Property Owner Risk Mitigation Fund Program Frequently Asked Questions

Contract Period: April 1, 2026 – March 30, 2030

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The Property Owner Risk Mitigation Fund Program (RMF Program) was established pursuant to Minnesota Laws 2023, chapter 37, article 1, section 2, subdivision 9(b), allowing up to $1,000,000 of Family Homeless Prevention and Assistance Program (FHPAP) appropriated funds to be used to create or expand risk mitigation programs to reduce the financial risk of property owners renting to eligible households under FHPAP as governed by Minnesota Statute 462A.204.

These funds are available through Minnesota Housing's RMF Program and are being distributed through a competitive Request for Proposals (RFP) process, awarded as grants, and subject to all policies established by the Minnesota Department of Administration Office of Grants Management.

The information in this Frequently Asked Questions (FAQ) document is supplementary to the Program Guide and Grant Contract Agreements. In the event of any conflicts between the information in this document and the Program Guide and/or Grant Contract Agreement, the information in the Program Guide and/or Grant Contract Agreement will govern and control.

Updates to this FAQ will be identified and dated accordingly. Please review the Property Owner Risk Mitigation Fund Program webpage and Program Guide for additional details.

Program Planning

Q1. Do we need to find and recruit property owners?

A1. Yes, grantees and subgrantees may market the program and recruit property owners. Eligible households referred to the RMF Program may be linked to enrolled property owners.

Q2. What are the requirements for property owners?

A2. Grantees and subgrantees create the criteria that property owners must meet in order to be eligible for enrollment in their RMF Program. Refer to Chapter 3, section3.03 of the Program Guide for additional information.

Q3. Is there a maximum amount a property can claim for reimbursement?

A3. Grantees and subgrantees can propose a cap for reimbursement payments that is reasonable given the design and size of their program.

Q4. Is the household eligible for only one year; for example, during a one-year lease?

A4. Households are eligible renters as long as they meet FHPAP eligibility criteria. Grantees and subgrantees may choose to restrict the time period the household is eligible.

The property owner is eligible for RMF Program services and reimbursements during their enrollment in the program. However, grantees and subgrantees may choose to further restrict the time period that a property owner is eligible.

Q5. If the application has one or two things that are not eligible expenses, will there be an opportunity to change it?

A5. If selected for funding, Minnesota Housing may request changes to the work plan and budget to remove ineligible expenses.

Q6. If we are awarded the grant, are we able to use the funds across the four years as needed, or are we limited to how much we can use each year?

A6. The budget worksheet breaks out proposed funding by year and there is no limitation, within the awarded amount, on funds that can be used each year.

Q7. Is there a specific award amount for Greater Minnesota?

A7. No, there is no specific award amount allocated to each geographical area.

Q8. How many awards are you expecting to approve?

A8. Minnesota Housing does not have a set number of applicants it will make awards to, but it is expected that up to three applicants will be selected for funding.

Q9. Can this funding be used in conjunction with U.S. Department of Housing and Urban Development (HUD) or state funding?

A9. There are no limitations under this program that would prevent these funds from being used in conjunction with other funding.

Q10. Can this funding be used for a program's own housing stock? Is the funding available for a nonprofit property owner to administer funding to cover eligible expenses, or is it expected that they partner with other entities who are awarded funds?

A10. Grantees and subgrantees are expected to recruit property owners to rent to persons who they may otherwise not rent to due to housing barriers. The grantee and property owner must be separate legal entities.

Q11. Can funding be used to pass an inspection prior to leasing to an eligible household?

A11. Expenses incurred to rent to eligible households may be reimbursed. Eligibility for reimbursement payments related to repairs are dictated by whether a repair is needed to maintain safety, security, and/or habitability of a rental unit or property. Reimbursement payments must be directly related to renting to an eligible household.

Q12. Can funding cover lease infractions?

A12. In many cases yes, but only if the damage/loss is greater than the security deposit and can be tied to an eligible expense.

Q13. Can funding be used for Beyond Backgrounds?

A13. No, this funding is for payments made directly to property owners.

Q14. Can funds be used to reimburse property owners for financial losses due to nonpayment of rent?

A14. Yes, if the loss was incurred while an eligible household was renting from a property owner enrolled in the RMF Program.

