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# Bring It Home Rental Assistance

Program Guide

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# Chapter 1 – Introduction

## 1.01 Values Statement

All Minnesotans live and thrive in a stable, safe and accessible home they can afford in a community of their choice. To achieve the concept of One Minnesota where everyone thrives, we will reorient how we work and expand who has a voice at the table and who participates in and benefits from the housing economy.

We will:

- Center the people and places most impacted by housing instability at the heart of our decision making
- Listen and share the power we have,
- Honor, respect and strengthen communities, and
- Be inclusive, equitable, just and antiracist in our actions.

## 1.02 Program Purpose and Authorizing Statute

Minnesota Housing has the authority under [Minnesota Statute 462A.2095](#) to establish and administer a statewide rental assistance program that provides tenant-based and project-based rental assistance through Program Administrators.

Minnesota Housing will retain a portion of the available funding, including but not limited to appropriations to cover administrative costs in accordance with [Minnesota Statute 462A.05, subdivision 8.](#)

## 1.03 Program Overview

The Bring it Home Rental Assistance Program, also referred to as “Bring It Home,” is a new program to create rental assistance for low-income families across Minnesota. Funded by state appropriations and the new metro sales tax for housing, the program will provide grants to Program Administrators who will administer the program as direct assistance for renter households.

The program provides funding for tenant-based and project-based rental assistance for cost-burdened households earning up to 50% area median income (AMI) or less. Cost burdened households means a household that is paying more than 30% of the household’s annual income on rent. Priority for rental assistance shall be given to households with children 18 years of age and under and annual incomes of up to 30% of the area median income.

A Program Administrator may provide tenant-based or project-based rental assistance in amounts equal to the difference between 30% of household income and the rent charged, plus an allowance for utilities if not included in rent. A Program Administrator may not provide assistance that is more than the difference between 30% of the tenant's gross income and 120% of the payment standard, plus

utilities, as established by the local Public Housing Authority, unless otherwise authorized by Minnesota Housing. Like the federal Housing Choice Vouchers, households may continue to receive housing assistance as long as the household remains income-eligible and is compliant with Participant obligations.

#### **1.04 Program Guide**

This Program Guide will be incorporated into and is considered part of the Grant Contract Agreement executed between the Program Administrator and Minnesota Housing.

#### **1.05 Definition of Terms**

Appendix A includes definitions of capitalized terms used in this Program Guide.

## Chapter 2 – Eligibility and Program Requirements

### 2.01 Eligible Recipients

To be eligible for Bring It Home Rental Assistance Program funds, the applicant must be a Program Administrator as defined in [462A.2095, Subd 2\(c\)](#). Program Administrators are:

- Housing Choice Voucher (HCV) administrator: A Housing and Redevelopment Authority (HRA) or other local government agency or authority that administers federal tenant-based or project-based assistance under Section 8 of the United States Housing Act of 1937;
- Tribal Entity: A Tribal government or Tribal Designated Housing Entity; or
- Nongovernmental Organization: If there is no entity in either category above with the capacity or authority to administer the program, a nongovernmental organization determined by the Minnesota Housing to have the capacity to administer the program.

Minnesota Housing will make every effort to ensure coverage of all geographies within Minnesota so that all low-income renter households have an opportunity for assistance. Program Administrators may partner to deliver the rental assistance in another Service Area. If a current HCV administrator or Tribal Entity declines or is unable to operate the program within its Service Area, Minnesota Housing will notify the adjacent HCV administrators and/or Tribal Entities to determine their interest in administering the program in that Service Area.

Program Administrators that choose to partner with another Program Administrator must enter into a Memorandum of Agreement (MOA) that describes how they will work together to achieve the agreed-upon goals and objectives. MOAs may be used to increase geographic coverage, reduce financial limitations placed on smaller housing authorities, or fill gaps by Program Administrators that choose not to participate in the program. The Program Administrator would be eligible to receive the combined Minimum Grant Awards for all Service Areas under the MOA. For partial Service Areas, contact Minnesota Housing prior to submitting an application. The Grantee will be responsible for all requirements under the contract and the reporting requirements in Chapter 8 for the combined Service Areas.

### 2.02 Eligible Households

Households are eligible to apply for the Bring It Home Rental Assistance Program if they:

- Are a Minnesota resident;
- Have an annual income of up to 50% of the area median income as determined by the United States Department of Housing and Urban Development (HUD), adjusted for family size;
- Pay more than 30% of the household's annual income on rent;
- Are not receiving federal tenant-based assistance under Section 8 of the United States Housing Act of 1937, as amended; and
- Are not currently in a unit receiving project-based assistance under Section 8 of the United States Housing Act of 1937, as amended.



