
Homeless Response System Supplemental Resources Program Frequently Asked Questions

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The legislature passed and the Governor signed two bills this session that created and then amended session law that redirects dollars to address potential funding gaps among HUD Continuum of Care (CoC) grantees. In March, the legislature passed [Minnesota Laws 2026, Chapter 43](#) and in May, [House File 1141](#) amended that session law.

In total, the session law redirects 13 million dollars, 9 million from the Strengthen Supportive Housing Program and 4 million from Agency interest earnings. The resources are to address potential funding gaps among HUD Continuum of Care (CoC) grantees for fiscal years 2024 or 2025 “whose contracts have expired or will expire before December 31, 2027, and have experienced or will experience funding gaps.”

In the event that these resources are no longer needed to address financial gaps of CoC grantees, the remaining funds may be used by the agency for their original purpose.

The session law allows for a noncompetitive approach to award funds and prioritization by need, as well as eligible uses that include matching funds, supportive housing, rapid rehousing, transitional housing, and system-related activities.

Updates to the program and to this FAQ will be posted to the program webpage, [Homeless Response System Supplemental Resources Program](#).

General

Q1. If programs need to use a line of credit to pay expenses until funds are available, can they be reimbursed for those expenses?

A1. No. State funds can only be used for activities going forward and cannot cover expenses already incurred.

Q2. Will you include reporting instructions for victim service providers who use HMIS-comparable databases as required by federal law?

A2. If a victim service provider CoC grantee is prioritized for funding through HRSSR, a comparable reporting mechanism will be employed to meet reporting requirements set out by session law.

Q3. Are all the philanthropic dollars expended?

A3. No. Per Kristine Davis, Executive Director at Hearth Connection, they are making determinations a day at a time.

Funding

Q4. Will grant agreements have an off-valve if FY25 funds come through, and can CoCs contribute to how this might look? Could this help to save funding for FY26?

A4. If a grantee becomes no longer eligible for or in need of these funds after grant execution the funds will return to Minnesota Housing. However, if a grantee had chosen to use the funds as match, repayment will not be required.

Q5. If all CoC agencies ultimately receive their HUD funding and no longer require gap funding to sustain their programs, would this funding pool then become available for other housing-related purposes outside of CoC-funded projects, such as supportive services, prevention, housing stabilization, or other community housing needs?

A5. Session Law 43 limits use of these funds to CoC-related activities and eligible grantees for Fiscal Years 2024 or 2025 CoC Program grantees. Any unspent funds for these purposes will not be made available more broadly, but rather for the original purposes of the Strengthen Supportive Housing Program.

Q6. Is there a limit to the amount of match we can request?

A6. We are not attaching a limit to the match request.

Q7. To clarify timing and overlap: after HUD funds are available in E-LOCCS, are state HRSSR funds not eligible to be used even for match?

A7. Funds requested to be used as match do not have to be repaid to the state and may still be used for match after HUD funds become available in E-LOCCS. Unspent funds awarded for other uses may not be used starting on the date HUD funds become available in ELOCCS and will need to be returned to Minnesota Housing.

Eligibility

Q8. If a grantee is unable to sign the FY25 HUD grant agreement, is the grantee eligible for these funds?

A8. HUD CoC Program FY24 or FY25 grantees are eligible, as long as the funds are being used for the original purpose of covering expenses created by the gap in HUD funds.

Q9. Do we need to wait until we receive notification from our CoC on what amount/projects they are recommending and have them submit their form first before we complete the forms? Or can we complete the forms and submit them ahead of knowing if the CoC is recommending funds?

A9. We recommend you wait. Each CoC will work with its providers to determine the funding recommendations and then will share that information with Minnesota Housing. Until Minnesota Housing has received the CoC's selection template, requests for funds from that CoC will not be processed.

Q10. We have a CoC Joint TH and RRH grant. Is that eligible?

A10. Yes. All FY24 and FY25 HUD CoC grantees and program types are eligible under session law.

Q11. When will we know if HUD match is an eligible use?

A11. Match was made an eligible use through the amendment to the session law linked in the introduction to this document. Program funds used for match will not have to be repaid to Minnesota Housing.

Q12. Is this funding only eligible for grantees who are eligible to receive their FY25 award under HUD but do not receive it?

A12. No. These funds are available for those that were an FY24 or FY25 grantee and are experiencing or are expecting to experience a gap in their HUD dollars.

Q13. Did we land on a decision related to special NOFO projects that would have been renewing in 2025, but because HUD only renewed 2024, they did not receive a renewal?

A13. If a grant is listed in the 2025 GIWs, it can be presumed eligible, even if it is not being processed by HUD as a 2024 renewal.

Q14. For FY25 projects that expire in Q4 (for example, December 2027), will they be able to get a 6- or 12-month contract that goes into calendar year 2028?

