and does not pay any bills on time and has multiple judgements. This is another issue that restricts a landlord from renting to a good renter.

In conclusion, implementing these restrictions on landlords and their business put the system as a whole under question. Restrictions like these makes a landlord ask "Why bother to do any due diligence on the applicants at all. I can't deny them for any reason unless they have a

felony under 7 years old." As landlords we have restrictions to protect the business, property and other residents in our properties. If I lived in a property I would want to make sure that there was some kind of criteria and I wasn't living next to a drug dealer or a prostitute. If you want your regular owners (not massive corporations) of property to continue to rent to tenants without maybe your income restrictions we need to be able to have some say in whom we allow at our properties. It's either that or corporations will be the ones owning the rental housing making sure that the income guidelines are high, deposits are high, rents are high and the supply of actual low income housing is low. or government owned properties. This will be the end of the individual owning properties because the risk will be too high. You are taking away the rights of the business owner to limit his/her risks.

I understand that these are for just MHFA properties however, it will not end with just MHFA properties.

--

Sherry Pearl
Senior Property Manager
Penelope 35 I & II
Bloomington, MN



PROJECT FOR PRIDE IN LIVING

1035 East Franklin Avenue
 Minneapolis, MN 55404
 P (612) 455-5100 F (612) 455-5101
 www.ppl-inc.org

October 26, 2020

Tamara Wilson
 Minnesota Housing
 400 Wabasha Street North
 Suite, 400
 St. Paul, MN 55102

Re: PPL Comments on the Proposed 2022-2023 QAP and Self-Scoring Worksheet

Dear Ms. Wilson,

Thank you for the opportunity to comment for a second time on the proposed 2022-2023 QAP and Self-Scoring Worksheet. Our first set of comments were extensive and covered virtually all aspects of the proposed document. We appreciate that Minnesota Housing has responded to many of those comments in the revised QAP and Self-Scoring. This letter will focus on our primary remaining concern: the “Need for More Affordable Housing Options” criteria at 3A in the Self-Scoring Worksheet.

We have two primary concerns regarding the “Need for More Affordable Housing Options” criteria: first, that it contributes significantly to the geographic determinism of the proposed Self-Scoring, which does not allow for true community choice, and second, that the methodology creates some questionable contrasts between some adjacent census tracts, and does not allow for exceptions or adjustments in anomalous census tracts, such as those that do not currently have any residential.

We agree with the input provided by many across the state, as documented by the seventeen public engagement sessions facilitated by Minnesota Housing, that *“communities should drive development to be responsive to their needs, focusing on racial equity by prioritizing communities that have been historically disinvested and discriminated against.”* The point structure set up in the proposed Self-Scoring will determine project locations, rather than allowing community choice to drive (or at least participate in) this foundational project decision.

Geographic choice is important not for its own sake, but in order to allow future residents and other important stakeholders to choose a project location that will best serve the target population. PPL’s Emma Norton project, for example, analyzed eight sites across the City of Saint Paul, and ultimately chose a site within the Ford Site redevelopment because it will offer multiple transportation options, and is located within a low-crime area, important for the healing and growth of the vulnerable population. Whether or not this project is funded in the current round, the 2022-2023 QAP should preserve project teams’ ability to choose amongst a variety of sites, and not limit the viable options to a few select areas.

Geographic choice will be limited because the “map-driven” points in the proposed Self-Scoring add up to a possible 36 total points, while “community-driven” points add up to 6 points. This breaks down as follows:

Map-driven:

