MINNESOTA HOUSING

Bridges and Bridges Regional Treatment Center Rental Assistance Programs

Program Guide

Contract Term: July 1, 2027-June 30, 2029



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Values Statement

Our vision is that all Minnesotans live and thrive in a stable, safe, and accessible home they can afford in a community of their choice.

To achieve this vision, we will reorient how we work and expand who has a voice at the table and who participates in and benefits from our programs and the housing economy.

We acknowledge and understand the intentional harms of the past, how they came to be and persist today, and our responsibility to correct them and remove barriers.

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.

Chapter 1 – Introduction

Minnesota Housing, in partnership with the Minnesota Department of Human Services Behavioral Health Administration (DHS-BHA) and Housing, Homeless and Support Services Administration (DHS-HHSSA), manages the Bridges and Bridges Regional Treatment Center (RTC) Rental Assistance Programs (collectively referred to as the Bridges Program).

1.01 Program Overview

The goals of the Bridges Program are to:

- Provide housing subsidies for People with Mental Illness who are experiencing housing instability in order to bridge the time until a federal or other permanent housing subsidy program is available.
- Maintain and foster the integration of People with Mental Illness into their communities through a partnership of housing subsidy and supportive services.

The Bridges Program provides a temporary housing subsidy for Participants. Bridges Program funds may be used to pay rent directly to a property owner, security deposits, application fees, utility connection fees, financial assurance/risk mitigation program fees, damage claims, and vacancy payments. The housing subsidy is provided while the Participant is on a waiting list for federal or other permanent housing subsidy programs, or it is provided to a Participant who will apply when the waiting list opens.

Minnesota Housing enters into a Grant Contract Agreement with local Housing Agencies, some of which also manage a permanent housing subsidy program. The Housing Agencies work with applicants and issue monthly housing subsidies that are paid to the property owner on behalf of Participants. The Housing Agency partners with a Local Mental Health Entity (LMH Entity) and a Behavioral Health Service Agency/Agencies and partners that provide services in the region in order to provide access to culturally appropriate behavioral health and housing stabilization services. The LMH Entity enters into a Cooperative Agreement with the Housing Agency to define roles and responsibilities under the Bridges Program. Participation in services and housing is voluntary, so the Housing Agency, LMH Entity, and Behavioral Health Service Agency/Agencies and partners providing housing stabilization services need a clear partnership and strategy for supporting the Participant's ongoing health and housing stability. The standards for the Cooperative Agreement and partnership expectations can be found later in this Program Guide.

The Bridges Program serves as a transition to a permanent subsidy, and many provisions of the program are similar to those in the Housing Choice Voucher (HCV) Program. Examples of similar HCV Program polices include verification of income, leasing procedures, shared housing options, federal Housing Quality Standards (HQS), and payment standard limits on rents. However, the Bridges Program has required priorities for serving households who have histories of instability and Homelessness, and

the program is therefore designed to be more flexible in admission criteria. The Bridges Program housing subsidy is determined by a calculation based on household income. using the Utility Allowance deduction that is used in the HCV Program. The maximum subsidy is the difference between the Participant Rent and the Contract Rent, up to the Local Payment Standard (LPS) for units secured prior to January 1, 2023. Units secured after that date may go up to the Fair Market Rent (FMR) or the LPS, whichever is greater. Rents may exceed this limit by 10% for 20% of the Housing Agency's portfolio or potentially more if the Housing Agency petitioned Minnesota Housing for the increase. Refer to Chapter 3 (Household Eligibility, Intake, and Certification) and Chapter 4 (Leasing Process) of this Program Guide for more detail.

Once initial eligibility has been determined, a Bridges Program Participant remains eligible to receive a housing subsidy if the housing assistance is still needed, the household is waiting for another permanent rental subsidy, and the household complies with program requirements.

1.02 Future Funding

Funding for the Bridges Program will be allocated through a competitive request for proposals (RFP) process. All current Housing Agencies and interested parties are encouraged to apply for Bridges Program funds. Housing Agencies with a current Grant Contract Agreement may be considered for funding based on the results of performance reviews, need, and utilization. Additional applicants may be solicited to reach underserved areas and to identify Housing Agencies that provide culturally competent services and have referral sources that reach Black, Indigenous, and people of color that are exiting Institutions, other Segregated Settings, or that are on Supervised Release.

The scoring methodology is designed to incentivize selected grantees to be high performing agencies that strive to:

- Identify and serve the Bridges Program priority populations
- Improve program design and procedures to efficiently serve the region identified in the Grant Contract Agreement
- Develop staffing models and practices that create access for People with Mental Illness and diverse populations with high barriers to housing
- Create collaborative partnerships that promote the best possible service outcomes for Participants
- Track outcomes to show improved practices

1.03 Definitions

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

1.04 Legal Addendum

Any recipient of an award or allocation agrees to comply with the additional requirements and incorporated into this Program Guide.

Chapter 2 – General Administrative Requirements

2.01 Governing Statute

The Bridges Program provides rental subsidies in accordance with Minnesota legislation that authorizes and appropriates funds under provision of Minnesota Statute 462A.2097.

2.02 Grantees

To be eligible to apply for Bridges Program funding, the following requirements must be met:

- The applicant is a Housing Agency (Housing Authority, nonprofit organization, or Tribal Nation)
- The application includes a partnership with a Local Mental Health Entity (LMH Entity) that will collaborate with the Housing Agency to implement the program
- The partnership identifies behavioral health service partners that will serve Bridges Program Participants in the Service Area

Subgrantees

Housing Agencies may serve a large geographic area and, as a result, they may have partnered with Subgrantees, such as other Housing Agencies, to better serve Participants in the region. If a Subgrantee arrangement exists, Housing Agencies are expected to enter into formal agreements with Subgrantees and impose, at a minimum, the same expectations that Minnesota Housing requires of Housing Agencies. In addition, Housing Agencies should ensure that communication received from Minnesota Housing is relayed to Subgrantees.

2.03 Service Area

Each Housing Agency administering Bridges Program funds will operate in the geographic area indicated in the Grant Contract Agreement, which is known as the Service Area. Minnesota Housing must receive a written notification of any change in the Service Area designation and the change must be approved by Minnesota Housing.

2.04 Cooperative Agreement

The Bridges Program operates as a partnership between the Housing Agency that provides housing subsidies and an LMH Entity, Behavioral Health Service Agency/Agencies, and partners providing

services to connect Participants with Housing Support Services and behavioral health services. Each Housing Agency administering Bridges Program funds must enter into a Cooperative Agreement with an LMH Entity. They may also identify partnerships with other Service Agency/Agencies to coordinate the implementation of the program. The Housing Agency, LMH Entity\ and other Service Agency/Agencies if added, will perform the duties indicated in the Cooperative Agreement. Any changes in the Cooperative Agreement must be approved by the Housing Agency and the LMH Entity. Before any changes are effective Minnesota Housing must receive written notification of the change, approve the change, and amend the Grant Contract Agreement to reflect the approved change. The LMH Entity must notify DHS-BHA and DHS-HHSSA of these changes.

The goal of the Cooperative Agreement is to assist People with Mental Illness in obtaining and retaining stable, affordable housing within their community. The Cooperative Agreement must contain:

- Designation of the parties (LMH Entity, Housing Agency, Behavioral Health Service Agency/Agencies, and partners providing housing stabilization services) entering into the Cooperative Agreement and unique features of the parties
- Terms of the Cooperative Agreement, including the duration
- Purpose, such as:
    - To foster cooperation between parties
    - To assist People with Mental Illness in accessing appropriate housing, treatment, supportive services, and income supports
    - To assist People with Mental Illness to live in the community
- Guiding principles, such as:
    - People with Mental Illness are full members of the community with all rights, privileges, opportunities, and responsibilities accorded to all people
    - People with Mental Illness are not required to accept services
    - Support services are:
        - Based on need, preferences, and desires
        - Offered to the individual in the least restrictive manner
        - Flexible in location, intensity, and schedule
- Roles and responsibilities of the Housing Agency, LMH Entity, Behavioral Health Service Agency/Agencies, and partners providing housing stabilization services; these should include:
    - Who the referral sources will be and the process of referral
    - Who will identify resources for Bridges Participants and how
    - Who will provide housing placement and housing stability services
    - Who will assist with transition planning and applying for permanent housing
    - Who will be responsible for documentation and Release of information to communicate on behalf of participants
- Participants to be served
- Services available to Participants

- Site of services, times available, and manner in which the services can be obtained
- Rights and responsibilities of Participants
- Implementation and evaluation, including:
    - The process for modification, amendment, or termination of the Cooperative Agreement
    - The process for resolution of problems
    - Interagency meetings, including frequency, attendees (if known), and dates
    - Involvement of Participants
    - Designation of liaisons to oversee, facilitate, monitor, and evaluate the Cooperative Agreement
- Waitlist Responsibilities
    - Party responsible for the waiting list
    - Procedure for maintaining the waiting list
    - Procedure for making selections from the waiting list (using priorities identified in the Cooperative Agreement)

Housing Agencies are required to participate in LMH Entity meetings at least twice a year and must have a collaborative working relationship with the LMH Entity in order to best serve People with Mental Illness who are experiencing housing instability. In addition, Behavioral Health Service Agency partners and service partners in the area must be identified even if they are not named in the agreement. Housing Agencies are required to communicate regularly with these service partners, whether through the meetings with the LMH Entity or other organized meetings.

A Cooperative Agreement between the Housing Agency and the LMH Entity that demonstrates how all parties will coordinate the implementation of the Bridges Program is required for the grant term. Bridges RTC Program grantees must have the endorsement of the Adult Mental Health Initiative (AMHI) and a Cooperative Agreement with a Behavioral Health Service Agency. The Cooperative Agreement for the Bridges RTC Programs must contain:

- Documentation that outlines each organization’s roles and responsibilities
- A schedule of meetings
- A demonstrated plan to help ensure access to housing and services and choice for Participants
- A plan for housing and behavioral health crisis response to support Participants
- A plan to reach out to and engage with people currently in Institutions who are eligible for the Bridges Program
- A plan to receive referrals from the Coordinated Entry (CE) System for households experiencing Homelessness
- Signatures by authorized signers for each organization participating in the Cooperative Agreement
- Waitlist responsibilities

Each Housing Agency must provide Minnesota Housing with a copy of the Cooperative Agreement as well as any subsequent modifications, amendments, or terminations. Minnesota Housing, DHS-BHA, and DHS-HHSSA will review the Cooperative Agreement and make suggestions for modification. Executed copies of the Cooperative Agreement will be an exhibit to the Grant Contract Agreement and should be maintained by all parties to the Cooperative Agreement. A sample Cooperative Agreement is provided on Minnesota Housing's Bridges Program webpage.