After initial eligibility, Program Administrators may use additional screening criteria to determine a household's qualification and prioritization for the program. Program Administrators may consider modeling tenant screening guidelines on Minnesota Housing's [Tenant Selection Plan Guidelines](#).

Priority for rental assistance must be given to households with children 18 years of age and under, and annual incomes of up to 30% of the area median income.

Program Administrators must ensure that additional screening criteria does not conflict with state law or Minnesota Housing policies. This includes but is not limited to:

- [Minn. Stat. 504B.117](#) - Individual Taxpayer Identification Number
- [Minn. Stat. 504B.173, subdivision 3a](#) – Denial Based on Pending Cases
- Minn. Stat., Chapter 363A, et. seq – Minnesota Human Rights Act
- Minnesota Housing [Tenant Selection Plan Guidelines](#), if Project Administrators are using Project Based Rental Assistance in their own properties

Program Administrators should consult with their legal counsel when adapting screening criteria from other rental assistance programs to ensure compliance with the Bring it Home Program. If there is a conflict between other program eligibility and the terms of this Program Guide, the Program Guide controls.

## 2.03 Eligible Uses

This program provides grants to Program Administrators for the purpose of providing tenant- or project-based rental assistance directly to Housing Providers for Eligible Households. Eligible uses under this program are Start-Up Costs, Administrative Fees and Housing Assistance Payments.

- **Start-Up Costs**

Start-Up Costs shall include any necessary costs to establish and quickly disburse funds on behalf of Eligible Households to expediently engage in activities of establishing the program staff and infrastructure needed to operate the Bring It Home Rental Assistance Program as determined by the Program Administrator and approved by Minnesota Housing.

Start-Up Costs should be adequate to establish program policies, hire and train staff, establish waitlists and develop program procedures during the first twelve months of the program. Start-Up Costs will be covered through the initial grants with Program Administrators for the first round of funding only. The Start-Up Costs are in addition to the Bring It Home Rental Assistance Program grant proceeds used for Housing Assistance Payments and Administrative Fees.

Examples of reasonable Start-Up Costs include but are not limited to:

- Advertising for program staff, hiring and other recruitment activities;
- Hiring, onboarding, orientation and training of program staff;

- Initial salary and benefits for program staff before Administrative Fees are fully realized;
- Accounting and audit expenses;
- Legal fees related to the program;
- Software changes and licensing costs to run an efficient and responsible program including changes to Program Administrators' general software and accounting systems;
- Purchase of necessary office equipment, furnishings and technology equipment;
- Advertising and outreach materials including printing, advertising, changes to websites, pamphlets and social media;
- Educational outreach activities to Housing Providers, other service agencies and potential Participants. Translation and interpretations costs included; and/or
- Funding for operating losses incurred prior to Administrative Fees being fully realized.

Start-Up Costs must be directly related to the Bring It Home Rental Assistance Program.

Unreasonable expenses may be rejected by Minnesota Housing. Approval or disapproval of Start-Up Costs is at the sole discretion of Minnesota Housing.

- **Administrative Fees**

Administrative Fees are an eligible expense under the Bring It Home Program. Administrative Fees specifically for the Bring It Home Rental Assistance Program will be reimbursed on a monthly basis with submission of the disbursement request form provided by Minnesota Housing, based on the number of vouchers issued at the time of the submission.

Program Administrators may receive Administrative Fees based on a per voucher per month basis. Minnesota Housing has developed a schedule of Administrative Fees for this round of the Bring It Home Rental Assistance Program based on the Program Administrator's estimated number of vouchers. The schedule will be reviewed and updated with each Request for Proposals (RFP).

Administrative expenses covered by Administrative Fees must be directly related to the Bring It Home Rental Assistance Program. A portion of a Program Administrator's Administrative Fee may be used for Landlord Incentive Programs.

- **Housing Assistance Payments (HAP)/Rental Assistance**

A Program Administrator must use grant proceeds to provide tenant-based or project-based rental assistance payments in an amount equal to the difference between 30% of the tenant's gross income and up to 120% of the payment standard, plus utilities, as established by the local Public Housing Authority, unless otherwise authorized by Minnesota Housing.

This rental assistance payment made by the Program Administrator to the Housing Provider is known as a Housing Assistance Payment (HAP). Program Administrators will calculate HAP

amounts for each household and use grant proceeds to make payments directly to the Housing Provider. Details regarding administration of the HAP can be found in Chapter 3 of this Guide.

