



High-Rise Sprinkler System Grant Program Guide

January 2024

MINNESOTA HOUSING – HIGH-RISE SPINKLER SYSTEM GRANT PROGRAM



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Chapter 1 – Introduction

1.01 Program Purpose and Authorizing Statute

The High-Rise Sprinkler System (HRSS) Grant Program (HRSS Program) was established in [Minnesota Session Laws 2023, Regular Session, chapter 37, article 2, section 10](#) as a grant program to install Sprinkler Systems in Eligible High-Rise Residential Buildings. [Minnesota Session Laws 2023, Regular Session, chapter 37, article 1, section 2, Subdivision 27](#) provided \$10 million of one-time state appropriations, of which up to \$4 million must be for a grant to CommonBond Communities for installation of a Sprinkler System at two buildings known as Seward Tower West located at 2515 South 9th Street in Minneapolis and Seward Tower East located at 2910 East Franklin Avenue in Minneapolis.

The remaining funding will be distributed as grants through a competitive request for proposal process in accordance with the policies established by the [Minnesota Department of Administration Office of Grants Management](#) (OGM).

Minnesota Housing may retain a portion of the appropriations to cover administrative costs in accordance with [Minnesota Statute 16B.98, subdivision 14](#).

1.02 Program Guide

This Program Guide, including subsequent changes and additions, will be incorporated into the Grant Contract Agreement executed between the Grantee and Minnesota Housing. If there are any conflicts between the terms of this Program Guide and the Grant Contract Agreement, the Grant Contract Agreement controls.

Any recipient of an award pursuant to the HRSS Program agrees to comply with the additional requirements and obligations as described in Appendix B, which is attached and incorporated into this Program Guide.

1.03 Definition of Terms

Appendix A, which is attached and incorporated into this Program Guide, includes definitions of capitalized terms.

Chapter 2 – Eligibility and Affordability Requirement

2.01 Eligible High-Rise Residential Buildings

Eligible High-Rise Residential Buildings are described as existing residential buildings that meet the following criteria:

- Provide permanent residential housing that is not time limited; and,
- Have at least one story used for human occupancy that is 75 feet or more above the lowest level of fire department vehicle access.

In accordance with [Minnesota Session Laws 2023, Regular Session, chapter 37, article 2, section 10](#), priority shall be given to nonprofit applicants.

2.02 Affordability Requirement

At the time of the application, the building shall have at least two-thirds of its units affordable to households with an annual income at or below 50% of area median income as determined by the United States Department of Housing and Urban Development (HUD), adjusted for family size. Additionally, qualifying households shall not be paying more than 30% of annual income on rent.

The affordability requirement may be demonstrated in the form of a recorded declaration, covenants, Land Use Restrictive Agreement, or other documentation as approved by Minnesota Housing in its sole discretion.

The affordability requirement shall be in place for a minimum of five years after the Sprinkler System installation work is complete.

2.03 Voucher Acceptance

Rental properties that receive funds under the HRSS Program must accept rental subsidies, including but not limited to vouchers under Section 8 of the United States Housing Act of 1937, as amended.

2.04 Subgrantees

Subgrantees are not permitted in the HRSS Program.

Chapter 3 – Maximum Funding and Match Requirement

3.01 Maximum Funding per Eligible Building

The maximum grant per eligible building shall be \$2,000,000.

3.02 Funding Match Requirements

Each grant to a nonprofit organization, local unit of government or federally recognized Indian Tribe in Minnesota or their associated Tribally Designated Housing Entity shall require a minimum 25% match. Each grant to a for-profit organization shall require a minimum 50% match.

The match:

- May be provided by the selected Grantee, a local unit of government, business, nonprofit organization, or federally recognized Indian Tribe.
- Must be fully committed without conditions at the time the Grant Contract Agreement is executed. Documentation of the required match shall be provided to the satisfaction of Minnesota Housing.
- Must be fully disbursed and expended on Eligible Expenses as defined in Chapter 4 before the HRSS Program funds are disbursed.

Upon completion, project savings, if any, may proportionally decrease the HRSS Program funds and match, subject to approval by Minnesota Housing in its sole discretion.