- Criteria 3A, Need for More Affordable Housing Options, up to 10 points



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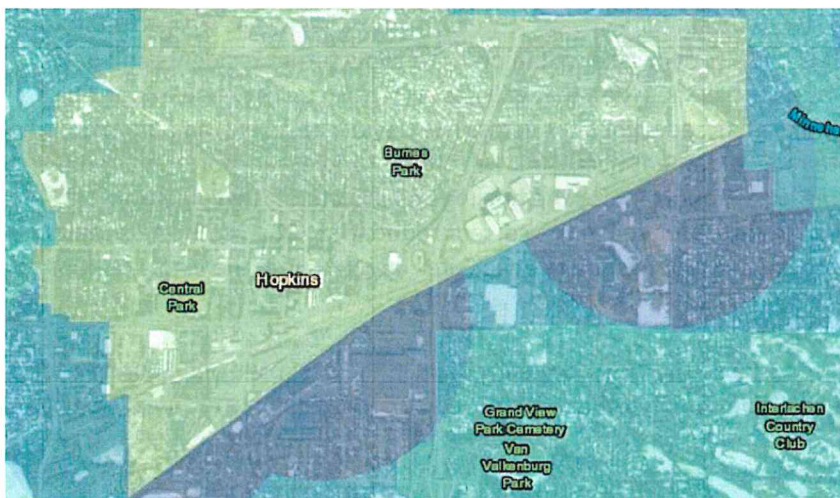
- Workforce Housing, up to 6 points
- Transit and Walkability, up to 9 points
- Rural/Tribal, up to 4 points
- QCT/Tribal Equivalent/Opportunity Zones, up to 3 points
- Multifamily Award History, up to 4 points

The criteria that prioritize local community decision-making include:

- 4A, Community Development Initiative, 3 points
- 4B, Equitable Development, 3 points

We appreciate the greater transparency these map-driven criteria bring to the selection process (in particular, the Multifamily Award History) and acknowledge that in many cases the data reflects real geographic advantages for future residents of certain areas (such as the transit points). However, we believe that collectively these map-driven criteria have too much weight – the “Need for More Affordable Housing Option” criterion in particular. Even a project within a community development initiative that also qualifies as equitable development will never be able to overcome the “Need for More Affordable Housing Option” points if a community has chosen a site that does not qualify for these 8 to 10 points.

As we mentioned in our comment letter during the first round, the system of points as currently weighted can prioritize immediately adjacent census tracts in illogical ways. In Hopkins, for example, areas south of the Southwest Light Rail line are Tier 2 tracts (in which more than 50% of residents are cost-burdened) and very highly ranked for future development of affordable housing, while the middle-income City of Hopkins itself will score 13 or fewer points, and projects located there have very little chance of gathering enough points to ever receive a tax credit award. Logically, affordable housing development will drive economic integration and create transit-oriented opportunities whether developed on either the north and south sides of the LRT line.



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Another example of an illogical adjacency is the contrast between census tract 0776.01 in Saint Paul, which includes a large formerly industrial area that is planned to be redeveloped but scores only 10-13 points, and census tract 9800.00 at the airport, which scores 30 points yet includes very few residences, which are likely skewing the data.



We propose that Minnesota Housing address the inconsistencies that are resulting from the Need for More Affordable Housing Options methodology by eliminating this criterion from the Self-Scoring Worksheet. If that is not an option, we propose that Minnesota Housing both (1) reduce the number of points awarded to this criterion by half, and (2) allow project teams to submit their own detailed data for tracts that may be skewed by unique circumstances, such as the inclusion of a large formerly industrial area, airports, and similar large areas of non-residential land uses.

Thank you for this opportunity to comment on the draft QAP. Please let me know if you have any questions about any of the comments above. We look forward to partnering with Minnesota Housing to deliver more affordable housing in the future!

Sincerely,

Mike LaFave
 Senior Vice President of Housing Stability

From: [Asher Gavzy](#)
To: [#MHFA_HTC](#)
Cc: [Patrick Moore](#)
Subject: Proposed Updated Tenant Selection Plan (TSP Guidance) - your comments to proposed changes
Date: Monday, October 19, 2020 3:26:36 PM
Attachments: [image002.png](#)

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Hello MHFA,

My area of grave concern to the revised MHFA proposed tenant screening criteria is: "Clarify that we do not have a minimum income requirement and limitations on the use of an income to rent ratio." Not having a minimum income requirement puts a disservice to the potential applicant and sets people up to fail. For example, how can a person with \$500 of monthly income rent a unit at \$900 per month? This will only set-up people to default on rent and end up in court or cause the property more bad debt, which will put a more significant expense on the apartment, which will then, in turn, need to increase rent to cover costs.

I would hope MHFA could provide examples and define "insufficient rental history".

I would be happy to discuss this in greater detail if requested.