## **2.04 Portability**

Portability between Program Administrators' Service Areas is not allowed in the Bring It Home Rental Assistance Program.

## **2.05 Privacy Act Notice and Tennesen Warning**

Prior to collecting private data from any individual, the Grantee must supply the individual with a Combined Privacy Act Notice and Tennesen Warning. The Notice and Warning must be consistent with the requirements of [Minn. Stat. 13.04, Subd. 2](#) and list Minnesota Housing as a party with whom the data may be shared.

## Chapter 3 – Housing Assistance Payments/Rental Assistance Options

Program Administrators may choose from one of three options to administer the Bring It Home Rental Assistance Program: Option 1: Existing Procedures, Option 2: Amended Procedures and Option 3: Alternative Plans.

A Program Administrator may pick one or more option in administering their grant and operating the program. Minnesota Housing must approve the Program Administrator's Option 2: Amended Procedures or Option 3: Alternative Plan.

Under all options, the following Bring it Home Rental Assistance Program statutory requirements must be met:

- Maximum household income of 50% AMI, as determined at the time of initial receipt of rental assistance and recertified annually;
- Priority for households with children under the age of 18 and annual incomes below 30% AMI;
- Housing Assistance Payments are made directly to the Housing Provider; and,
- Eligible ongoing grant expenses (after Start-Up Costs) are Housing Assistance Payments and Administrative Fees.

In addition, under all options listed below, Program Administrators must comply with program eligibility requirements, and applicable state and federal laws.

### 3.01 Option 1: Existing Procedures

Program Administrators may follow Existing Procedures used to administer the federal Housing Choice Voucher (HCV) or other substantially similar federal rental assistance programs. Existing procedures do not require approval by Minnesota Housing. However, Program Administrators should consult with their legal counsel when adapting policies and procedures from other rental assistance programs. These include the following federal programs:

- Housing Choice Voucher Program
- Moving to Work (MTW) Demonstration Program
- Native American Housing Assistance and Self Determination Act of 1996 (NAHASDA) or other Tribally based housing programs

Program Administrators may follow their HCV Administrative Plan or similar document in establishing requirements such as waitlists, leasing units and making payments.

Under Option 1, Program Administrators may adopt the following changes to their Existing Procedures without further review by Minnesota Housing:

- Rental Assistance at up to 120% of the payment standard

- Prioritization for households with children under the age of 18 and annual incomes below 30% AMI

### **3.02 Option 2: Amended Procedures**

Program Administrators may propose using their Existing Procedures as outlined in Option 1 with substantial modifications to achieve the goals of reaching households most in need and incentivizing Landlord participation. The substantial modifications must be submitted for review and approval by Minnesota Housing.

Under Option 2, Program Administrators must submit an outline of what items will differ from the Program Administrator's HCV Administrative Plan or similar document beyond the changes that are automatically approved under Option 1.

Minnesota Housing encourages the following modifications under Option 2 and will expedite approval for Program Administrators that propose only these modifications:

- Additional time for the housing search so that renters are more likely to find and secure housing.
- Alternatives to the HUD Housing Quality Standards/National Standards for the Physical Inspection of Real Estate (NSPIRE) inspections that achieve efficiencies for the renter, Housing Providers and Program Administrator while maintaining health and safety standards.
- Changes to the definitions of household or family for the purposes of determining eligibility.
- Project-based assistance without limitations on the number of units receiving Rental Assistance per property or address.
- Issuance of project-based Rental Assistance without HUD-required property reviews such as environmental reviews that are not otherwise required by state or local law.
- Allowing households to rent units above 120% of the payment standard and pay up to 50% of their income towards rent where the Program Administrator can demonstrate that choices are severely restricted, the alternative would be homelessness or housing instability and all other options have been exhausted.
- Allowing shorter-term leases including month-to-month or rental agreements that are not in a standard lease form where the Housing Provider would otherwise refuse to rent to the household.
- Allowing Eligible Households to apply using an individual taxpayer identification number.
- Allowing eligibility based on receipt of income-based state or federal benefits.

### **3.03 Option 3: Alternative Plan**

A Program Administrator may choose to submit an Alternative Plan for a Bring It Home Rental Assistance program that does not rely on existing procedures and differs substantially from Option 1: Existing Procedures or Option 2: Amended Procedures.