Chapter 4 – Eligible Expenses

Grantees may only use HRSS Program funds for costs associated with the installation of the Sprinkler System, which includes the costs to:

- Prepare performance specifications by a qualified design professional to design the Sprinkler System
- Obtain permits to install the Sprinkler System
- Install the Sprinkler System components
- Complete restoration work due to installation of the Sprinkler System
- Inspect the Sprinkler System by a design professional who prepared performance specifications
- Pay for temporary resident relocation expenses incurred as a result of installing the Sprinkler System. Permanent resident relocation is not an eligible expense.
- Pay a project management fee to the Grantee, which is the lesser of 5% of the total project costs or \$100,000. The project management fee may include costs such as construction management, resident coordination, legal costs and other costs that are directly related to the installation of the Sprinkler System, subject to approval by Minnesota Housing.
- Pay other costs associated with installing the Sprinkler System upon prior written approval from Minnesota Housing

In mixed use buildings, the portion of costs to install the Sprinkler System in non-residential spaces are ineligible for reimbursement. Structured or underground parking and common areas may be prorated to the residential areas, subject to approval in Minnesota Housing's sole discretion.

The HRSS Program grant funding can only be used to reimburse expenses incurred after the Grant Contract Agreement is fully executed.

Chapter 5 – Competitive Application Process and Review Criteria

5.01 Competitive Application Process

Minnesota Housing will develop forms and procedures for soliciting and reviewing applications for grants under the HRSS program. Minnesota Housing will:

- A. Publish notifications of this grant opportunity, at a minimum, on Minnesota Housing’s website, in the State Register, and through issuance of Minnesota Housing eNews.
- B. Publish the required application materials on Minnesota Housing’s website, which will include, but is not limited to:
 - i. Supporting documentation needed to verify organizational status
 - ii. Budget to complete the Sprinkler System, including the required match
 - iii. Temporary relocation plan, if applicable
 - iv. Certification that the units in the building meet the affordability requirements of the HRSS Program as defined in Section 2.03 of this Program Guide
 - v. Organizational and financial information necessary to complete required reviews in conformance with OGM policies
 - vi. Evidence of required matching funds
 - vii. Other documentation, as determined by Minnesota Housing

Upon review of the application materials, applicants must be willing to provide additional documentation, if requested, to help ensure a viable project. Incomplete or insufficient documentation may result in denial of the application.

5.02 Review Criteria

Minnesota Housing will review all application submissions for:

- Program eligibility
- Application completeness
- Applicant type
- Commitment of required matching funds
- Confirmation that no tenants will be permanently relocated as a result of installing the Sprinkler System

Applications will be evaluated based upon the following criteria:

- Geographic distribution
- Type of applicant (priority shall be given to nonprofit applicants)

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- Evidence the applicant has the financial and organizational capacity to complete the purpose of the grant
- Percentage and commitment of matching funds
- Number of affordable units and level of affordability
- Project feasibility

5.03 Financial and Organizational Review

The Grantee or applicant shall provide the organization financial and other information necessary to conduct any review required by OGM.

5.04 Funding Selections

Funding selections are subject to approval by the Minnesota Housing board of directors.

After selection, each Grantee will receive a grant award letter with the allocated grant amount, terms and due diligence requirements.

Chapter 6 – Grant Contracting Requirements

6.01 Work Plan and Budget

The following items are subject to review and approval by Minnesota Housing before a Grant Contract Agreement can be executed:

- A. Work plan and budget on a template provided by Minnesota Housing. At a minimum, the budget shall include all costs related to the Eligible Expenses.
- B. Temporary relocation plan, if applicable
- C. Project timeline
- D. Proof of ownership of the building
- E. Most recent financials and operating budget for the building
- F. Evidence that the building meets the affordability requirement outlined in Section 2.03 of this Program Guide
- G. Review of the organizational and financial information necessary to conduct the review required by OGM

6.02 Grantee Requirements

The Grantee is a party to the Grant Contract Agreement and shall adhere to the following requirements which include, but are not limited to, the activities listed below. If there are any conflicts between this Program Guide and the Grant Contract Agreement, the Grant Contract Agreement controls.

- Execute a Grant Contract Agreements with Minnesota Housing outlining the scope of work to be performed. The Grantee may also be responsible for completing the proposal, budget, work plan and/or other exhibits to the Grant Contract Agreement(s).
- Maintain financial records for a minimum of six years after the Grant Contract Agreement(s) ends that document the use of all grant proceeds awarded. Minnesota Housing, at its sole discretion, may request to review the accounting and documentation of such records at as part of a site visit or at other times.
- Complete and submit all invoices and required reports on time in a manner determined by Minnesota Housing.
- Have a written conflict of interest policy and take necessary steps to prevent individual and organizational conflicts of interest. All suspected, disclosed, or discovered conflicts of interest must be reported to Minnesota Housing in a timely manner.
- Comply with applicable contracting and bidding requirements defined in the Grant Contract Agreement.