Thank you,



ASHER GAVZY, President & CEO
Property Solutions & Services, Inc.
Office: 612-746-0400 ext 11 • Fax: 612-746-0401
Email: asher@propertyss.com • www.propertyss.com

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From: [Shannon L. Jones](#)
To: [#MHFA_HTC](#)
Cc: [Nicole \(Nikki\) D. Sand](#); [Kathryn \(Kate\) J. Peterson](#); [Rogney, Tina \(MHFA\)](#)
Subject: Tenant Selection Plan Guidance
Date: Monday, October 26, 2020 4:50:16 PM

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Hello,

After reviewing the proposed Tenant Selection Plan Guidance Sand Property Management has collectively discussed and has the following feedback.

General Considerations –

1. Written Tenant Selection Plan – The owner must provide meaningful access to the information for people with limited English proficiency and people with disabilities.

What does “meaningful access” mean? If management provides an interpreter, or materials translated are supplied would this be covered by meaningful access? Will MN Housing be providing additional resources for management companies to utilize?

Tenant Screening Criteria -

1. For all housing units that are not supportive housing, an owner must apply screening criteria that do not reject an applicant for any of the following reasons:

- a. Credit History:

- i. Credit score by itself, though information within a credit report directly relevant to fitness as a tenant can be relied upon by a landlord; or

- ii. Insufficient credit history, unless the applicant in bad faith withholds credit history information that might otherwise form a basis for denial.

Further clarification on the above. Is management able to deny an applicant based on poor credit along with poor rental history or past due utilities? The way I understand it is we could not deny solely based on poor credit history

- b. Rental history:

- i. An eviction action pursuant to Minnesota Statutes Chapter 504B if the action:

- i. Was dismissed or resulted in a judgment for the applicant before the applicant submits the application;

- ii. Resulted in a judgment against the applicant that was entered three (3) or more years before the applicant submits the application; or

- ii. Insufficient rental history, unless the applicant in bad faith withholds rental history information that might otherwise form a basis for denial.

What is considered insufficient rental history? Is it 6 months, or a year? I believe further clarification is needed as this will be interrupted differently by each management company.

Also if there is lack of rental history can management rely on personal references, but not deny?

Thank you,

Shannon Jones | Director of Compliance | TCCS, AHM, COM 42 | *Sand Property Management, LLC* |

46 East 4th. Street St. Paul, MN 55101 | 651-666-8501 (cell)| 651-289-0316 (fax) | SLJones@SandCompanies.com | WWW.SandPropertyManagement.com

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From: [lindalee.soderstrom](#)
To: [#MHFA_HTC](#); [lindalee.soderstrom](#); [Sue.Watlov.Phillips](#)
Subject: Today's comments from housing recipients
Date: Wednesday, October 21, 2020 8:37:50 AM

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My comment

Is about a lack of actual planning for extremely low income, ie 10% AMI.

Despite lip service given that state agencies will serve or want to serve the most extremely low income and therefore most in need population I do not see anything in any of the planning for anything like that. I feel as though this is a false presentation of any intention on the part of the state. This type of housing does not always have to be public housing high-rises Etc this type of housing can also be on Section 8 voucher such as my own.

This type of housing can be very copacetic for someone who needs no services at all and provides themselves their own case management. I do not have a social worker. I do not have a county account where someone oversees me or controls my money. I do plan to live on my \$782 for the rest of my life with my rent being in the ballpark of \$250.

This type of housing does require a landlord who wants to be involved in such a program and will accept a two-thirds hud payment while I pay the 1/3 payment. And this type of housing must comply with the Section 8 ceiling upon move-in at which point it can go up from 30% to as much as 40% of my income. So this is a challenging program even though it's helpful. If it does not exist however it helps no one.

Thank you for listening to my thoughts and I do hope that we understand that this type of housing requires subsidy to build and subsidy to operate and subsidy to rent. It is multi subsidized and that is that. It is what it is and we are not doing it in Minnesota. Not at this time. We are only saying we are helping those in deepest need. Everything I am hearing about which is being given Tiff and is being built with great celebration is 60 to 120% Ami which is absolutely not affordable for people like myself.

Please call on me today in the 10:00public comment period.