The Housing Agency, LMH Entity, Behavioral Health Service Agency/Agencies, and partners providing housing stabilization services will gather input from Participants in order to review the program and identify areas of strength and improvement.

2.05 Data Privacy

In working with applicants and Participants, the Housing Agency, LMH Entity, Behavioral Health Service Agency/Agencies, and partners providing housing stabilization services must comply with applicable data privacy laws and regulations. This includes the Minnesota Government Data Practices Act, which regulates information that can be obtained, stored, and/or released in connection with public programs. A Government Data Practices Act Disclosure Statement must be completed at initial occupancy and retained in the Participant's file. The Statement is available on Minnesota Housing's website. Additionally, the Housing Agency and LMH Entity need to use their own Release of Information (ROI) forms, separate from the form named above, to share Participant information and complete income verification inquiries. All ROIs that are signed by the Participant must be kept in both Housing Agency and LMH Entity files.

2.06 Foundational Service Practices

Foundational service practices are four relevant areas of program implementation shown to have the greatest potential to positively impact outcomes for people experiencing Homelessness:

1. Documents required for enrollment
2. Frequency of required in-person appointments
3. Mailing address and phone number requirements
4. Communication methods

Housing Agencies administering Bridges Program funds must implement foundational service practices to more effectively serve individuals and families who experience challenges in accessing and maintaining participation in the Bridges Program. They must also continuously improve practices as they identify where they can increase outcomes.

In addition to these areas, two other areas of program implementation are required to be addressed within the Bridges Program, and Housing Agencies are also expected to align their policies to adhere to them:

1. Criminal history
2. Documenting housing status

Documents Required for Enrollment

Notify both potential Participants and their secondary contact of documentation requirements. Instead of requiring original documents, accept copies or other confirmation such as a Social Security Number rather than the original card. Avoid requiring documents that are costly to obtain and assist or refer potential Participants to available resources that can help in gathering needed identification materials.

Offer potential Participants Form 6: Certificate of Participation – Statement of Participant Obligations if verified efforts are underway to obtain required documentation.

Frequency of Required In-Person Appointments

The following options should be made available to potential Bridges Program Participants:

- The initial Briefing Session does not need to take place in person. Allow flexibility for the applicant.
- Annual recertification may be completed by virtual meetings, email, fax, mail, or telephone.
- Assistance with transportation or a home visit option is available for in-person appointments if needed.

Additionally, Housing Agencies administering Bridges Program funds should implement the following practices:

- Second and third chances –a lenient policy should be in place for missed appointments for people with disabling factors.
- Encourage participation of secondary contact.
- Prior to termination from a Bridges Program due to a Participant not responding to communication or appointments, attempt to reach all known contacts in an efficient manner.

Mailing Address and Phone Number Requirements

If the potential Participant is unable to provide an address, refer them to services for a free or low-cost P.O. box and encourage them to provide the address of a family member, a friend, a social service provider, or a secondary contact. Update secondary contact information annually. If the potential Participant does not have access to a telephone, refer them to services for a free or low-cost cell phone or voicemail.

Communication Methods

Provide multiple methods of communication, recognizing the barriers that mental illness can present in communication. Use mail, phone, fax, email, and text from a work phone if able and requested. Additionally, opportunities for face-to-face communication should be provided. Clearly state open office hours and inform clients of the process and expectations.

An ROI for service providers, representative payees, or other secondary contacts assisting the potential Participant is recommended. If an ROI is obtained, include the secondary contact on receipt of mailed and emailed documents. Changes or notices required for continued participation must be clearly stated in writing.

Criminal History

Bridges Program intake does not require a credit, rental history, or criminal background check and is often more flexible than the HCV Program regarding criminal histories. However, such background checks may help inform housing search plans. Specifically, a criminal history may be considered to:

- Determine whether an applicant is a lifetime registered sex offender or has been convicted of methamphetamine production in public housing
    - This does not disqualify them from the Bridges Program but must be considered as it does disqualify them from other federal subsidies, and a plan to transition to other permanent housing options will be necessary.
- Develop ways to support the individual in transition to the HCV Program
- Identify if additional tenancy supports and property owner engagement strategies are needed

Housing Agencies, the LHM Entity, Behavioral Health Service Agency/Agencies, and partners providing services should refer Participants to housing navigation resources or assist Participants with finding an eligible rental unit that they can qualify for based on screening criteria.

Documenting Housing Status

The Bridges Program does not require that an individual or family be experiencing Homelessness to apply; however, all Housing Agencies are required to have a preference for individuals leaving Institutions or who are experiencing Homelessness. If a household is claiming preference points, evidence that the household meets that preference must be verified and kept in the Participant file.

2.07 Program Obligations – Checklist of Responsibility

The following is a list of activities that are carried out in implementing Bridges Programs. For each activity, the Housing Agency, LMH Entity, Behavioral Service Agency/Agencies, partners providing housing stabilization services, or a combination may be responsible. Responsibilities vary for different implementations of the Bridges Program and must be described in the Cooperative Agreement. Only

the Housing Agency and LMH Entity will be required to sign the Cooperative Agreement, but at least one Behavioral Service Agency/Agencies and one partner providing services with appropriate resources to provide services must identify activities they will be responsible for. Organizations should use the following list as a tool for program development and as a resource for the creation of the Cooperative Agreement.

Table 1: Bridges Implementation Activities

Activity	Housing Agency	LMH Entity	BHSA or Partners[1]
Publish information on the availability and nature of the program	X	X	X
Explain the program to the property owner, RTCs, community-based RTCs, counties, shelters, social service staff, applicants, and Participants	X	X	X
Develop a variety of housing options and strengthen relationships with property owners and managers to make units available for Bridges Program Participants who may have barriers to housing	X	-	-
Develop an ROI form for use between the Housing Agency, Behavioral Health Service Agency/Agencies, and partners providing housing stabilization services and the LMH Entity	X	X	X
Inform applicants of housing options outside areas of economic and racial concentration	X	X	X
Reach out to potential Participants meeting Bridges Program priorities: • People residing in an Institution or other Segregated Setting, including people on Correctional Supervision who will be Homeless Upon Discharge • People who are experiencing Homelessness and are in need of Permanent Supportive Housing • People who are experiencing Homelessness or who are at Imminent Risk of Homelessness	X	X	X
Verify diagnosis of People with Mental Illness	-	X	X
For the Bridges RTC Program, verify that the applicant meets the additional eligibility criteria	X	X	X
Verify income and assets	X	X	X
Maintain an applicant waiting list	X	X	X
Communicate with the Continuum of Care (CoC) regarding referrals from the CE System	X	-	-
Conduct Briefing Sessions explaining Participant's rights and responsibilities, including payment responsibilities	X	-	-

[1] Behavioral Health Service Agency/Agencies or partners providing services.

Activity	Housing Agency	LMH Entity	BHSA or Partners[1]
Verify applicant's HCV Program eligibility and waiting list status	X	-	-
Calculate subsidy and Participant Rent	X	-	-
Assist Participant with housing appeals for denial of eligibility	-	X	-
Assist Participant in locating appropriate housing	X	X	X
Negotiate lease and conditions with property owner	X	X	X
Determine eligibility of selected units based on rent, unit size, and lease provisions	X	-	-
Conduct HQS inspection of selected units	X	-	-
Enter into, administer, and enforce Bridges Program Contracts with property owners	X	-	-
Make payments to property owners	X	-	-
Conduct annual and interim recertification of Participant eligibility	X	-	-
Terminate Bridges Program subsidy for Participants who violate program regulations, become ineligible for the HCV Program, or refuse an HCV subsidy when offered	X	-	-
Maintain financial management records	X	-	-
Maintain Participant demographic information	X	X	
Report required information to Minnesota Housing to include requests for data and the annual report	X	-	-
Provide after-hours emergency response to property owners, Participants, and the Housing Agency	-	X	X
Assist Participants who choose to be served with the following: • Case Management services • Diagnosis and treatment of mental illness • Rehabilitation, vocational training, and employment assistance • Income support and benefits • General health care and dental services • Alcohol and/or other drug abuse treatment • Consumer and family involvement • Legal protection (including protection provided under civil rights laws, such as the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act of 1990)	-	X	X
Notify Housing Agency of absences by Participants during medical behavioral health treatment or psychiatric crisis	-	X	X
Recalculate subsidy payment and utilities for Participants during medical or psychiatric crisis	X	-	-

Activity	Housing Agency	LMH Entity	BHSA or Partners[1]
Partner to increase the supply and options of housing available to People with Mental Illness (for example, location, style, rent levels, flexible services, integration)	X	X	-
Participate in biannual Housing Agency meetings	X	-	-

2.08 Applicant/Participant Records

Each Housing Agency will establish files for applicants and Participants. Minnesota Housing requires that these files contain copies of all Participant and property related forms listed below. Some of the documents do not have a specific form, as noted below, and Housing Agencies are expected to provide documentation in a format that contains the required elements. Documents that require a specific format can be found on Minnesota Housing's Bridges Program webpage. Required Bridges Program forms are updated regularly, and Housing Agencies are responsible for using the most current version.