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- Comply with all affirmative action and non-discrimination requirements defined in the Grant Contract Agreement.
- Comply with all applicable state statutes, rules and policies.

Chapter 7 – Disbursement Requests

After the Grant Contract Agreement is fully executed, the Grantee may only submit a disbursement request to Minnesota Housing using the disbursement request form provided by Minnesota Housing. On the disbursement request form, the Grantee must identify the amount of Eligible Expenses by eligible expense category. Grantees shall use the disbursement form provided by Minnesota Housing. Disbursement will be made directly to the Grantee and will be on a reimbursement basis only. Minnesota Housing will process one disbursement request per month for each Grantee.

The Grantee shall provide evidence of the Eligible Expenses incurred with the disbursement request, which may include contractor pay applications/draw requests, paid invoices, photographs of work in progress and completed work, and invoices for Eligible Expenses. Minnesota Housing may request additional documentation as needed to verify expenses.

Before the initial disbursement, Grantee must submit the following items to Minnesota Housing:

- Evidence that the design documents were prepared and approved by a qualified design professional.
- 100% fire Sprinkler System permit set provided by general contractor or design-build sprinkler contractor.
- All applicable permits.
- Evidence of payment and performance bonds and contractor's insurance.
- Executed construction contract.

In order to receive the final disbursement of funds, the Grantee must provide:

- A written inspection report with photographic evidence of the Sprinkler System installation at 100% completion provided by the design professional who created the performance specifications. Confirmation by the design professional that the work is complete. The report and photographs shall be provided to Minnesota Housing within ten business days after the inspection.
- Evidence that all building permits are closed out.
- Certificate of substantial completion.
- A cost report or general ledger, including receipts and expenses for the work, invoices for the work, and any other documentation deemed necessary by Minnesota Housing to complete the financial reconciliation.

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- A final written report and financial review that includes the outcomes of the HRSS Program activities and confirmation of compliance with applicable affordability requirements.

Chapter 8 – Budget Modifications

The budget attached to the Grant Contract Agreements may be modified only with the prior written approval from Minnesota Housing. Any modification to the budget must occur prior to any modified expense being incurred.

Chapter 9 – Monitoring and Reporting

9.01 Monitoring

Minnesota Housing will conduct ongoing evaluations of the projects funded by the HRSS Program. The following will be required as part of grant monitoring:

- Site visit to review the complete project. Minnesota Housing reserves the right to conduct site visits to review construction progress.
- A written inspection report with photographic evidence of the Sprinkler System installation at 50% completion provided by the design professional who created the performance specifications. The report and photographs shall be provided to Minnesota Housing within ten business days after the inspection.
- A written inspection report with photographic evidence of the Sprinkler System installation at 100% completion provided by the design professional who created the performance specifications. Confirmation by the design professional that the work is complete. The report and photographs shall be provided to Minnesota Housing within ten business days after the inspection.
- Evidence that all building permits are closed out.
- Certificate of substantial completion.
- Before the final payment is made, Minnesota Housing will complete a financial reconciliation as required by OGM. Grantees shall be required to submit a cost report or general ledger, including receipts and expenses for the work, invoices for the work, and any other documentation deemed necessary by Minnesota Housing to complete the financial reconciliation.
- A final written report and financial review that includes the outcomes of the HRSS Program activities and confirmation of compliance with applicable affordability requirements.

9.02 Corrections and Funding Repayment

If the Grantee expends funds on any ineligible expenses, Minnesota Housing will issue a notification to the Grantee requiring immediate return of the applicable funds. The Grantee shall have 10 business days to respond to Minnesota Housing to appeal the determination and submit any supporting documentation that supports its appeal or return the improperly invoiced funds. Minnesota Housing may extend the appeal period in its sole discretion. Grantees that fail to comply and/or return funds within 10 business day for ineligible uses may be subject to consequences, including a finding of Unacceptable Practices in future Request for Proposals (RFP), suspension from doing business with Minnesota Housing, and/or any other

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disciplinary or legal action Minnesota Housing deems appropriate and as determined in Minnesota Housing's sole discretion.

9.03 Record Keeping

Grantees are responsible for maintaining records that document the use of all HRSS Program funds awarded. Grantees must save copies of all books, records, program files, documents and accounting procedures related to the HRSS Program funds in a secure and organized format. Grantees must maintain these documents for a minimum of six years from the end of the Grant Contract Agreement. Minnesota Housing reserves the right to review all records during this six-year period, and records must be made available to Minnesota Housing upon request.