Thank you.
Linda Soderstrom

October 26, 2020

Dear Commissioner Ho:

For the sake of Minnesota's future, we write, as Saint Paul City Councilmembers, to request that the Minnesota Housing Qualified Allocation Plan (QAP) be amended to prioritize the most tragically vulnerable of all Minnesotans: HOMELESS CHILDREN.

On behalf of Saint Paul's United for Action (UFA), and the 35 signers of the attached letter, we request that the QAP be amended to include additional points for 1) permanent housing for homeless families, children and youth; 2) for homeless teen parents and their children; and 3) for projects that involve youth apprentices in building housing to stem Minnesota's housing crisis.

UFA, which also testified at your hearing this week, has documented critical health, education and criminal justice issues that in many cases are created, and in many, many cases are made far worse by homelessness.

UFA, working with educators throughout Minnesota, documents that the number of homeless youth is between 18-27,000. For children, the trauma of homelessness makes it impossible to learn and to fulfill their full potential. Worse, we know that those who experience homelessness as youngsters are far more likely to be homeless as adults.

Like you, we know that real and lasting solutions to our housing crisis require that the federal government resume its role in developing deeply affordable housing for all.

But the message we want to leave with you is that while we are chipping away at the enormity of this crisis, children must come FIRST, in the QAP and in all of our housing investments.

By way of this letter, we commit to working with you and fighting for the support you need at the state and federal level to house all Minnesotans. Thank you for your good work,

Jane Prince, City Councilmember/Ward 7
Rebecca Noecker, City Councilmember/Ward 2

United For Action Letter of October 19, 2020 follows:

Dear Commissioner Ho:

This is a thanks, along with some suggestions regarding priorities for Minnesota Housing's Qualified Action Plan. Thank you for your efforts to help meet needs of Minnesota youth, individuals and families who are homeless, and for holding listening sessions around the state. As you've asked, we've encouraged legislative support.

Some of the people who are signing this letter have been homeless. Others of us are district & charter educators, elected officials and a number of community and social media activists. We're eager to work with you.

We have several recommendations regarding modification of the draft.

#1 Please include housing and related services for children and youth who are homeless as a priority.

As we read the draft, we did not see the word "youth." Yet both reports to the Minnesota Department of Education, ([found on Minnesota Education Report Card](#)) and the most recent Wilder Foundation report cite the fact that there are thousands of homeless youth. [Wilder's most recent report](#) notes that homeless children and youth under age 24 "represent nearly half of the homeless population (46%)" Authorities acknowledge that these numbers do not reflect the full extent of youth homeless. MDE's numbers, for example, reflect only the number of homeless on one day in October. Yet many districts report that the number of homeless youth can be double, even triple this number of the course of a year.

Moreover, as [Wilder notes](#), "African Americans, American Indians, and youth who identify as LGBTQ are particularly over-represented among the homeless population. Researchers have found, long term

negative impacts of homeless on children and youth. Minnesota's [Dr. Tom Kottke](#), for example, pointed out that "Children are more likely to meet developmental milestones when raised in stable and healthy housing... . The [American Psychological Association](#) notes, "Homelessness has particularly adverse effects on children and youth including hunger, poor physical and mental health, and missed educational opportunities. Homeless children lack stability in their lives with 97% having moved at least once on an annual basis, which leads to disruptions in schooling and negatively impacts academic achievement." Research also pointed to the need for supportive housing environments such as, for example, Prior Crossing and Ain Dah Yung.

2. Please include as a priority, teen parents and their children who are homeless. The [American Psychological Association](#) notes that "Homeless single mothers often have histories of violent victimization with over one third having [post-traumatic stress disorder](#) (PTSD) and over half experiencing major depression while homeless. An estimated 41 percent develop dependency on alcohol and drugs and are often in poor physical health."

3. We encourage language in the RFP that is explicitly, broadly inclusive – of all races, ethnic groups, sexual orientation, marital status, age, disability, etc.

4. Please include the possibility of students building homes for homeless, as currently [is being done in some communities via Youthbuild](#).