Table 2: Required File Documentation

Form	Specific Format	Required Annually
Form 2: Application for Bridges	Yes	No
Preliminary screening forms developed locally for intake	No	No
Minnesota Government Data Practices Act Disclosure Statement and Acknowledgement (signed by all adults 18 or older on lease)	Yes	No
Form 4: Verification of Mental Illness (specific records and documents detailing the nature of applicant's illness should be retained by the LMH Entity)	Yes	No
Form 6: Certificate of Participation – Statement of Participant Obligations	Yes	No
Form 7: Participant Agreement for Requirements of Continued Eligibility	Yes	Yes
Income and Asset Verification	No	Yes
Form 8: Computing Gross Income, Participant Rent and Subsidy	No	Yes
Lead-Based Paint Certification (if applicable)	No	No
Form 21: Housing Quality Standards Notice	Yes	Yes
Executed lease agreement (must be a one- to 12-month term)	No	No
Form 12: Addendum to Lease	Yes	No
Form 13: Lease Amendment/Extension (if applicable)	Yes	No
Form 14: Bridges Program Contract	Yes	No
Form 24: Certification and Authorization for Payment of Rent and Deposits During Crisis	Yes	No

Form	Specific Format	Required Annually
Evidence of Homeless status or release from Institution required for Participants claiming waiting list priority points and all Bridges RTC Program Participants	No	No
Eligibility/ineligibility notices sent to applicants/Participants by Housing Agency or LMH Entity	No	No
Letters and notifications of outcome from informal hearings	No	No
Documents and correspondence concerning the Participant's application and participation in Bridges	No	No
Initialed and dated notations regarding conversations about the Participant	No	No
Notice of termination	No	No

The main file for each potential, current, and past Participant is kept by the Housing Agency. The Housing Agency may share any documentation that may be needed by the LMH Entity in carrying out its responsibilities to provide supportive services, provided an ROI has been completed. Both the Housing Agency and the LMH Entity need to retain a copy, 6-year minimum retention period of the ROI in its permanent records. The sharing of information and documents should be outlined in the Cooperative Agreement.

2.09 Monitoring and Evaluation

Minnesota Housing will conduct ongoing evaluations of the financial reports and Participant files submitted by the Housing Agency. 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.

Minnesota Housing will review Participant files kept on site at the Housing Agency during site visits or through an audit of requested files. Review of the Housing Agency and LMH Entity partnership will also be conducted on a regular basis by Minnesota Housing, DHS-BHA, and DHS-HHSSA. The review may contain the following components:

- Participant files:
    - Verification of income and eligibility
    - Calculation of Participant Rent
    - Fair Market Rent (FMR) limits/Local Payment Standard (LPS)
    - Review of units that have rents that exceed FMR and LPS
    - Lease agreements and contracts
    - Housing Quality Standards (HQS)
    - Additional information as required
- Financial records detailing:

    - Expenditures for subsidy payments to property owners
    - Security deposits
    - Payments during medical and psychiatric crises
    - Balance sheet and check register
- Cooperative Agreement:
    - Partnership and communication
    - Management of capacity and funds
    - LMH Entity adherence to the Program Guide
    - Behavioral Health Service Agency/Agencies and partners providing housing stabilization services adherence to the Program Guide
    - Housing Agency adherence to the Program Guide
- Interview of case managers, community support staff, and Participants

State Monitoring of Housing Agencies

Housing Agencies and Subgrantees are responsible for maintaining financial records that document the use of all Bridges Program funds and eligible payments. Housing Agencies will be required to provide Minnesota Housing with a monitoring summary on the annual narrative report, which will include information on Subgrantees. Housing Agencies and Subgrantees 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 be maintained for a minimum of six years after the grant term has ended. The Participant file must be maintained for the duration of the assistance, even if it spans multiple grant terms. Minnesota Housing reserves the right to review financial and Participant records during this period, and records must be made available upon request.

Housing Agency Monitoring of Subgrantees

Housing Agencies are expected to monitor Subgrantee activities. Subgrantees should not receive advanced payment; rather, they should be required to submit an invoice with supporting documentation for services and assistance prior to receiving reimbursement from the Housing Agency. Housing Agencies must determine that the Participants meet all the eligibility requirements prior to the Subgrantee providing assistance. Subgrantees must also provide rental assistance calculations, verification of income, and HQS inspection results to Housing Agencies before Housing Agencies can request from Minnesota Housing a rental payment for the Participant. Any payments made in error to an unqualified Participant, or incorrectly calculated, will be the responsibility of the grantee. Minnesota Housing is not responsible for reimbursement of erroneous or incorrectly calculated payments made to Subgrantees.

In addition, if Subgrantees are responsible for maintaining client files, Housing Agencies must, at a minimum, monitor them annually to help ensure proper procedures are followed and documentation is collected. Refer to Participant file requirements for details.

Housing Agencies must consult with Minnesota Housing staff in a timely manner if any concerns arise regarding the performance of a Subgrantee, through monitoring or any other means, in areas such as Participant files or financial management. Minnesota Housing may recommend Housing Agencies take further action such as providing additional monitoring or developing a performance improvement plan with Subgrantees.

2.10 Financial Management/Records

The Housing Agency must establish one or more separate bank accounts (checking or savings) for Bridges Program payments from Minnesota Housing. The Housing Agency may combine these funds with other funds in a consolidated account, provided that the Housing Agency's banking system can adequately segregate the various restricted funds within one account. Any interest earned on these funds may be retained locally and may be used in paying administrative expenses. Minnesota Housing will request financial information at least once during the biennium due to financial reconciliation requirements. The Housing Agency must maintain and make available records of payments to property owners.

2.11 Funding Reimbursement

Housing Agencies will prepare and submit to Minnesota Housing a monthly payment requests that details actual expenditures and Participant information for the previous month. For example, you will submit August expenditures in September. The required Rental Assistance Draw Request Form is available on Minnesota Housing's Bridges Program webpage. The information collected on the Rental Assistance Draw Request Form includes:

- Actual expenses incurred in the payment of rent and eligible housing related expenses for the previous month
- A monthly Participant log for the previous month, which consists of information such as Participant name, address, move-in date, move-out date, Contract Rent, Participant Rent, subsidy amount, and security deposit amount, if paid from Bridges Program funds

Minnesota Housing will use the monthly Rental Assistance Draw Request Form data to determine the reimbursement amount to be sent to the Housing Agency. The Housing Agency 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. At the end of the term of the Grant Contract Agreement, the Housing Agency must refund any excess subsidy funds or administrative fees.

2.12 Administrative Fee

At the time of selection for funding, Minnesota Housing will approve a monthly administrative fee for the Housing Agency, and the fee amount will be described in the Grant Contract Agreement. The administrative fee will be paid each month in which a Participant resides in an eligible Assisted Unit.

Administrative fees begin when the Participant has a current and active lease and the rental assistance payments begin.

Starting July 1, 2027, the Bridges Program will be using the 2026 HCV Program administrative fee rates provided by the U.S. Department of Housing and Urban development (HUD). Administrative fees will be paid based on units leased each month, and this data will be extracted from the Rental Assistance Programs Draw Request Form. Two administrative fee rates are provided by HUD for each Public Housing Authority (PHA); Rate A will be used for the Bridges Program. Bridges Program grantees that are not a PHA will use the rate for the PHA nearest to the defined Service Area.

In some cases, a Housing Agency may have Participants in more than one PHA administrative fee area. The Housing Agency may request that Minnesota Housing establish a blended fee rate that will consider proportionately all areas in which Participants are located. HUD Notice PIH 2023-07 describes how the blended fee is calculated.

For all Housing Agencies, the rate(s) for the calendar year in which the contract term starts will be used as the approved administrative fee for the two-year contract period.

2.13 Lease-Up Fees

Lease-up fees are a one-time fee in addition to the Bridges Program administrative fee allocation. Lease-up fees are permitted throughout the contract period for all necessary expenses associated with leasing-up an eligible Bridges Program grantee and are limited to eligible expenses incurred prior to a Participant having a lease in place.

Examples of reasonable lease-up staff activities, include but are not limited to, the following:

- Making payments to property owners for application fees
- Assisting potential Participants with housing search
- Completing required lease and rental assistance paperwork with property owners and Participants
- Obtaining ROIs and connecting with service providers regarding housing stability
- Participating in initial meetings with service providers to share Participant information relevant to housing stability

Each time a Bridges Program administrator submits a request for payment after placing a household in an Assisted Unit as a new admission to the program, the first month’s administrative fee payment will be the approved administrative fee plus a flat lease-up fee of $300. The following monthly administrative fee payments for the household will continue at the standard, approved rate without the lease-up fee.

Lease-up expenses will be reflected as an adjustment on the Rental Assistance Draw Request Form. The log will automatically tally one month's worth of administrative fees, and the administrator will

manually enter the remaining $300 in the adjustments tab. The Rental Assistance Draw Request Form will serve as the necessary documentation to receive the lease-up fee.

2.14 Grantee Performance Evaluation

After the expiration of the grant contract agreement, Minnesota Housing will complete a Grantee Performance Evaluation (Evaluation) for each grantee. The Evaluation will document timeliness, quality of work, and overall performance during the grant period. Evaluations will be saved to the grantee's file.

For all grant contract agreements in an amount of $25,000 or more, Evaluation information will be submitted to the Commissioner of the Department of Administration and made available on the Office of Grants Management's Grantee Evaluation website, per the Office of Grants Management requirement.

Chapter 3 – Household Eligibility, Intake, and Certification

3.01 Eligible Participants

Under the Bridges Program, an eligible Participant must meet the following requirements:

- An adult member of the household that has a diagnosed mental illness, as defined in Minn. Stat. 245.462, subd. 20 (a), verified by a Mental Health Professional; and
- The household is eligible to receive an HCV or other permanent housing option or can become eligible based on successful participation in the Bridges Program; and
- The gross income of the household at the time of initial eligibility is at or below 50% of the area median income for the household size.

Eligible Bridges RTC Program Participants

To be eligible for the Bridges RTC Program, a Bridges RTC Program Participant must meet the following requirements:

- The individual is an eligible Participant under the Bridges Program; and
- The individual is receiving in-patient care at the Anoka-Metro Regional Treatment Center (AMRTC) or Forensic Mental Health Program and does not meet hospital level of care; or
- The individual was a patient at the AMRTC or Forensic Mental Health Program prior to entering an Intensive Residential Treatment Services (IRTS) facility or other treatment facility; and
- The individual has significant or complex barriers to accessing and retaining housing; and
- The individual is Homeless or at Imminent Risk of Homelessness upon AMRTC or Forensic Mental Health Program discharge.

Verification that a person is at the AMRTC, in the Forensic Mental Health Program, or was prior to entering an IRTS facility, is required for the Bridges RTC Program. Verification may come from the referral source, which is usually the IRTS facility, RTC, county, or Tribal Nation. Individuals who meet Bridges RTC Program eligibility requirements that are not identified while at the AMRTC or in the Forensic Mental Health Program may have that evidence confirmed after the fact by the facility allowing them to maintain eligibility after release.