Minnesota Housing will review Alternative Plan proposals and procedures and, at its sole discretion, approve or deny the plans. Minnesota Housing encourages Program Administrators to operate at least some portion of each grant under Option 1 or Option 2 in order to expedite and increase Rental Assistance availability in all communities.

A Program Administrator may also develop an Alternative Plan where the proposed method of assisting renter households is in no way similar to an HCV, MTW or NAHASDA Administrative Plan.

In all cases, the basic requirements of the Bring it Home Rental Assistance Program as described in 2.02 must be met:

- Serve households at or below 50% AMI who pay more than 30% of their income toward rent;
- Provide housing assistance for the difference between 30% of renter income and the contract rent or 120% of the payment standard, whichever is lower; and,
- Prioritize households with children under the age of 18 and annual incomes below 30% AMI.

### **3.04 Project Based Rental Assistance**

Program Administrators may choose to use all or a portion of grant proceeds for Project Based Rental Assistance vouchers (). Program Administrators that plan to fund Project Based Rental Assistance are not required to follow HUD's PBV guidelines. However, the Program Administrator should include the proposed PBV procedures.

All submissions for Option 2: Amended Procedures or Option 3: Alternative Plan must be approved by Minnesota Housing.

## Chapter 4 – Funding Information

Bring It Home Rental Assistance Program funds will be made available as grants to eligible Program Administrators that apply through a Request for Proposal (RFP) process.

As outlined in Minnesota Statutes, section 462A.2095, Minnesota Housing has established a Minimum Grant Award for each Program Administrator with a set-aside for Tribal Nations. Program Administrators may request additional grant funds subject to availability of additional or unused funds. Program Administrators that operate in multiple Service Areas under a Memorandum of Agreement or where there is no other qualified Program Administrator may apply for the total of all Minimum Grant Awards in all covered Service Areas.

### 4.01 Minimum Grant Awards

The statute requires Minnesota Housing to issue grants statewide in proportion to the number of households eligible for assistance in each county according to the [American Community Survey \(ACS\)](#). Minnesota Housing will release a schedule of Minimum Grant Awards that reflects the minimum annual amount of funds a Program Administrator would receive following the submission, and approval, of a complete application through the RFP.

For Program Administrators that are HRAs or similar organizations as described in 2.01, the Minimum Grant Awards are meant to cover a specific Service Area that is made of the geography covered by that Program Administrator. Eligible Tribal entities are not restricted to serving any particular geographic areas in the state of Minnesota. For eligible nongovernmental organizations that meet the requirements in 2.01, the organization would serve only the geographies for which it has submitted an application and an entity that is a HRA is not otherwise serving.

Minnesota Housing's methodology for forecasting revenues, establishing a set-aside for Tribal Nations, determining need and establishing Minimum Grant Awards is in Appendix B.

### 4.02 Minimum Grant Award Request for Proposals

Eligible Program Administrators will apply through a RFP process. Instructions for applying for the RFP will be found on Minnesota Housing's website, including but not limited to application instructions, documentation checklists, RFP timeline and how to submit an application as outlined in Chapter 5.

Minnesota Housing established Minimum Grant Awards for each eligible Program Administrator based on current HCV administrators and their Service Areas and a set-aside for Tribal Nations. An Eligible Recipient must apply through the RFP with a complete application in order to be selected as a Program Administrator and awarded the Minimum Grant Award Amount.

Program Administrators are strongly encouraged to respond to Minnesota Housing's Intent to Apply Request prior to the posting of the RFP to indicate their interest in participating. Minnesota Housing

will then determine if there is a gap in service coverage prior to releasing the RFP. Program Administrators are encouraged to partner to deliver the rental assistance, identify a single Grantee, and indicate that in the Intent to Apply. Minnesota Housing will work diligently to make sure all geographic areas are covered.

If a Program Administrator described in 2.01 does not apply for the Minimum Grant Award covering the Service Area or partner with another Program Administrator, the award for that Service Area would be made in the following priority:

- First to an eligible HCV Administrator or Tribal entity that has a binding agreement to serve the area or has submitted a complete application that indicates they would serve the Service Area.
- Second to a nongovernmental organization determined by Minnesota Housing to have the capacity to administer the program if such organization has submitted a complete application for the Service Area in the RFP.

A Program Administrator must apply through the RFP with a complete application in order to be selected as a Program Administrator and awarded the Minimum Grant Award Amount.

An eligible Program Administrator may apply for any amount of funding through the RFP. If the Program Administrator requests less than or equal to the Minimum Grant Award provided in the RFP materials, the award would be capped at the lower of the requested amount or the Minimum Grant Award. Program Administrators may apply for more than the Minimum Grant Award amount and would be eligible to receive additional funding subject to availability of additional or unused funds.