A14. No. HRSSR funds are only available for the period of a HUD gap and only through 2027. Once an FY25 HUD award expires the associated gap ends as well, and HRSSR funds

must terminate. If a HUD FY25 award expires in 2027 the grantee would not be able to use HRSSR funds for expenses incurred in 2028.

Contracting

Q15. If we select 6 months, is it possible for them to extend?

A15. It may be possible to extend, depending on the circumstances for the extension request. If the request is not for additional funds we could explore an extension. Determinations to extend will be made at Minnesota Housing's sole discretion.

Q16. If our agency has multiple HUD CoC grants that are prioritized by the respective CoCs, would we have multiple state grant contracts under this program?

A16. Typically, there would be one grant agreement per award. We are exploring the possibility of consolidating into one agreement when a grantee has more than one award, but do not have an answer at this point.

Q17. Is the required budget for the Minnesota Housing funds or the program as a whole?

A17. The required budget should just reflect Homeless Response System Supplemental Resources Program funds.

Q18. On the list of required due diligence after Minnesota Housing Board approval, it lists "board resolution." Is this a resolution by the grantee agency?

A18. The board resolution would come from the grantee agency.

Q19. What will the grant period for any state awards be?

A19. The grant term can be 6 or 12 months long and can only pay for expenses incurred after the grant execution date. Requests for alternative contract lengths will be considered at Minnesota Housing's sole discretion.

Q20. Will the grant period for any state funds have to align with the HUD CoC award period, or could it have a different period?

A20. The state funds are intended to fill gaps caused by HUD funding loss or delay. State funds will not extend beyond the grantee's HUD CoC award period but are available through the end of 2027.

Q21. Could we set a maximum grant amount in the template versus a set amount? Then if a project needs less when it gets to Q3 or Q4, it might allow for that flexibility without requiring resubmissions.

A21. State grant contracts may be written with an “up to” amount. The grant amount the CoC includes on the Submission Template will be confirmed during contracting with the grantee. The grant agreement can be written with an “up to” amount, but once executed cannot be increased. If the grant agreement includes more funding than the grantee needs, remaining funds will be decommitted at the end of the grant term.

Q22. Can the award amounts change during the process?

A22. Grant contracts may be written with an “up to” amount indicated for the grant term. Minnesota Housing will not make awards greater than a grantee's proportional allowed allocation.

Q23. Is funding going to the CoC?

A23. No. The grant agreements will be between Minnesota Housing and the grantee.

Q24. If HUD starts to pay grantees, do these funds need to be repaid?

A24. Any state grant funds disbursed to cover expenses during a period in which HUD funds are also available to the grantee will need to be paid back to the state, except for funds used as match.

Q25. Do you have an idea of what each grantee should ask for?

A25. Grantees should be discussing this with their CoC leaders and provider network. The state will not be selecting grantees; that will be done by the CoC.

Q26. What are the Due Diligence items required during contracting?

A26. After Board approval we will need the following items from potential grantees for the contracting process:

- Board Resolution
- Certificate of Insurance with Employee Dishonesty/Crime Coverage in the amount of at least one-eighth of the total amount of the award. Worker’s Compensation is required by statute for all grants.
- [W-9](#) and [SWIFT vendor number](#) for a new potential grantee that has been selected, or if the current information on file needs to be updated
- Approved Final Budget and Workplan
- Signed Grant Contract Agreement (provided by Minnesota Housing)

We will host a Due Diligence Webinar so please stay tuned for future communication!

Q27. What are the due diligence items required?

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- Approved Final Budget
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Grantee selection and distribution

Q28. Can a CoC re-order their priorities if a grantee gets their HUD renewal? Will that money get returned to the CoC for identifying a new grantee?

A28. Funding is final when a contract is fully signed. We are exploring options for the unlikely possibility there are unused funds.

Q29. Is July the soonest selections could be brought to the Minnesota Housing Board?

A29. Given the steps in the funds request process and the timing of the board material routing, July is the soonest we expect to be able to get award recommendations to the board.

Q30. Is funding contingent on, or related to, scoring for each program?

A30. The CoCs will determine their methodology for selecting grantees. There will likely be a variety of methodologies across the ten CoCs.

Q31. CoCs are giving you a list of providers and amounts. What happens if that money is not all needed because they can start to draw down in E-LOCCS? How does that allocation get updated to redistribute money where needed?

A31. We will offer more than one window for submission of funding requests, partially in order to provide flexibility while grantees and CoCs watch for HUD action. We will not be able to switch out grantees selected once submitted.

Q32. Do you have to be able to demonstrate that the gap is tied to not having received your award, or can it be because the cost of services exceeds revenue sources?

A32. The statutory purpose of these funds is to fill gaps caused by the absence of FY24 or FY25 HUD grants. Eligible grantees will need to demonstrate they have such a gap and mirror their uses of state funds to the intended uses of the HUD funds.