Identified Participants may transition to an IRTS facility or other treatment facility prior to community housing and retain their eligibility for the Bridges RTC Program. The time frame that Participants are diverted to other treatment facilities does not affect the Participant's eligibility. If the individual has a mental health civil commitment court document that has been verified and noted in the Participant's file, they remain eligible.

In some cases, Bridges RTC Program funds may be used by Participants who are diverted from admission to the AMRTC or Forensic Mental Health Program with prior written approval from

Minnesota Housing, DHS-BHA, and DHS-HHSSA. Verification and documentation of a mental health civil commitment will support eligibility for the Bridges RTC Program.

3.02 Tribal Nations and Nonprofit Organizations

Programs operated by a Tribal Nation may have alternate eligibility criteria and rules around the HCV Program waiting list requirements that align with the permanent housing programs managed by the Tribal Nation. Because Tribal Nations and nonprofit organizations do not manage an HCV Program, Bridges Program policies that are specific to HCV Program alignment may not apply. Any alternate eligibility criteria or rules must be approved in writing by Minnesota Housing.

3.03 Outreach

Information about the Bridges Program should be widely distributed by the LMH Entity, Behavioral Health Service Agency/Agencies, and the Housing Agency to People with Mental Illness who are experiencing housing instability or living in a Segregated Setting. Specifically, information will be provided to RTCs, corrections staff, community-based residential treatment facilities, homeless shelters, transitional housing programs, board and lodges, county case managers, county employment workers, community mental health centers, drop-in centers, and Community Support Services Programs. The programs should also strive to serve households disproportionately impacted by Homelessness or housing instability and develop outreach efforts to improve their ability to serve these households in their region. If the Housing Agency is not a Tribal Nation and there is Tribal land in the service region, specifics should be included to reach individuals on the reservation. If there is not Tribal land in the Service Area, strategies to reach Indigenous people living in the area should be identified. People who reside outside the county, but for whom the county assumes financial responsibility, should also be informed of the opportunity to apply for the Bridges Program. The LMH Entity and the Behavioral Health Service Agency/Agencies are primarily responsible for outreach. Outreach should be well described in the Cooperative Agreement.

3.04 Application

Potential Participants applying for the Bridges Program are required to complete Form 2: Application for Bridges Program and a Minnesota Government Data Practices Act Disclosure Statement. The application forms can be found on the Minnesota Housing website. The LMH Entity or Behavioral Health Service Agency Agencies must verify that the head of household or another adult household member has mental illness as defined by the Minnesota Comprehensive Adult Mental Health Act. The LMH Entity must confirm that a qualified Mental Health Professional has signed Form 4: Verification of Mental Illness and submitted it to the Housing Agency in a timely fashion. A mental health diagnosis is based on a diagnostic assessment not more than two years old. The Mental Health Professional must include documentation of this determination in the Participant's case file. At time of application,

information regarding all the applicant's previous living situations prior to program intake and extent of Homelessness must be collected and submitted upon participation in the Bridges Program.

As part of application activity, the LMH Entity must:

- Inform applicants that receiving the Bridges subsidy may reduce other forms of aid that they may be receiving such as food stamps and Minnesota Supplemental Aid (MSA)
- Inform applicants of what types of mental health services, community support services, and program services they are eligible for and make referrals for these services if the applicant agrees to a referral
- Advise applicants that participation in services is not required in order to participate in the Bridges Program
- Inform applicants that, as a condition of receiving a Bridges Program subsidy, they must also be eligible to receive a federal or other permanent housing subsidy and accept the other subsidy when it is offered
- Develop and provide to each applicant a written document that incorporates the information in this section, as well as provide the information to the applicant verbally

3.05 Housing Choice Voucher Waiting List Requirements

Bridges Program Participants are required to apply for and accept, when offered, a federal or other permanent housing subsidy, primarily the HCV Program, formerly known as Section 8. The Housing Agency will require Bridges Program applicants to complete an HCV application at the time of the Bridges Program application if they are currently not on the local waiting list. If waiting lists for the area are closed, the applicant must agree to apply to the HCV Program as soon as the waiting list opens. The Housing Agency is responsible for notifying Bridges Program Participants of HCV Program waiting list openings. A Participant may apply to HCV programs outside of the area but is not required to do so.

Participant files must contain evidence of the HCV application, or other permanent housing option, verifying the status on the waiting list(s) or documentation that the waiting list is closed, and the Participant will sign up as soon as a waiting list opens.

While the Participant is receiving a Bridges Program subsidy, the Housing Agency, LMH Entity, or Behavioral Health Service Agency/Agencies will monitor the applicant's status on the HCV waiting list(s) or assist the Participant with an HCV when the waiting list opens. If a Participant does not accept an HCV, becomes ineligible, or refuses to apply for an HCV, the Participant may be terminated from the Bridges Program.

3.06 Final Subsidy Review

The Housing Agency will calculate the subsidy based on gross income and issue the Participant Form 6: Certificate of Participation – Statement of Participant Obligations. Income limits for the Bridges Program are based on 50% of area median income as defined by HUD.

3.07 Appeals Process

Applicants and Participants may request an informal hearing to contest a determination made by the LMH Entity, Behavioral Health Service Agency/Agencies, or Housing Agency concerning eligibility to participate or for continued participation in the Bridges Program. The LMH Entity or Behavioral Health Service Agency/Agencies is responsible for handling disability-related eligibility appeals. The Housing Agency will be responsible for housing-related appeals. The Housing Agency will use procedures established for use in its HCV Program administrative plan, or otherwise written procedures in the case of a Housing Agency without an HCV Program administrative plan.

At an informal hearing, the applicant or Participant must be given an opportunity to view all documents and information used to make the decision and must have an opportunity to present their own evidence in support of eligibility or continued eligibility.

The applicant or Participant must be encouraged to have the LMH Entity or Behavioral Health Service Agency/Agencies assist them in their appeal. The hearing should be conducted by an individual who did not take part in the original decision that is being contested. Applicants and Participants must be notified in writing of the outcome of the hearing and be informed of the reason(s) for the determination.

3.08 Calculating Gross Income

Gross income includes all income expected to be received in the next 12 months for all household members aged 18 and over, excluding the income of a non-related person who is living in the household solely to care for a disabled or elderly household member. When computing gross annual income, include the actual income earned from assets, such as interest or dividends.

Gross income includes, but is not limited to:

- Amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, and bonuses
- Net income from operating a business, professional trade, or from rental of real or personal property
- Interest and dividends
- Amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and similar types of periodic payments

- Unemployment, disability, or worker's compensation or severance pay, and similar types of payments in lieu of income
- Public assistance payments
- Periodic allowances, such as alimony, child support, and gifts/contributions received from people not residing with the Participant
- Regular and/or special pay and allowances for a member of the armed services who is the head of household or the spouse of the head of household

Gross income does not include:

- Earned income of minors (age 17 and under)
- Tribal per capita payments
- Minnesota Child Tax Credit
- Income of live-in healthcare aides
- Casual, sporadic, or irregular gifts
- Amounts specifically for reimbursement of medical costs, including Medicaid spend-down Inheritances, one-time insurance payments, capital gains, settlements for personal losses or property losses, and similar lump sum amounts
- Educational grants or scholarships paid expressly for tuition, fees, books, or equipment (amounts not specified for these purposes are counted as income)
- Combat pay for a Participant head of household who is in the armed services
- Relocation payments made under the federal Uniform Relocation Act (URA)
- Foster care payments
- Value of allotments such as food stamps and fuel assistance
- Payments made for people participating in federal or state volunteer programs
- Advance payments of the Minnesota Child Tax Credit authorized under the American Rescue Plan Act of 2021
- Emergency rental assistance payments authorized under either Section 501 of Division N of the Consolidated Appropriations Act, 2021, or section 3201 of the American Rescue Plan Act of 2021, section 3201

3.09 Verification of Income and Assets

, the Bridges Program follows HUD's HCV Program Guidebook located on the HUD website, which explains verification of income and assets by a third party. A Housing Agency may use the procedure it has adopted in its HCV Program administrative plan, or otherwise written procedures in the case of a Housing Agency without an HCV Program administrative plan.

Verified information must be no more than 120 days old prior to the award of Form 6: Certificate of Participation – Statement of Participant Obligations. Income and assets to be verified are:

- Records of earned income:
    - Income tax return – state and/or federal (most recent)
    - Paycheck stubs
    - W-2 forms
- Records of other income:
    - Pensions and annuities – most recent check stub from issuing organization
    - Social Security payments – current award letter
    - Unemployment compensation – determination letter or most recent check stub
    - Supplemental Security Income (SSI) – award letter or most recent check stub
    - Minnesota Family Investment Program (MFIP) awards – award letter or most recent check stub
    - Workers' Compensation – determination letter or most recent check stub
    - Alimony – copy of court order
    - Child support payments – copy of court order
    - Educational scholarships/stipends (federal Title IV grants are excluded) – award letter
    - Other public assistance payments – award letter
    - Income from assets – credit union/bank/savings and loan statements, etc.

Assets to be evaluated include, but are not limited to:

- Checking accounts, savings accounts, and CDs
- Stocks and bonds
- Mortgage notes or property tax statements
- Life insurance policy redemption or cash surrender value
- Net equity in real property
- Personal property held as an investment

3.10 Bridges Waiting List

If the number of applicants for Bridges Program subsidies exceeds the number of subsidies available, a waiting list must be established. The Cooperative Agreement must specify:

- Party responsible for the waiting list
- Procedure for maintaining the waiting list
- Procedure for making selections from the waiting list (using priorities identified in the Cooperative Agreement)

The Bridges Program is designed to assist people with high needs through housing subsidies that are linked with community mental health services. To achieve this goal, Housing Agencies must prioritize the populations identified below, with highest priority given to those in category 1. The following

priorities must be identified in the Housing Agency's waiting list management and tenant selection plan:

1. Category 1: People living in an Institution, Segregated Setting, or under Correctional Supervision who will be Homeless Upon Discharge.
2. Category 2: Households experiencing Homelessness who are assessed as High Priority Homeless (HPH) through the CE System, including individuals, families with children, and youth (age 18+).
3. Category 3: Households experiencing Homelessness or at Imminent Risk of Homelessness.