## **Chapter 5 – Application Process, Review and Financial Criteria**

This Program is subject to applicable policies established by the Minnesota Department of Administration’s [Office of Grants Management](#) (OGM). Funding for the Program will be allocated through a competitive Request for Proposal (RFP) process.

Minnesota Housing will make application forms and instructions available on its website at such times and for such duration as it deems necessary and appropriate to fulfill the goals of the Program.

### **5.01 Funding Selections and Work Plan**

Funding selections are subject to approval by the Minnesota Housing Board of Directors. Minnesota Housing’s award decisions are final and are not subject to appeal.

After selection, each Grantee will receive a grant award letter with the allocated grant amount, terms and any due diligence requirements. The Grantee must complete a work plan and budget template based on the allocated grant amount. The work plan and budget template will be provided by Minnesota Housing and incorporated into the Grant Contract Agreement.

## Chapter 6 – Contracting, Payments and Budget Modifications

### 6.01 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. Program Administrators will be required to:

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

### 6.02 Payment Requests

After the Grant Contract Agreement is fully executed, the Program Administrator may only submit a disbursement request to Minnesota Housing using the disbursement request form provided by Minnesota Housing. On the disbursement request form, the Program Administrator must identify the actual expenditures for Start-Up Costs and Housing Assistance Payments (HAP). Disbursements will be made directly to the Program Administrator. Minnesota Housing will process one disbursement request per month for each Program Administrator. Administrative Fees will be based on a per voucher per month basis based on the number of vouchers issued.

The disbursement schedule will be determined by the Grant Contract Agreement. Minnesota Housing may provide an initial advanced payment, at the Agency's discretion, for a portion of the awarded Start-Up Costs and HAP payments to the Program Administrator within applicable laws, rules, and policies.

## **Start-Up Costs**

Start-Up Costs are intended to be used for the first twelve months of the Bring It Home Rental Assistance Program and may include any necessary expenses to establish and quickly disperse funds on behalf of Eligible Households to expediently engage in activities for initial start-up expenses determined by the Administrator. Start-Up Costs will be paid monthly for the start-up period as outlined in the Grant Contract Agreement. Program Administrators will prepare a budget proposal and submit it with their RFP application. Minnesota Housing will review, request changes as needed and approve the start-up budget.

## **Monthly Housing Assistance Payments**

Program Administrators will prepare and submit to Minnesota Housing their monthly Housing Assistance Payment requests that detail actual expenditures and summary participant information for the previous month. The information collected on the disbursement request form includes but is not limited to:

- Actual expenses incurred in the payment of rent plus utilities for the previous month.
- Summary data on each Participant for the previous month, which consists of information including but not limited to household data, unit size, voucher size, move-in date, move-out date, contract rent, Participant Rent, and Housing Assistance Payment amount.

Minnesota Housing will use a disbursement request form to determine the reimbursement amount to be sent to the Grantee. The Grantee should submit the request for funds to Minnesota Housing no later than the 15th of each month, unless other arrangements have been approved by Minnesota Housing.

## **Administrative Fees**

At the time of selection for funding, Minnesota Housing will approve a monthly Administrative Fee based on a per voucher per month basis for the Program Administrator, and it will be described in the Grant Contract Agreement. The monthly disbursement request form will calculate the total amount of eligible Administrative Fees to be paid to the Program Administrator based on the number of vouchers that are issued.

## **6.03 Budget Modifications that Do Not Require Pre-Approval**

Grantees are not required to seek Minnesota Housing approval for the following budget modifications but are required to inform Minnesota Housing staff in writing of these budget modifications within two working days of making the modification:

- Moving funds between Start-Up Cost line items. For example, from software to technology equipment.

## **6.04 Budget Modifications that Require Preapproval**

All other budget modifications require approval from Minnesota Housing. When requesting a budget modification, Grantees must submit the following information in writing to Minnesota Housing staff:

- The reason for the request;
- The amount of funds proposed to be shifted;
- The expense categories that funds will be moved to and from; and
- If there will be a change in the total projected households served or an impact to the program design outlined in the application or work plan.

Budget modification request approvals are at the sole discretion of Minnesota Housing.

## Chapter 7 – Reporting, Monitoring and Record Keeping

### 7.01 Reporting

In order to demonstrate the success of the program, data collection will be required on an ongoing basis. Data will be shared with the legislature, the Governor’s office and the public.