Documents to save and retain include, but are not limited to:

- Executed Grant Contract Agreement
- Reports submitted by the Grantee to Minnesota Housing
- Invoices and supporting invoice documentation (receipts, proof of payment, employee payroll, etc.)
- Documentation related to contracting such as solicitations, bids and contract documents
- Written approvals from Minnesota Housing

Appendix A: Definitions

Term	Definition
Eligible High-Rise Residential Buildings	Those buildings as described in Chapter 2 of this Program Guide.
Grant Contract Agreement	The Grant Contract Agreement executed between the Minnesota Housing Finance Agency and the Grantee for the HRSS program.
Grantee	An applicant selected by the Minnesota Housing board of directors to receive HRSS Program funding
HRSS Program	The High-Rise Sprinkler System Program established in Minnesota Session Laws 2023, Regular Session, chapter 37, article 2, section 10
Minnesota Housing	The Minnesota Housing Finance Agency
OGM	The Minnesota Department of Administration Office of Grants Management
RFP	A competitive process of applying for funding from Minnesota Housing.
Sprinkler System	Means the same as “fire protection system” as defined in Minnesota Statute, chapter 299M.01, subdivision 7.
Unacceptable Practices	See Chapter 2.J of the 2025-2025 Qualified Allocation Plan

Appendix B : Legal Addendum

1.01 Conflict and Control

In the event of any conflict between the terms of this Addendum and the document to which it is attached, the terms of this Addendum will govern and control.

1.02 Fraud

Fraud is any intentionally deceptive action, statement or omission made for personal gain or to damage another.

Any person or entity (including its employees and affiliates) that enters into a contract with Minnesota Housing and witnesses, discovers evidence of, receives a report from another source or has other reasonable basis to suspect that fraud or embezzlement has occurred must immediately make a report through one of the communication channels described in section 1.07.

1.03 Misuse of Funds

A contracting party that receives funding from Minnesota Housing promises to use the funds to engage in certain activities or procure certain goods or services while Minnesota Housing agrees to provide funds to the recipient to pay for those activities, goods or services. Regardless of the Minnesota Housing program or funding source, the recipient must use Minnesota Housing funds as agreed, and the recipient must maintain appropriate documentation to prove that funds were used for the intended purpose(s).

A misuse of funds shall be deemed to have occurred when: (1) Minnesota Housing funds are not used as agreed by a recipient; or (2) a recipient cannot provide adequate documentation to establish that Minnesota Housing funds were used in accordance with the terms and conditions of the contract.

Any recipient (including its employees and affiliates) of Minnesota Housing funds that discovers evidence, receives a report from another source or has other reasonable basis to suspect that a misuse of funds has occurred must immediately make a report through one of the communication channels described in section 1.07.

1.04 Conflict of Interest

A conflict of interest – Actual, Potential or Appearance of a Conflict of Interest – occurs when a person has an actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A

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Potential Conflict of Interest or Appearance of a Conflict of Interest exists even if no unethical, improper or illegal act results from it.

- **Actual Conflict of Interest**: An Actual Conflict of Interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.
- **Potential Conflict of Interest**: A Potential Conflict of Interest may exist if a person has a relationship, affiliation or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations or interests.
- **Appearance of a Conflict of Interest**: The Appearance of a Conflict of Interest means any situation that would cause a reasonable person, with knowledge of the relevant facts, to question whether another person's personal interest, affiliation or relationship inappropriately influenced that person's action, even though there may be no Actual Conflict of Interest.

A conflict of interest includes any situation in which one's judgment, actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to a Partner, Family Member, Relative, Friend, Business or other Outside Interest with which they are involved. Such terms are defined below.

- **Business**: Any company, corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual or any other legal entity which engages either in nonprofit or profit-making activities.
- **Family Member**: A person's current and former spouse; children, parents, and siblings; current and former children-in-law, parents-in-law, and siblings-in-law; current and former stepchildren and stepparents; grandchildren and grandparents; and members of the person's household.
- **Friend**: A person with whom the individual has an ongoing personal social relationship. "Friend" does not generally include a person with whom the relationship is primarily professional or primarily based on the person being a current or former colleague. "Friend" does not include mere acquaintances (i.e., interactions are coincidental or relatively superficial). Social media friendships, connections, or links, by themselves, do not constitute friendship.
- **Outside Interest**: An Outside Interest may occur when an individual, their Family Member or their Partner has a connection to an organization via employment (current or prospective), has a financial interest or is an active participant.
- **Partner**: A person's romantic and domestic partners and outside Business partners.
- **Relative**: Uncle or aunt; first or second cousin; godparent; godchild; other person related by blood, marriage or legal action with whom the individual has a close personal relationship.