The Housing Agency must submit its waiting list selection plan to Minnesota Housing for review and approval. The plan must be developed jointly by the Housing Agency, LMH Entity, Behavioral Health Service Agency/Agencies, and where applicable, Tribal Nation. Other objective criteria may be included, such as household income or date and time of application, or a preference for transition-aged youth or families with children. Minnesota Housing may consider waiting list selection plan proposals that set aside a specific number of subsidies for households at Imminent Risk of Homelessness, in particular for Service Areas where low rental vacancy rates are contributing to Housing Agencies having difficulty utilizing subsidies.

Applicants who are experiencing Homelessness and claiming preference under category 1 or 2 must be referred from the CE System, when it is available, with the exception of households who are at Imminent Risk of Homelessness. Verification of any waiting list priority must be kept in the applicant/Participant file. Tribal Nation programs and nonprofit organizations may develop an alternate referral practice, which must be approved in writing by Minnesota Housing.

Verification of Waiting List Priorities and Bridges RTC Program Eligibility

The Housing Agency must retain evidence in the Participant file for Participants who are prioritized under category 1. The LMH Entity is responsible for providing this evidence, which may be noted on Form 4: Verification of Mental Illness, or on a separate document, and retained in the Participant file. People residing in an Institution or other Segregated Setting who will be Homeless Upon Discharge are not required to be assessed by or referred from the CE System.

3.11 Form 6: Certificate of Participation – Statement of Participant Obligations

The Housing Agency will issue Form 6: Certificate of Participation – Statement of Participant Obligations to each eligible Participant when they reach the top of the waiting list and are offered a rental subsidy. This document certifies that the Participant is eligible for the Bridges Program, outlines the criteria for an eligible Assisted Unit, describes the process and required documents for obtaining the subsidy, and the Participant's obligations.

The Participant is allowed 90 days to locate an eligible Assisted Unit and submit necessary documents to the Housing Agency. If a unit is not located within that timeframe, the Housing Agency has the discretion of extending Form 6: Certificate of Participation – Statement of Participant Obligations.

Form 6: Certificate of Participation – Statement of Participant Obligations must be signed and retained in the Participant file after it is issued at a Briefing Session where the program requirements are verbally explained to the Participant. The Housing Agency must inform the Participant during the Briefing Session that if they need additional time to locate an eligible Assisted Unit, they should contact the Housing Agency to request an extension of the certificate.

3.12 Unit Size (Occupancy Standards)

The Housing Agency may use the unit size (occupancy standards) established for their HCV Program. If different than the HCV Program, or if the Housing Agency does not have an HCV Program, the occupancy policy proposed for use in the Bridges Program must be submitted to Minnesota Housing for review.

The bedroom size allocated to a Participant must count full-time household members, children expected to reside in the Assisted Unit, and any live-in attendant necessary to care for a household member living with a disability, regardless of age. The Housing Agency must count the child or children:

- Of a pregnant woman
- Being adopted
- Whose custody is being obtained
- In joint custody, as long as the child/children will live in the Assisted Unit at least 50% of the time
- Who are in the unit under foster care
- Who are temporarily absent due to placement in a foster home

The Housing Agency and LMH Entity may establish criteria for granting exceptions to the occupancy standards. Exception criteria may include, but is not limited to, the following:

- Unique disability-related circumstances of the Participant
- Availability of the specified size in the Housing Agency's Service Area
- Housing market conditions prevalent in the Housing Agency’s Service Area

An exception policy must be in writing and submitted to Minnesota Housing for review and approval and be made part of the Cooperative Agreement.

3.13 Rent Limits

The maximum subsidy available to the Participant is the difference between 30% of their gross income and the area Fair Market Rent (FMR)/Local Payment Standard (LPS) or Contract Rent, whichever is

greater. If the rent exceeds these limits, the Participant may pay a maximum of 40% of their gross monthly income. If the rent still exceeds the allowable amount, the Housing Agency may exceed the FMR/LPS whichever is greater by 10% for up to 20% of their portfolio.

The Housing Agency may petition Minnesota Housing in writing to request an increase higher than 10% and/or to have the increase be applicable to more than 20% of their portfolio. Such requests must further demonstrate hardship (that is, Participant inability to secure housing with expanded subsidy limit within allowable housing search time). Evidence of three comparable rents must be included in the petition. The Housing Agency's budget and targets must also be taken into consideration. All decisions to accept or reject a petition to increase Contract Rents are subject to approval by Minnesota Housing and are at Minnesota Housing's sole discretion.

FMRs are published by HUD annually and can be obtained on HUD's Fair Market Rents webpage. The LPS is established by the local Public Housing Authority (often the same as the Housing Agency and can be found on their website) and is based on the FMR. Tribal Nation programs may use an alternate written affordability standard. Any alternate written affordability standard must be approved in writing by Minnesota Housing prior to its implementation, with such approval being at the sole discretion of Minnesota Housing.

3.14 Calculating Participant Rent

The Participant's Rent portion is calculated in a similar manner as the HCV Program, with the exception that the Bridges Program uses gross income, not adjusted income. The minimum Participant Rent is 30% of their monthly income and the maximum payment is 40% of their monthly income. Participants can pay up to 40% of their monthly income if they choose a unit that exceeds the area FMR/LPS.

The Bridges Program subsidy cannot pay more than the difference between 30% of the Participant's gross monthly income and the area FMR/LPS or the Contract Rent, whichever is greater.

If zero income is claimed by a Participant at entry into the program, verification must occur again within 90 days and every 90 days thereafter. This verification requires the Participant to provide a signed zero income statement to the Housing Agency until a source of income is established. The LMH Entity or Behavioral Health Service Agency/Agencies will offer the Participant assistance in obtaining and maximizing income if the Participant wishes. It is important for the Housing Agency, Behavioral Health Service Agency/Agencies, and the LMH Entity to collaborate in order to serve the target number of households by connecting households to eligible benefits and employment services.

The Bridges Program subsidy may be used in shared housing settings. The subsidy for shared households will be calculated according to the guidelines specified by HUD and Minnesota Housing and are included in section 4.03 (Shared Housing) of this Program Guide. Rental calculations will be completed using Form 8: Computing Gross Income, Participant Rent and Subsidy. Likewise, households that are comprised of eligible and ineligible members for the HCV Program are considered eligible for

the Bridges Program under the prorated formula. Pro-rata is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private, non-shared space by the total number of bedrooms in the unit. Tribal Nation programs may use an alternate written standard, which must be approved in writing by Minnesota Housing. Approval will be at Minnesota Housing's sole discretion.

3.15 Briefing Session

The Housing Agency must schedule a Briefing Session for each Participant receiving Form 6: Certificate of Participation – Statement of Participant Obligations for the first time. It is recommended that an LMH Entity representative or other secondary contact such as a friend or family member attend the Briefing Session. The Housing Agency may decide whether to hold individual or group sessions. If group sessions are held, the Participant's income and rent discussions must be conducted privately. A Briefing Session must be available by phone if requested and if a Participant is unable to attend in person.

A Briefing Session must cover the following topics:

- Overview of the Bridges Program
- Explanation of the Participant's obligations listed on Form 6: Certificate of Participation – Statement of Participant Obligations
- Review of Participant Rent and the calculation worksheet, Form 8: Computing Gross Income, Participant Rent and Subsidy
- Review of the lease approval process and the content of the forms, emphasizing provisions of Form 10: Request for Lease Approval that must be incorporated into property owner generated leases
- Key requirements in state law affecting property owner/Participant relationships
- Responsibility of the Participant to pay the Participant Rent as well as utility expenses not paid by the property owner
- Review of the HQS requirements for Assisted Units
- Service Area in which the Housing Agency may execute Bridges Program Contracts with property owners
- Assistance the LMH Entity, Behavioral Health Service Agency/Agencies, and Housing Agency can provide if a Participant needs help locating a unit or in receiving mental health or other supportive services

At the session, the Participant signs and receives Form 6: Certificate of Participation – Statement of Participant Obligations. Participants receive a briefing packet containing the following, or other similar information, which can be found on Minnesota Housing's Bridges Program webpage, unless otherwise noted:

- Form 16: Index to Participant Briefing Packet

- Form 17: Participant Rent Payment
- Form 18: How to Find a Rental Unit
- Form 21: Housing Quality Standards Notice
- Form 10: Request for Lease Approval
- Information on the Fair Housing Act (available from HUD)
- Landlord and Tenants Rights and Responsibilities (available from the Minnesota Attorney General's Office)
- Form 6: Certificate of Participation – Statement of Participant Obligations
- Form 7: Participant Agreement to Requirements for Continued Eligibility

The Housing Agency may include additional materials that it deems useful for the Participant.

Chapter 4 – Leasing Process

4.01 Freedom of Choice in Selecting Units

The Bridges Program will assist People with Mental Illness to live in various types of conventional rental housing that may be available in the Housing Agency's Service Area. While Participants may need advice about finding a unit and understanding legal requirements and options for making a selection, they have full responsibility for making the final choice. The Housing Agency, Behavioral Health Service Agency/Agencies, and LMH Entity may not directly or indirectly reduce a Participant's opportunity to choose from any potentially eligible unit. The information and assistance given to Participants in locating housing must also provide a broad range of choices. The Housing Agency will also need to maintain relationships with shared housing providers. Refer to section 4.03 (Shared Housing) of this Program Guide for more information.

4.02 Eligible Units

The rental unit must be eligible for use by the Participant under the local HCV Program or other identified permanent rental subsidy. Bridges Program Participants may choose from eligible units, which may include:

- Units owned or substantially controlled by a Housing Agency if all of the following apply:
    - All of a property's units are available for occupancy by the general public
    - Rents are market rate and subsidized only with Bridges funds
    - Minnesota Housing receives assurances that a Participant was given choices of other housing in the Service Area
- Units that were constructed with federal or state assistance such as Section 236 or U.S. Department of Agriculture (USDA) Rural Development, provided that:
    - Rents approved for Bridges Program Participants are the market rate for the building
    - No other deep subsidy (that is, rent based on 30% of income) is provided to the Bridges Program Participant
- Units that qualify as a shared housing unit as defined by HUD

Subsidies cannot be provided for the following:

- Units within or established by public or private Institutions that provide psychiatric or medical services such as:
    - Nursing homes or psychiatric hospitals/facilities
    - Board and care facilities
    - Other facilities such as independent group residences established specifically to serve People with Mental Illness

- Property owner occupied units (unless the Participant leases a portion of the unit that contains a private entrance, private bath, and private kitchen)
- Lot rental for a property owner occupied manufactured home

4.03 Shared Housing

Shared Housing is defined by HUD as a single housing unit occupied by an assisted family and another resident or residents. The shared unit consists of both common space for use by the occupants of the unit and separate private space for each assisted family. The unit may be a house or an apartment.