Minnesota Housing will establish a template through which Program Administrators will submit a report with disbursement requests which will include information on overall program administration and Participant information. This template will be attached to the Grant Contract Agreement. The following are examples of the types of information that may be requested:

Program information, such as, but not limited to:

- Payment Standards/Income Limits
- Number of people on the waiting list
- Shopping times
- Number of vouchers currently issued
- Number of vouchers that are under contract
- Number of Participants denied assistance and reason for denial
- List of vouchers by bedroom size
- Number of Project Based Rental Assistance and Tenant Based Rental Assistance vouchers

Participant information, such as, but not limited to:

- Number of household members
- Background at admission such as income, assets, race, disability status, etc.
- Unit to be occupied on effective date of action
- Assets
- Income
- Contract rent
- Housing Assistance Payment (HAP)
- Total Tenant Payment (TTP)
- Other information as requested by Minnesota Housing

### 7.02 Monitoring

Minnesota Housing will conduct ongoing monitoring and evaluations of the projects funded by the Program. If the grant award is over \$250,000, annual monitoring will be required. If the grant award is less than that amount, monitoring will be required once during the biennium. The following will be required as part of grant monitoring:

- A written report that summarizes the grant activities, outcomes, eligible expenses and challenges for the given period.
- A financial reconciliation completed by Minnesota Housing as required by [OGM Policy 8-10](#) before the final payment is made or within 12 months of issuance. 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 grant activities and confirmation of compliance with applicable affordability requirements.
- Site visits at the request of Minnesota Housing.

Minnesota Housing will schedule monitoring with Program Administrators giving adequate notice and preparation time (typically 30 days). Minnesota Housing staff will advise Grantees on how to prepare for the monitoring visit and financial reconciliation, the format for the monitoring and which Program Administrator staff should be involved in the visit.

Minnesota Housing staff will review all financial and progress reports that have been submitted by a Program Administrator prior to the monitoring visit.

During a monitoring visit, Minnesota Housing staff will complete a review of the overall program as well as a review of the Participant files. The review will include, but not be limited to, the following items:

- Overall program review including:
  - Program outcomes and reporting
  - Grantee policies and procedures
  - Program Administrator's Administrative Plan or other program guidelines
  - Payment Standards/Fair Market Rents
- Financial records including:
  - Expenditures for Housing Assistance Payments to Housing Providers
  - Security deposits
  - Balance sheet and check register
  - Program Administrator's adherence to the Procedures (or other program guidelines), the Bring It Home Program Guide and the Grant Contract Agreement
  - Participant files

Grantees are responsible for maintaining financial records that document the use of all Bring It Home Rental Assistance funds and that include all eligible payments. After completion of the grant term, Grantees are expected to maintain all records for a minimum of six years after the grant term has ended. In addition to program financial records, Participant records must also be maintained for a minimum of six years after the grant term has ended. In addition, Minnesota Housing reserves the

right to review financial and Participant records during this period, and records must be made available upon request.

### **7.03 Participant Files**

Each Program Administrator will establish files for applicants and Participants. Minnesota Housing will provide a template for required file documentation.

Minnesota Housing will review Participant files kept on site by the Program Administrator during site visits or through an audit of requested files. Minnesota Housing staff will determine the number of files for review and select files via a random sampling. Additional files may be reviewed at Minnesota Housing's discretion.

File documentation should align with the procedures the Program Administrator has adopted for Bring It Home Rental Assistance and with any Minnesota Housing approvals. File documentation may include, but is not limited to:

- Household Application for Bring It Home Rental Assistance
- Minnesota Government Data Practices Act Disclosure Statement and Acknowledgement (signed by all adults 18 or older on lease)
- Income and Asset determination
- Computation of gross Income, payment standard, Participant rent and HAP
- Unit inspection report
- Executed lease agreement
- Other correspondence

### **7.04 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 at 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 Consolidated Requests for Proposals (RFPs), suspension from doing business with Minnesota Housing, and/or any other disciplinary or legal action Minnesota Housing deems appropriate and as determined at Minnesota Housing's sole discretion.