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Once made aware of a conflict of interest, Minnesota Housing will make a determination before disbursing any further funds or processing an award. Determinations could include:

- Revising the contracting party's responsibilities to mitigate the conflict
- Allowing the contracting party to create firewalls that mitigate the conflict
- Asking the contracting party to submit an organizational conflict of interest mitigation plan
- Terminating the contracting party's participation

Any person or entity (including its employees and affiliates) that enters into a contract with Minnesota Housing must avoid and immediately disclose to Minnesota Housing any and all conflicts of interest through one of the communication channels described in section 1.07.

A contracting party should review its contract and request for proposals (RFP) material, if applicable, for further requirements.

1.05 Assistance to Employees and Affiliated Parties

Any party entering into a contract with Minnesota Housing for the purpose of receiving an award or benefit in the form of a loan, grant, combination of loan and grant or other funding is restricted in issuing a loan, grant, combination of loan and grant or other funding to a recipient ("Affiliated Assistance") who is also: (1) a director, officer, agent, consultant, employee or Family Member of an employee of the contracting party; (2) an elected or appointed official of the State of Minnesota; or (3) an employee of Minnesota Housing, unless each of the following provisions are met:

- The recipient meets all eligibility criteria for the program;
- The assistance does not result in a violation of the contracting party's internal conflict of interest policy, if applicable;
- The assistance does not result in a conflict of interest as outlined in section 1.04;
- The assistance is awarded utilizing the same costs, terms and conditions as compared to a similarly situated unaffiliated recipient and the recipient receives no special consideration or access as compared to a similarly situated unaffiliated recipient; and
- The assistance is processed, underwritten and/or approved by staff/managers who are independent of the recipient and independent of any Family Member of the recipient. Family Member is defined in section 1.04.

A contracting party need not disclose Affiliated Assistance to Minnesota Housing. However, the contracting party must document and certify, prior to the award, that the Affiliated Assistance meets each of the provisions outlined above. This documentation must be included in the Affiliated Assistance file and must be made available to Minnesota Housing upon request. Affiliated Assistance that does not meet each of the provisions outlined above will be considered a violation of Minnesota Housing conflict of interest standards and must be

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reported by the contracting party through one of the communication channels outlined in section 1.07.

1.06 Suspension

By entering into any contract with Minnesota Housing, a contracting party represents that the contracting party (including its employees or affiliates that will have direct control over the subject of the contract) has not been suspended from doing business with Minnesota Housing. Please refer to Minnesota Housing’s website for a list of [suspended individuals and organizations](#). (Go to mnhousing.gov, scroll to the bottom of the screen and select Report Wrongdoing, then select Suspensions from the menu).

1.07 Disclosure and Reporting

Minnesota Housing promotes a “speak-up, see something, say something” culture whereby internal staff must immediately report instances of fraud, misuse of funds, conflicts of interest or other concerns without fear of retaliation through one of the communication channels listed below. External business partners (e.g., administrators, grantees or borrowers) and the general public are strongly encouraged to report instances of fraud, misuse of funds, conflicts of interest or other concerns without fear of retaliation using these same communication channels.

- Minnesota Housing’s Chief Risk Officer at 651.296.7608 or 800.657.3769 or by email at MHFA.ReportWrongdoing@state.mn.us;
- Any member Minnesota Housing’s [Servant Leadership Team](#), as denoted on Minnesota Housing’s current organizational chart (Go to mnhousing.gov, scroll to the bottom of the screen and select About Us, select Servant Leadership Team); or
- [Report Wrongdoing or Concerns \(mnhousing.gov\)](#) (Go to mnhousing.gov, scroll to the bottom of the screen and select Report Wrongdoing).

1.08 Electronic Signatures

Minnesota Housing will use and accept e-signatures on eligible program documents subject to all requirements set forth by state and federal law and consistent with Minnesota Housing policies and procedures. The use of e-signatures for eligible program documents is voluntary. Questions regarding which documents Minnesota Housing permits to be e-signed should be directed to Minnesota Housing staff.

1.09 Fair Housing Policy

It is the policy of Minnesota Housing to affirmatively further fair housing in all its programs so that individuals of similar income levels have equal access to Minnesota Housing programs, regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, gender identity or sexual orientation.