There must be a separate lease for each assisted family. Not sharing lease responsibilities with roommates assists with housing stability, removing the obligation to others under the lease. It does not reduce the social obligation to cohabitate, which should be considered by the individual before entering a shared housing arrangement.

While shared housing can be a useful option for Bridges Program Participants to consider, the Housing Agency must be cognizant of potential local ordinances that may prohibit or limit shared housing.

Assisted households can share a unit with either another assisted person(s) or unassisted person(s). The owner of the property may reside in the unit, but housing assistance may not be paid on their behalf. Additionally, a resident owner cannot be related by blood or marriage to the assisted family. A Housing Agency, however, must grant exceptions in Bridges Program policies where such exceptions are needed as a reasonable accommodation for a person with a disability. If approved by the Housing Agency, a live-in aide may reside with the family to care for a person with disabilities. The Housing Agency must approve a live-in aide if needed as a reasonable accommodation so that the program is readily accessible to and usable by persons with disabilities.

Shared housing is required to meet HQS. The entire unit, including the portion of the unit available for use by the assisted family under its lease, needs to meet HQS, with additional requirements for facility standards, as well as the standards for space and security.

The rents for shared housing will follow the same FMR and LPS process that all units use in the Bridges Program, except it will only be a pro-rata share of the total unit rent. Pro-rata is calculated by dividing the number of bedrooms available for occupancy by the assisted family in the private, non-shared space by the total number of bedrooms in the unit. The Participant portion of rent will also remain at 30% of income, not to exceed 40% of income for rents over the FMR/LPS. Use Form 8: Computing Gross Income, Participant Rent and Subsidy.

4.04 Utility Allowances

As of January 1, 2023, rental assistance is calculated using the Utility Allowance schedule(s) for all Service Areas specified in the Bridges Program Grant Contract Agreement. The Utility Allowance

schedule used for the Bridges Program is the same as the Utility Allowances for the HCV Program and can be found on the Housing Authority website for the Service Area. A copy of the Utility Allowance schedule used for each rental assistance calculation must be kept in the Participant file. Utility Allowances in shared housing will use the prorated formula based on the number of individuals under lease in the shared housing situation.[2]

4.05 Inspections – Housing Quality Standards

All properties and units to be leased by Participants must be inspected by a HQS qualified person, which includes someone that was trained by someone that is certified in HQS, or someone that is certified with the Housing Agency. The Housing Agency can also use a contracted housing professional certified or otherwise qualified to perform HQS inspections. A standard federal form (or another version approved by HUD) must be used for reporting the results of the inspection. Units must pass the initial inspection before the Housing Agency makes a payment to the property owner. No subsidy payments from the Bridges Program may be made for a period when the unit was not in compliance with the initial or annual HQS requirements. Exceptions may be considered for unusual circumstances, fully documented in the Participant file, and for which Minnesota Housing has given written approval.

Units must be inspected at least annually. Housing Agencies should schedule the inspection well in advance of the annual due date in order to allow time for repairs, if needed. A copy of all HQS inspections, including passes and fails, must be kept in the Participant's file.

Minnesota Housing allows virtual HQS inspections except under the following circumstances:

- Properties built before 1978
- Units owned or leased by property owners unfamiliar to the Housing Agency
- Property owner, Participant, or other party requests a physical inspection
- Property owner and/or tenant Participant does not have the technology or resources to complete a virtual inspection

No more than 50% of all units assisted can be inspected virtually each year. Re-inspections of failed items can be completed either as a physical or virtual inspection regardless of the method used in the first inspection. Re-inspections would not count toward the 50% limit on virtual inspections.

Virtual inspections must be completed using the same HQS forms, procedures, and standards as physical inspections. Special safeguards may need to be taken to protect Participant information.

[2] From U.S. Department of Housing and Urban Development; Notice PIH 2021-05; Office Directors of Public Housing; Issued: January 15, 2021

4.06 Portability

Bridges Program Participants must lease a unit within the Service Area of the Housing Agency in which they applied. The Bridges Program subsidy is not portable outside of the Service Area. Participants who wish to relocate must apply to the Bridges Program or other housing rental subsidy program in their desired area. The LMH Entity and Behavioral Health Service Agency/Agencies will assist Participants to assess other housing options.

4.07 Leasing Procedures

The procedure for processing leases is similar to the HCV Program:

1. The Participant locates a suitable unit with assistance, if needed.
2. The Participant signs and submits Form 10: Request for Lease Approval.
3. The Housing Agency conducts an HQS inspection.
4. If the unit passes the HQS inspection, the lease and Form 14: Bridges Program Contract are signed with the property owner.

The term of the initial lease may not extend beyond one year. The Housing Agency, at its sole discretion, may permit lease terms from one month to 12 months. A copy of the lease, the HQS inspection report, and Form 14: Bridges Program Contract must be retained in each Participant file.

4.08 Lease Amendment/Extension

A current lease agreement is required for all Bridges Program Participants. Some lease agreements may have a provision for renewal after the initial term. Renewals may be month to month or longer, up to a maximum of one year.

Form 13: Lease Amendment/Extension must be signed at the time that a lease expires and parties to the lease would like to extend the term, or when parties to the lease agree to an increase to the Contract Rent.

In the case of income changes which result in a change to the rental subsidy and the tenant paid rent, Form 13: Lease Amendment/Extension is not required. However, verification of income and the calculation of the rental subsidy must be retained in the Participant file. The Housing Agency must notify the property owner and the Participant, in writing, of the new amounts.

4.09 Security Deposits

If the Participant cannot afford to make a security deposit for the Assisted Unit and no other resource is available within a reasonable amount of time, the Housing Agency, upon request of the Participant, may pay the security deposit to the property owner using Bridges Program funds. The security deposit may exceed one month's rent, not to exceed a double deposit (two months' rent total), when no other

resources are available, and cannot be paid until after a unit passes inspection.. If the property owner requires a deposit in excess of one month's rent, other resources may be combined.

If the Participant leaves a unit and the unit has damages beyond normal wear and tear or unpaid rent and/or unpaid utilities, then the property owner may retain all or part of the security deposit to pay for unpaid rent and/or unpaid utilities or damages to the unit or property. The property owner must provide documentation to the Housing Agency and Participant detailing how the deposit, plus interest, was used to offset expenses.

Participants who are transferring to a new Assisted Unit may request assistance from the Housing Agency for a new security deposit, which may be permitted at the Housing Agency's discretion.

A Participant may keep all or part of the security deposit, plus interest, when any of the following apply:

- The Participant leaves a unit and the unit has no damages
- The Participant leaves a unit and the unit has damages in an amount less than the security deposit
- The Participant stays in a unit, leaves the Bridges Program, and does not receive an HCV or a permanent subsidy
- The Participant stays in a unit, leaves the Bridges Program, and receives an HCV or another permanent subsidy

A Participant may retain only the balance of security deposit that has been paid from Bridges Program funds. If a Participant has left the Bridges Program and reapplied and has been issued a new version of Form6: Certificate of Participation – Statement of Participant Obligations, they may retain the balance of a second security deposit at the sole discretion of the Housing Agency.

4.10 Payment Terms

The Bridges Program subsidy is equal to the Contract Rent less the Participant Rent. Subsidy payments will be made by the Housing Agency to the property owner on behalf of Participants when all the following payment terms have been met:

- The Participant leases a unit within HUD's published FMR or LPS, whichever is greater
- The Participant's unit has passed an HQS inspection
- The property owner and the Housing Agency have signed and dated a Bridges Program Contract
- The Participant and property owner have signed and dated an approved lease

The property owner may not charge more rent for Assisted Units than for comparable unassisted units. The property owner may not assess additional charges to the Participant for items not included in the rent unless all other Participants pay the same charges for the same items. All additional charges (for

example, garage rental, cable TV, storage lockers, pet deposits) must be described in the lease and approved by the Housing Agency.

Subsidy payments on behalf of Participants meeting the above requirements for payment will continue until the Participant receives a permanent housing subsidy, becomes ineligible, voluntarily withdraws from the Bridges Program, or the program terminates.

The Contract Rent plus actual cost of utilities may be paid on behalf of Participants who have a mental health crisis and have their incomes diverted. Such payments may be made for up to 90 days. Written documentation on such situations must be retained in the applicant/Participant record. Housing Agencies, Behavioral Health Service Agencies, and LHM Entities must first utilize the Crisis Housing Fund resources, if available.

4.11 Eligible Payments

If the Housing Agency has the budget, approval from Minnesota Housing, and provisions in their administrative plan, the following types of payments may be made with Bridges Program funds:

- Direct payment to property owners for subsidy portions of the rent
- Direct payment to property owners for security deposits
- Direct payment to property owners for application fees
- Direct payment to utility companies for utility connection fees
- Direct payment to property owners for damage claims and vacancy payments
- Direct payment to financial assurance/risk mitigation programs to provide housing to potential Participants

All payments will need approval from Minnesota Housing. Housing Agencies are responsible for communicating to Participants the types of funds available for housing related expenses, how to access them, how frequently a Participant can access the funds, how award amounts are determined, if there is a limit, etc. The Housing Agency will be required to track and report to Minnesota Housing the amount and type of housing related expenses/discretionary fees paid on behalf of Participants to obtain property owner participation or to prevent repeat episodes of Homelessness.

Damage Claims and Vacancy Payments

A Housing Agency may pay a damage claim or vacancy payment on behalf of a tenant when:

- The documented damages were attributable to the household residing in the Bridges Program Assisted Unit and the damages exceed the security deposit that was collected by the owner at initial occupancy; or
- The owner experiences a vacancy loss when a Bridges Program Participant leaves the Assisted Unit without proper notification and is unable to re-rent the unit and/or repairs for the

damages incurred by the Bridges Program Participant prolong the ability for the property owner to re-rent the unit.