### **7.05 Record Keeping**

Grantees are responsible for maintaining records that document the use of all grant proceeds. Grantees must save copies of all books, records, program files, documents and accounting procedures

related to the grant 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 and any amendments
- Reports submitted by the Grantee to Minnesota Housing
- Any necessary approvals, such as city council resolutions regarding application for, receipt and expenditure of program funds
- Invoices and supporting invoice documentation (receipts, proof of payment, etc.)
- Written approvals from Minnesota Housing



## Chapter 8 – Government Data Practices Act

The Program Administrator and Minnesota Housing must comply with the [Data Practices Act \(Minn. Stat. Chapter. 13\)](#). The Data Practices Act applies to all data provided by Minnesota Housing under the Grant Contract Agreement, and it applies to all data created, collected, received, stored, used, maintained, or disseminated by the Program Administrator under the Grant Contract Agreement. The civil remedies of [Minnesota Statute, section 13.08](#) apply to the release of the data referred to in this section by either the Program Administrator or Minnesota Housing.

The Data Practices Act provides that the collection and use of nonpublic data including private and confidential data on individuals “shall be limited to that necessary for the administration and management of programs specifically authorized by the legislature or local governing body or mandated by the federal government.” [Minnesota Statute 13.05, subd. 3](#). The Program Administrator must “establish appropriate security safeguards” including that data are “accessible to persons whose work assignment reasonably requires access to the data and is only to be accessed by those persons for purposes described in the procedure.” [Minnesota Statute 13.05, subd. 5\(a\)\(2\)](#).

The Program Administrator will ensure that it protects any nonpublic data it receives. Private or confidential information on individuals may include but is not limited to:

- Name
- Email address, phone number, or other contact information
- Photos

The Program Administrator should contact Minnesota Housing with any questions about the Data Practices Act and whether a request it received is considered a data request. If the Program Administrator receives a request to release the data referred to in this section, the Program Administrator must immediately notify Minnesota Housing. Minnesota Housing will give the Program Administrator instructions concerning the release of the data to the requesting party before the data is released. The Program Administrator’s response to the request shall comply with applicable law.

## Appendix A – Definitions

Term	Definition
Administrative Fees	Funds provided to Program Administrators for the operation of the program.
Alternative Plan	A set of procedures developed by the Program Administrator to implement the Bring It Home Rental Assistance Program that are substantially different from their Existing Procedures.
Amended Procedures	A modified version of the procedures currently used in a Program Administrator’s federal rental assistance program, such as the Housing Choice Voucher Program, Moving to Work demonstration program, or tribal rental assistance program.
Bring it Home Rental Assistance Program	State of Minnesota rent assistance program established under <a href="#">Minn. Stat. 462A.2095</a> .
Data Practices Act	References the Minnesota Government Data Practices act ( <a href="#">Minnesota Statutes, chapter 13</a> )
Eligible Household	A household domiciled in Minnesota with an annual income of up to 50% of the area median income as determined by the United States Department of Housing and Urban Development, adjusted for family size, that is paying more than 30% of the household's annual income on rent. Eligibility is determined at the time a household first receives rental assistance under this section.
Existing Procedures	Procedures currently used by a Program Administrator’s federal rental assistance program, such as the Housing Choice Voucher program, Moving to Work demonstration program, or tribal rental assistance program.
Grant Contract Agreement	The Grant Contract Agreement executed between the Minnesota Housing Finance Agency and the Grantee for funds to

Term	Definition
	administer the Bring It Home Rental Assistance Program.
Grantee	An entity awarded funding under the Bring It Home Rental Assistance Program. Also referred to as the Program Administrator.
Housing Assistance Payments (HAP)	Rental Assistance payments made on behalf of a Participant to a Housing Provider. Generally, these payments will be the difference between 30% of the Participant's income and the rent.
Housing Choice Voucher (HCV)	The Housing Choice Voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual, participants are able to find their own housing, including single-family homes, townhouses and apartments.
HCV Administrator	An entity, typically a public housing authority, Housing Redevelopment Authority or community development agency that has a contract with the Department of Housing and Urban Development to administer the HCV program.
Housing Provider	A property owner, manager or other authorized individual acting as a Landlord under Minnesota law.
Housing Redevelopment Authority (HRA)	A municipal public entity, legally separate from the city council, created to address local housing needs.
Landlord	An owner of real property, a contract for deed vendee, receiver, executor, trustee, lessee, agent, or other person directly or indirectly in control of rental property