Minnesota Housing's fair housing policy incorporates the requirements of Title VI of the Civil Rights Act of 1968; the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988; and the Minnesota Human Rights Act. Housing providers and other entities involved in real-estate related transactions are expected to comply with the applicable statutes, regulations and related policy guidance. Housing providers should ensure that admissions, occupancy, marketing and operating procedures comply with non-discrimination requirements. Housing providers and other entities involved in real-estate related transactions must comply with all non-discrimination requirements related to the provision of credit, as well as access to services.

In part, the Fair Housing Act and the Minnesota Human Rights Act make it unlawful, because of protected class status, to:

- Discriminate in the selection/acceptance of applicants in the rental of housing units;
- Discriminate in the making or purchasing of loans for purchasing, constructing or improving a dwelling, or in the terms and conditions of real-estate related transactions;
- Discriminate in the brokering or appraisal of residential property;
- Discriminate in terms, conditions or privileges of the rental of a dwelling unit or services or facilities;
- Discriminate in the extension of personal or commercial credit or in the requirements for obtaining credit;
- Engage in any conduct relating to the provision of housing that otherwise make unavailable or denies the rental of a dwelling unit;
- Make, print or publish (or cause to make, print or publish) notices, statements or advertisements that indicate preferences or limitations based on protected class status;
- Represent a dwelling is not available when it is in fact available;
- Refuse to grant a reasonable accommodation or a reasonable modification to a person with a disability;
- Deny access to, or membership or participation in, associations or other services organizations or facilities relating to the business of renting a dwelling or discriminate in the terms or conditions of membership or participation; or
- Engage in harassment or quid pro quo negotiations related to the rental of a dwelling unit.

Minnesota Housing has a commitment to affirmatively further fair housing for individuals with disabilities by promoting the accessibility requirements set out in the Fair Housing Act, which establish design and construction mandates for covered multifamily dwellings and requires those in the business of buying and selling dwellings to make reasonable accommodations and to allow persons with disabilities to make reasonable modifications.

Under certain circumstances, applicants will be required to submit an Affirmative Fair Housing Marketing Plan at the time of application, to update the plan regularly and to use affirmative fair housing marketing practices in soliciting renters, determining eligibility and concluding all transactions.

As a condition of funding through Minnesota Housing, housing providers are not permitted to refuse to lease a unit to, or discriminate against, a prospective resident solely because the prospective resident has a Housing Choice Voucher or other form of tenant-based rental assistance.

1.10 Minnesota Government Data Practices

Minnesota Housing, and any party entering into a contract with Minnesota Housing, must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by Minnesota Housing under the contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the contracting party under the contract. The civil remedies of Minnesota Statutes Section 13.08 apply to the release of the data referred to in this section by either the contracting party or Minnesota Housing. If the contracting party receives a request to release the data referred to in this section, the contracting party must notify Minnesota Housing. Minnesota Housing will give the contracting party instructions concerning the release of the data to the requesting party before the data is released. The contracting party's response to the request shall comply with applicable law.

1.11 Prevailing Wage

Under certain circumstances, awards of Minnesota Housing funds may trigger state prevailing wage requirements under Minnesota Statutes Chapter 177 or Minnesota Statutes Section 116J.871. In broad terms, Minnesota Statutes Chapter 177 applies to an award of \$25,000 or greater for housing that is publicly owned. Minnesota Statutes Section 116J.871 applies to awards for non-publicly owned housing that meet the following conditions: (1) new housing construction (not rehabilitation); (2) a single entity receives from Minnesota Housing \$200,000 or more of grant proceeds or \$500,000 of loan proceeds.

Minnesota Statutes Section 116J.871 sets out several exceptions to the applicability of prevailing wage including (1) rehabilitation of existing housing; (2) new housing construction in which total financial assistance at a single project site is less than \$100,000; and (3) financial

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assistance for the new construction of fully detached single-family affordable homeownership units for which the financial assistance covers no more than ten fully detached single-family affordable homeownership units.

All determinations regarding prevailing wage are made by the Minnesota Department of Labor and Industry. All questions regarding state prevailing wages and compliance requirements should be directed to that agency as follows:

Division of Labor Standards and Apprenticeship
State Program Administrator
443 Lafayette Road N, St. Paul, MN 55155
651.284.5091 or dli.prevwage@state.mn.us

If, after a determination by the Minnesota Department of Labor that prevailing wage does apply, a contractor or subcontractor fails to adhere to prevailing wage laws, then that contractor or subcontractor could face civil and/or criminal liability.