Vacancy claims can be made for the respective unit, for a maximum of 30 days, when the vacancy expenses for the unit (not to exceed the cost of one month's rent) exceed the security deposit collected by the owner at initial occupancy.

Minnesota Housing approval is required prior to the Housing Agency disbursing Bridges Program funds for damage claims and vacancy payments. The Housing Agency shall require appropriate documentation from the property owner regarding the requested damage and/or vacancy claim and shall review such documentation for feasibility prior to submitting the request to Minnesota Housing, who will then review the documentation prior to making an approval decision allowing reimbursement to the Housing Agency for this purpose. Approval may be for a lesser amount than submitted. In addition to claim documentation, Minnesota Housing will consider the impact of such payments on the Housing Agency's grant budget.

Application Fees, Utility Connection Fees, etc.

A Housing Agency may pay an application fee, utility reconnection fee, and/or other fees, as approved by Minnesota Housing, that are necessary to obtain property owner participation or to prevent repeat episodes of Homelessness when the Participant has exhausted all other mainstream resources such as emergency assistance and energy assistance, and/or local service organizations and the requested Bridges Program payment will assist in getting a Participant into housing and/or prevent a future episode of Homelessness.

Minnesota Housing may grant exceptions to this policy on a case-by-case basis. The Participant's file must be complete prior to becoming eligible for payments.

Financial Assurance/Risk Mitigation Program Fees

The purpose of financial assurance/risk mitigation program fees is to help support property owner risk mitigation fund programs that are used to pay claims and reduce risk. The fee is paid by the Participant or an organization on behalf of the Participant and is an eligible expense. Applicants may have other eligibility factors and requirements that Minnesota Housing will need to review and approve prior to making an approval to the Housing Agency for this purpose. Receipt of payment from the program provider must be maintained in the Participant's file.

4.12 Invoices

Payments shall be made by Minnesota Housing after the grantee's presentation of invoices for services satisfactorily performed and the written acceptance of such services by Minnesota Housing's authorized representative. Invoices shall be submitted timely, with additional details as requested by

Minnesota Housing. Please refer to section 2.11 (Funding Reimbursement) for the funding reimbursement process.

Payment shall be made within 30 days following the MHFA's Authorized Representative approval of an invoice. Payments will not be made if reports or other deliverables are outstanding.

Chapter 5 – Occupancy Guidelines

5.01 Interim Changes

All decreases in the Participant's gross monthly income, regardless of the amount, must be verified and the changes implemented on the first day of the next month after the Housing Agency receives the information about the decrease (that is, a verified decrease in income reported in June would result in a reduced Participant Rent on July 1). Written notice of the change in tenant paid rent and subsidy must also be provided to the Participant and property owner.

Changes related to increases to the Participant's gross monthly income must be handled in compliance with the HCV Program, or other written policies approved in writing by Minnesota Housing.

Participants who wish to add another adult to the lease must inform both the Housing Agency and the property owner in advance. A Participant must be informed that they are required to seek the property owner's permission to add an additional adult to the Participant's lease or they could be evicted. The property owner may deny permission of an additional adult, based on the property owner's usual Participant screening procedures. All income of the additional adult must be verified and added to the Participant's gross income. Form 13: Lease Amendment/Extension must be used when adding an additional adult to the lease.

The Participant should review the lease for requirements regarding reporting additional minors, but under normal circumstances, the Participant is not required to report to the Housing Agency the addition of a minor to the lease. If a larger unit is needed, a new version of Form 6: Certificate of Participation – Statement of Participant Obligations is issued when the Participant terminates the current lease and seeks other housing.

Form 13: Lease Amendment/Extension may be used if the Participant moves from one unit to another unit in the same building or another building owned by the same property owner. An HQS inspection must be conducted on the new Assisted Unit before the Participant moves or payment from Bridges Program funding is made.

5.02 Annual Recertification

The income and assets of all Participants must be verified on an annual basis. At each annual recertification, the Participant must sign a new version of Form 7: Consumer Agreement for Requirements for Continued Eligibility and new ROI forms, if the Participant has agreed to the ROI. The Participant must be encouraged to update information for a secondary contact at this time. The secondary contact may be a professional case worker or a friend or family member who can be contacted in the event that the Housing Agency is unable to reach the Participant.

For Participants with an annual lease, the recertification should coincide with the effective date of a new lease. It is not necessary to verify income if the most recent interim change was done within the last 120 days. If the verification indicates that 30% of the Participant's gross monthly income equals or exceeds the Contract Rent for the Assisted Unit for three consecutive months, then the Participant will be declared ineligible because the Participant Rent will be equal to the Contract Rent and no subsidy is provided. Participants who are determined ineligible due to income must be notified in writing and given the option to request an informal hearing if they disagree with the findings.

The property owner may increase the rent only upon the expiration of the lease term and execution of a new or renewal lease. In the case of properties that are subject to a HUD approval increase, such as Section 236 or USDA Rural Development buildings, an increase in rent may be implemented upon HUD approval of the new rent and upon sufficient notice to the Participant and Housing Agency. A new lease or a contract amendment/extension should be used to change the Contract Rent. A copy of the HUD rent approval letter should be inserted in the Participant's file.

When negotiating a renewal rent, the Housing Agency may, at its discretion, use the HCV Annual Adjustment Factors (AAFs) to limit the amount of the property owner's rent increases. If the AAFs are not used, the Housing Agency must determine that the requested rent is reasonable based on the Housing Agency's HCV Program rent reasonableness system. A Participant's Contract Rent may not exceed Contract Rents paid by unassisted Participants at the same property.

5.03 Lease Termination

Participant Chooses to Move

When a Participant chooses to move, written notice must be given by the Participant to the property owner and Housing Agency in accordance with the lease. If the LMH Entity and Behavioral Health Service Agency/Agencies are aware of a Participant's move, they must notify the Housing Agency if the Participant has not already done so. If the Participant intends to continue receiving a Bridges Program subsidy after moving, they must notify the Housing Agency at least 31 days before they intend to move and the Housing Agency must issue the Participant a new version of Form 6: Certificate of Participation – Statement of Participation Obligations and Form 10: Request for Lease Approval. When the Participant locates a new unit, the Housing Agency must use the same procedures as described in Chapter 4 (Leasing Process) of this Program Guide.

Unit Does Not Meet HQS

If at recertification the Housing Agency determines that the Assisted Unit is not in compliance with HQS, the Housing Agency must give the property owner reasonable time to correct the deficiencies. The Housing Agency may retain the subsidy until the unit meets HQS. If the property owner fails to comply in a reasonable time, the Housing Agency must notify the property owner and the Participant

in writing that subsidy payments will be suspended, and the Bridges Program Contract terminated. If the Participant wishes to continue receiving a Bridges Program subsidy at a different location, they must be issued a new version of Form 6: Certificate of Participation – Statement of Participant Obligations and Form 10: Request for Lease Approval. The Housing Agency should notify the LMH Entity.

Property Owner Gives Participant Notice to Move

The property owner may give the Participant notice to move (not connected with an eviction) only if the lease provisions permit such a notice. The property owner must notify the Housing Agency when they notify the Participant. The Housing Agency should notify the LMH Entity and Behavioral Health Service Agency/Agencies. The Participant may wish to locate to a new unit and continue to receive the Bridges Program subsidy.

Property Owner Issues an Eviction Notice to Participant

If the property owner issues an eviction notice, the requirements of the lease and state and local laws must be followed, which may permit the property owner to evict the Participant for one or all the following:

- Serious and repeated lease violations
- Violations of federal, state, or local law in connection with the occupancy or use of the Assisted Unit and surrounding premises
- Other good cause

The property owner must send a copy of the eviction notice to the Housing Agency at the same time as it is served to the Participant as stated out in Form 12 Addendum to the Lease. The Participant may remain eligible, at the Housing Agency's discretion, to participate in Bridges Program, subject to the provisions of section 5.04 (Termination of Eligibility) of this Program Guide and Form 7: Consumer Agreement for Requirements for Continued Eligibility and may seek other housing. The Housing Agency should notify the LMH Entity. The LMH Entity should advise the Housing Agency regarding the determination of ongoing participation in the Bridges Program.

5.04 Termination of Eligibility

A Participant's eligibility to continue receiving a subsidy under the Bridges Program may be terminated for any of the following reasons:

- 30% of gross monthly income equals or exceeds the full rent
- Failure to apply for, accept, or utilize an HCV or other permanent subsidy
- Failure to report all income, additional adults, or having zero income for over six months
- Illegal drug related or violent criminal activity

- Expired Form 6: Certificate of Participation – Statement of Participation Obligations
- Receiving an HCV or other housing subsidy
- Voluntary termination
- The Housing Agency, Behavioral Health Service Agency/Agencies, or LMH Entity is unable to locate the Participant
- Eviction
- Refusal to cooperate with the recertification or HQS inspection process
- Death

All Participants must have the option to request an informal hearing similar to an HCV informal hearing to contest the termination of their subsidy. The procedures to be used in conducting informal hearings are described in Chapter 3 (Household Eligibility, Intake, and Certification) of this Program Guide.

Using the Minnesota Housing Rental Assistance Draw Request Form, the Housing Agency must report monthly to Minnesota Housing the reason why Participants ended their participation in the Bridges Program.

Participants who lose their subsidy may reapply to the Bridges Program, unless the Housing Agency has identified issues of fraud or deliberate misrepresentations of information. In the case of an eviction, a Participant may retain Form 6: Certificate of Participation – Statement of Participant Obligations and look for another unit.

It is important for the Housing Agency and Behavioral Health Service Agency to develop relationships with property owners so that they can be notified of lease violations and assist the Participant in being lease compliant.

Chapter 6 – Services

6.01 Services Overview

The Bridges Program does not provide funding for services. Rather, it connects Participants to community providers who offer mental health, housing transition, tenancy sustaining, and outreach services. The LMH Entity and Behavioral Health Service Agency/Agencies are responsible for connecting Participants with community service providers, typically one or more Behavioral Health Service Agencies. Bridges requires that Participants have choice in what Behavioral Health Service Agency they work with and what services they accept.