With respect and eagerness to collaborate,

Chauntyll Allen, member, St Paul Public School Board, organizer, Black Lives Matter

Nancy Bitenc, co-founder, United for Action: Dramatically Reducing Youth & Family Homelessness

Charlotte Castro, Educator

Anne DSousa, homeless advocate, moderator, Advocates for Those Unsheltered page, Facebook

James Farnsworth, Executive Director, Highland Business Association

Ed Felien, Editor/Publisher, *Southside Pride*

Hanna Getachew-Kreusser, Executive Director Face to Face Health & Counseling & Homeless Youth Programs

Katie Groh de Aviña, Executive Director, El Colegio High School

Margaret Hastings, Director "Illegal to Be Homeless"

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Tony Simmons, Executive Director, High School for Recording Arts
Caleigh Souhan, Vice President of Sheridan Neighborhood Organization.
David Tilsen, former Minneapolis Public School Board member
Deb Tilsen, songwriter
Jim Scheibel, Professor of Practice, Hamline University, Former Mayor, Saint Paul
Wokie Weah, President, Youthprise

From: [Zee, Parker](#)
To: [#MHFA_HTC](#)
Subject: MHFA 2022-2023 LIHTC QAP Comments
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Attachments: [image001.png](#)

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Dear Minnesota Housing,

On behalf of Woda Cooper Development, Inc., we are pleased to submit the following comments regarding the second draft of the 2022-2023 Housing Tax Credit QAP. We hope these comments will assist the Minnesota Housing Finance Agency in furthering its mission.

We commend many of the changes MHFA has made with the QAP process and the scoring. The transition to using Opportunity Zones, Need for Affordable Housing Options, and other objective scoring metrics are key to incentivizing locations that will prove to be very beneficial to low income residents. Additionally, the Equitable Development category is a great incentive to engage local stakeholders.

In the most recent update, we have concerns about a few changes as listed below:

- We believe the change in points for 50%-100% of total units targeted to Permanent Supportive Housing for High Priority Homeless from 20 points to 30 points will have unintended consequences. While we understand the need to incentivize supportive developments, this extra 10 points will incentivize most developers, and most winning developments, to create this type of product, which will in turn leave a shortage of 30% AMI units that are not in need of supportive housing. Developers will have to target higher incomes (60% or 80% AMI) with non-supportive units to maintain financial feasibility. Being a 2-year QAP, this change could have a profound impact on the low income residents of Minnesota. We recommend changing this back to 20 points. An idea could be to add into the QAP a guarantee that at least 1 project will be funded that has 50%-100% of the units as supportive housing. This will help achieve goals of permanent supportive housing as some projects that are very high in supportive housing will be guaranteed to receive funding, as well as some projects that have just a few supportive housing units will also be competitive and receive funding. Additionally, this will help avoid a shortage of units affordable to households of very low income that are not designated as PWD or HPH.
- Instead of expanding the number of Tracts that receive points for being in Tier 2, we recommend keeping Tier 2 at the 60th-79th percentile, and adding a Tier 3 that gives 5/6 points for being in the 50th-59th percentile. With just a 2 point difference between census tracts that are at the median for cost burden or affordable rental housing, and tracts that face the strongest challenges in the 90th percentile or greater, this change fails to follow through on trying to incentivize locations that have the greatest need for more affordable housing options. Adding a 3rd Tier would better incentivize locations that are

in the most need, while still incentivizing locations that have a large need that is not quite as high.

- We recommend changes to the Served by demand response/dial-a-ride in the Metropolitan Area. While we recognize the purpose of excluding the Metro Transit's Transit Link Service is to differentiate between locations that have an option beyond this service, the purpose of a QAP remains to benefit the low-income residents that live at these communities. With this service fulfilling the requirements of availability Monday through Friday, 8 hours a week, with prior day notice, there is no benefit to residents to exclude this transit service. The Transit Link Service may even exceed some qualifying services as it is available 13 hours a day, with 2-hour notice. If the Transit Link Service is to be excluded, the requirement for demand response should be availability at least 6 days a week instead of just weekdays. If the availability requirements stay the same, the Transit Link Service should be eligible.

Again, we appreciate the opportunity to provide feedback as we find it important in creating good public policy to better serve all Minnesotans.

Respectfully,
Parker Zee



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