Q15. Could the program cover damages that are incurred mid-lease if they exceed the damage deposit so that the renter can stay in the unit?

A15. Yes.

Q16. If a household gets evicted and then there is a claim, is this allowable?

A16. The grantee will establish this in their program's policies and procedures.

Q17. What are eligible financial losses?

A17. Property owners may be reimbursed for eligible losses incurred while under an eligible household's lease term. The requirements that must be met in order for reimbursement payments to be made to property owners are outlined in the Property Owner Payments section of the Application Instructions.

Q18. If the grant period ends and the household exits after that, can the property owner receive reimbursement at that time?

A18. Costs cannot be incurred after the end of the grant period. Grantees and subgrantees should take into consideration how to honor guarantees made to property owners, and structure the program ramp down period accordingly.

Q19. NEW. Are there examples of grantees using the mitigation funds as incentive for property owners to relax background check requirements, including renting to people with past drug offenses? (Added 11/10/2025)

A19. Funds cannot be used as an incentive but may be used to reimburse property owners for costs incurred in order to meet eligibility requirements of the program. For example, a property owner may be reimbursed for costs associated with changing their application process to allow for broader renter eligibility. This could be making changes to an application or rental process that allows for low barrier background check requirements. Property owners would need to submit itemized receipts of costs incurred in order to receive the reimbursement payment.

Q20. NEW. I am exploring potential partnerships and wanted to clarify whether paying another agency for data entry or other services would constitute a fee for service arrangement rather than a subgrantee relationship. (Added 11/10/2025)

A20. This would be considered a subgrantee relationship because they are performing services under the contract and being paid with grant funds.

Q21. NEW. What is the definition of, "access to supportive services throughout the initial rental term?" The slides from 10/13/2025 say, "it does require that households are connected to direct supportive services such as case management to be eligible." What is the definition of case management that is required by this program? (Added 11/10/2025)

A21. The RMF Program requires households to be connected to direct supportive services, such as case management, to be eligible. It is not a requirement that services are provided directly through the applicant; supportive services may be delivered by a primary service provider and community partners, or through referrals to community agencies. Case management is one type of support service and is made up of the following activities: assessment, plan development, connection to services, coordination of services, monitoring, and personal advocacy.

Documentation

Q22. What do property owners need to provide for reimbursement?

A22. Property owners are required to provide itemized receipts/invoices for reimbursements. Refer to the Property Owner Payments section of the Application Instructions for more information.

Q23. Do property owners need to provide a W-9?

A23. Yes.

Q24. What will the entries look like in the Homeless Management Information System (HMIS)? Will they have to go through Coordinated Entry and be referred by the Continuum of Care (CoC)?

A24. An entry/exit will be required for each household in HMIS. It is not required that referrals come through Coordinated Entry or be referred by the CoC.

Q25. If a household is enrolled in an FHPAP-funded program and is renting from a property owner enrolled in the RMF Program, do there need to be two entries in HMIS?

A25. Yes, there should be an entry for each program the household is enrolled in.

Eligibility

Q26. NEW. Can a grantee be a nonprofit, or does it need to be a county or Tribal government or a collaboration between government entities? (Added 11/10/2025)

A26. A nonprofit may be eligible. Chapter 2 of the Program Guide outlines eligible grantees.

Q27. NEW. I am a property manager and a year ago a renter caused $30,000 worth of damages and did not pay rent for 4 months. Is the RMF Program something that the property owner can apply for to cover these loses? (Added 11/10/2025)

A27. No, property owners are not eligible grantees for this RFP. Refer to Chapter 2 of the Program Guide for more information on eligible grantees. Property owners can enroll in an RMF Program that an eligible grantee is administering.

Eligibility for reimbursement payments related to repairs are dictated by whether a repair is needed to maintain safety, security, and/or habitability of a rental unit or property. Reimbursement payments must be directly related to renting to an eligible household. Funds may be used to reimburse property owners for financial losses due to nonpayment of rent only if the loss was incurred while an eligible household was renting from a property owner enrolled in the RMF Program.

Property owners are required to provide itemized receipts/invoices in order to receive reimbursement payments. Refer to the Property Owner Payments section of the Application Instructions for more information.