Term	Definition
Landlord Incentive Programs	Programs developed to provide Housing Providers with resources - financial or otherwise - to encourage participation in the Bring It Home Rental Assistance Program.
Memorandum of Agreement (MOA)	A legally binding document between two parties that outlines the agreed upon terms to work cooperatively together on a project or program.
Minimum Grant Award	The minimum annual amount of funds a Program Administrator would receive that is in proportion to its share of households eligible for assistance and is provided by Minnesota Housing in a schedule.
Minnesota Housing or Agency	The Minnesota Housing Finance Agency or Minnesota Housing
Nongovernmental Organization	A nonprofit organization that works independently from any government, typically with a humanitarian or charitable mission.
Participant	A family or individual who has received Bring It Home Rental Assistance
Portability	The ability for a program Participant to use Rental Assistance outside of the Service Area served by a Program Administrator. This is not allowed for Bring It Home Rental Assistance.
Program Administrators	Housing and redevelopment authority or other local government agency or authority that administers federal tenant-based or project-based assistance under Section 8 of the United States Housing Act of 1937; A Tribal government or Tribal designated housing entity; or if there is no entity under clause (1) or (2) with the capacity or authority to administer the program, a nongovernmental organization determined by Minnesota Housing to have the capacity

Term	Definition
	to administer the program. Also referred to as the Grantee.
Program Guide	This document developed by Minnesota Housing explaining the policies and procedures used to administer the Bring It Home Rental Assistance Program.
Project Based Rental Assistance	A housing subsidy that connects rental assistance to a specific housing unit and remains project based
Public Housing Authority (PHA)	A state, county, municipality or other governmental entity or public body or agency or instrumentality of these entities that is authorized to engage or assist in the development or operation of low-income housing under the United States Housing Act of 1937 in accordance with 24 CFR §5.100.
Rental Assistance	Financial assistance provided to Housing Providers on behalf of individuals or families who are unable to afford their rent
Service Area	The geographic area in which a Program Administrator will be administering tenant-based or project-based Rental Assistance through the Bring It Home Rental Assistance Program.
Start-Up Costs	Necessary expenses in the first twelve months of a Grantee’s contract to establish and begin administration of the Bring It Home Rental Assistance Program for the Grantee’s Service Area.
Tenant Based Rental Assistance	A housing subsidy that connects rental assistance to an Eligible Household rather than a specific housing unit.
Tribal Designated Housing Entity	Entities that meet the requirements defined by Unites States Code, title 25, section 4103(22)

## Appendix B – Bring It Home Minimum Grant Award Amount Methodology

For non-Tribal Program Administrators, Minnesota Housing was required to use the most recent data from the Census Bureau's [American Community Survey](#) (ACS), which is updated annually, to determine the number of Eligible Households (those who would be eligible for the Bring It Home Rental Assistance Program) by Program Administrator Service Area.

The number of Eligible Households was then multiplied by the average Housing Assistance Payment (HAP) provided by HUD (which was a point in time for the most recent year) to determine the amount of money needed to assist all Eligible Households, which totaled approximately \$163 million per month.

The need amount for each Program Administrator was then divided by the total amount of need to come up with a “share of need” for each Program Administrator’s Service Area.

The share of need percentage was then multiplied by the total projected amount available (metro sales tax and appropriated funds) for the Bring It Home Rental Assistance Program to determine each Program Administrator’s Minimum Grant Award amount. The metro sales tax funds will only go to Program Administrators in the metro area, and the appropriated funds will largely go to Program Administrators in Greater Minnesota with a small share potentially going to the metro area.

Tribal Nations do not currently participate in the federal Housing Choice Voucher (HCV) program and therefore HAP payments are not available to calculate the cost of administering the Bring It Home Rental Assistance Program within the Tribal Service Areas. In addition, Tribal Service Areas are not limited by specific geographic boundaries. Minnesota Housing analyzed need among renters likely to be served by Tribal Program Administrators. Tribal Nations will apply for grants within a set-aside of Minimum Grant Awards that is funded by state appropriations.

## **Appendix C      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 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.

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 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](mailto: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.

## **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 of existing housing); (2) a single entity receives from Minnesota Housing \$200,000 or more of grant proceeds or \$500,000 of loan proceeds; or (3) allocations or awards of low-income housing tax credits, for which tax credits are used for multifamily housing projects consisting of more than ten units.

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 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.

Entities receiving funding from Minnesota Housing as described in this section shall notify all employers on the project of the recordkeeping and reporting requirements in Minnesota Statutes Section 177.30, paragraph (a), clauses (6) and (7). Each employer shall submit the required information to Minnesota Housing.

Questions related to submission of required information to Minnesota Housing may be directed to:  
[mhfa.prevailingwage@state.mn.us](mailto:mhfa.prevailingwage@state.mn.us).

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](mailto:dli.prevwage@state.mn.us)

[If a contractor or subcontractor fails to adhere to prevailing wage laws, then that contractor or subcontractor could face civil and/or criminal liability.](#)