6.02 Housing Transition and Tenancy Sustaining Services

Housing transition and tenancy sustaining services are supportive housing services focused on helping the Participant to obtain and retain affordable, permanent housing of the Participant's choice.

Housing Transition Services

Housing Transition services provide direct support to People with Mental Illness who need assistance with access to housing. The service may start prior to someone leaving the AMRTC or Forensic Mental Health Program and/or during transition through IRTS, chemical dependency treatment, or other Segregated Settings as part of the apartment search, application, and securing an apartment process. These services include:

- Conducting tenant screening and housing assessment to identify the person's preferences and barriers to successful tenancy
- Developing an individualized Housing Support Crisis Plan based on the housing assessment that identifies barriers, measurable short- and long-term goals, the person's approach to meeting the goal, and needed providers or services to meet the goal
- Assisting with the housing search and application process
- Identifying resources to cover one-time expenses that facilitate access to housing and establishment of a household such as security deposits, moving costs, furnishings, adaptive aids, and environmental modifications
- Helping to ensure that the living environment is safe and ready for move-in
- Assisting with arranging and supporting the details of the move
- Developing a Housing Support Crisis Plan that includes prevention and early intervention services when housing is jeopardized

Tenant Sustaining Services

Tenant sustaining services provide direct services to support People with Mental Illness in sustaining tenancy once housing is secured. These services include:

- Providing early identification and intervention for behaviors that may jeopardize housing
- Providing education and training on the roles, rights, and responsibilities of the Participant and the property owner
- Coaching on developing and maintaining key relationships with property owners and property managers in order to foster successful tenancy
- Assisting with resolving disputes with property owners, property managers, and neighbors to reduce the risk of eviction or other adverse actions
- Providing advocacy and linkage to community resources to prevent eviction or other negative housing outcomes
- Assisting with the housing recertification process
- Coordinating with the Participant to review, update, and modify their individual Housing Support Services and Housing Support Crisis Plans on a regular basis to reflect current goals, needs, and housing retention barriers
- Providing ongoing training on responsible tenancy, lease compliance, and support, with activities related to household management

6.03 Outreach Services

Outreach services are services that are offered to potentially eligible individuals who are Homeless, in an Institutional or Segregated Setting, including correctional facilities, and people on Supervised Release. The services are provided to these individuals when they are not connected with a Behavioral health or housing service. They engage the person with immediate services, provide assessments, and help them access and transition to sustainable services. The activities of outreach services are comprised of four elements:

1. Identification: Identifying potentially eligible mental health service recipients, locating unserved or underserved people who are Homeless in the community and in Institutions or Segregated Settings.
2. Engagement: Contacting a person in order to engage them in services. Engagement establishes trust, builds a working relationship, and educates the person about service and resource options.
3. Assessment: Ongoing evaluation of a person's strengths, needs, preferences, recovery goals, and their barriers to accessing services, housing, and resources.
4. Access: Assisting the person with identifying their service and housing preferences, helping them to resolve barriers in accessing those preferences, and facilitating the person's transition to sustainable services, housing, and needed resources.

6.04 Expectations of Behavioral Health Service Agency/Agencies

It is expected that the Behavioral Health Service Agency/Agencies have regular contact with Participants to assist with establishing and retaining housing and crisis planning. It is also expected that the Behavioral Health Service Agency/Agencies maintain regular contact with tenant advocacy services and provide client-selected behavioral health services. If a Participant is eligible and interested in a service, the Behavioral Health Agency/Agencies should link the Participant to an agency providing housing stabilization services.

The Behavioral Health Service Agency/Agencies may be a Tribal Nation, county department, or a contracted provider. The Behavioral Health Service Agency/Agencies will be a participating member of the LMH Entity, and the roles and responsibilities of the Behavioral Health Service Agency/Agencies need to be in the Cooperative Agreement.

Appendix A – Terms

Table 3: Terms and Definitions

Term	Definition
Adult Mental Health Initiative (AMHI)	A collaboration of county Local Mental Health Authorities (LMHAs) and/or a Tribal Nation Mental Health Agency that provides or enhances coordination of the delivery of mental health services required under the Minnesota Comprehensive Adult Mental Health Act.
Anoka-Metro Regional Treatment Center (AMRTC)	A state psychiatric hospital that serves People with Mental Illness.
Assisted Unit	An eligible unit that is occupied by a Participant, who has executed an approved lease with the property owner, is receiving a Bridges Program subsidy, and whose property owner has executed a Bridges Program Contract with a Housing Agency.
Behavioral Health Service Agency	An agency that promotes mental health, resilience, and wellbeing; the treatment of mental and substance use disorders; and the support of those who experience and/or are in recovery from these conditions, along with their families and communities.
Bridges Program Contract	An agreement executed by a Housing Agency and a property owner describing the terms that must be met for the property owner to receive Bridges Program subsidy payments on behalf of a Participant residing in an eligible unit.
Bridges Rental Assistance Program	A state rental assistance program for People with Mental Illness who are waiting for a permanent housing subsidy.
Bridges Regional Treatment Center (RTC) Rental Assistance Program	A state rental assistance program for People with Mental Illness who are leaving the AMRTC or Forensic Mental Health Program and are waiting for a permanent housing subsidy.
Bridges Program	The Bridges Rental Assistance Program and Bridges RTC Rental Assistance Program, collectively.
Briefing Session	A meeting at which the eligible Participant receives an explanation of the Bridges Program and instructions for leasing an Assisted Unit.
Case Management	Activities that are designed to help People with Mental Illness gain access to services that meet mental health needs. Case Management services include developing an individual community support plan, referring and assisting the person in obtaining needed mental health and other services, ensuring coordination of services, and monitoring the delivery of services.
Community Support Services Program	A program, under the clinical supervision of a Mental Health Professional, designed to provide supportive services for People with Mental Illness to improve their ability to live in the community. Services include:

Term	Definition
	• Outreach • Education about mental illness, treatment, and recovery • Development of competitive employment and work-related opportunities • Opportunities for social, peer, and recovery support • Assistance in applying for basic needs and health insurance benefits • Housing Support Services
Continuum of Care (CoC)	A community strategic plan to organize and deliver housing and services to reduce the incidence of Homelessness by assisting Homeless individuals, youth, and families with children to move to self-sufficiency and permanent housing.
Contract Rent	The total amount of rent specified as payable by Minnesota Housing and the tenant to the property owner for an Assisted Unit.
Cooperative Agreement	An outline of the respective roles and responsibilities of a Housing Agency and an LMH Entity.
Coordinated Entry (CE) System	A centralized or coordinated process designed to coordinate program Participant intake, assessment, and provision of referrals.
Correctional Supervision	A community-based sentence which is served by the offender in the community under the control and supervision of correctional officials, subject to conditions which have been set by the court or the Commissioner of Correctional Services.
Crisis Housing Fund	A flexible pool of money that provides short-term housing assistance to People with Mental Illness whose income is being used to pay for inpatient psychiatric treatment of 90 days or less.
Fair Market Rent (FMR)	HUD established rent limits for geographical areas.
Forensic Mental Health Program	Formerly known as the Minnesota Security Hospital, the Forensic Mental Health Program provides residential treatment services for adults in secure and non-secure settings and primarily serves patients who have been civilly committed by a court as mentally ill and dangerous.
Grant Contract Agreement	A document Minnesota Housing executes with a Housing Agency outlining respective responsibilities in administering the Bridges Program.
High Priority Homeless (HPH)	Households prioritized for Permanent Supportive Housing by the CE System.
Homeless/Homelessness	As defined in the Stuart B. McKinney Homeless Assistance Act of 1987, a Homeless person is an individual who lacks a fixed and adequate nighttime residence. As interpreted by the Minnesota Interagency Task Force on Homelessness, this may include but is not restricted to: 1. An individual or family that lacks a fixed, regular, and adequate night-time residence; or 2. An individual or family whose primary night-time residence is: a. A supervised, publicly or privately operated shelter designed to provide temporary living accommodations (including

Term	Definition
	welfare hotels, congregate shelters, and transitional housing for the mentally ill), b. An Institution that provides a temporary residence for individuals intended to be institutionalized, or c. A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings. The term does not include any individual imprisoned or otherwise detained under an act of Congress or state law.
Homeless Upon Discharge	Discharge to an emergency shelter or no longer meets criteria to remain in the Institution (for example, level of care) but cannot be discharged because of lack of a place to go. Discharge to a friend or family member's home in order to prevent Homelessness may also be considered Homeless Upon Discharge. Discharge to a short-term residential or treatment program, without other housing options, may also meet this definition.
Housing Agency	A Housing Authority, nonprofit organization, or a Tribal Nation.
Housing Authority	The powers of a Housing Authority typically include the power to acquire, construct and operate property, and expend and repay funds. A Housing Authority can also lease, rehabilitate, and sell property.
Housing Choice Voucher (HCV)	A subsidy provided through the Housing Choice Voucher Program, which 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. Formerly known as Section 8.
HCV Annual Adjustment Factors (AAFs)	HUD establishes AAFs on the basis of Consumer Price Index (CPI) data relating to changes in residential rent and utility costs.
Housing Quality Standards (HQS)	A federal housing inspection standard used for inspection of market rate housing to determine that a unit is decent, safe, and sanitary.
Housing Support Crisis Plan	A person-centered plan that reflects current needs and addresses existing or recurring housing retention barriers and includes prevention and early intervention services needed when housing is jeopardized.
Housing Support Services	A Community Support Services Program service that: • Assists adults in obtaining, moving to, and retaining housing • Provides resources for local Public Housing Authorities, subsidized housing programs, realtors, private apartment rental services, or similar housing services • Assists in applying for housing program subsidies • Assists in appealing denial, suspension, reduction, or termination of a housing subsidy • Mediates and teaches coping and mediation skills to resolve disputes with a property owner or roommate • Provides ongoing support • Provides periodic home visits to ensure health and safety

Term	Definition
Imminent Risk of Homelessness	People who are: • Being evicted from a private dwelling unit, or • Being discharged from a hospital, correctional facility, or other Institution, or • Living in housing that has been condemned by housing officials and that is no longer considered meant for human habitation, and • Have no subsequent housing options identified and are lacking the resources or support networks needed to retain current housing or obtain temporary or permanent housing.
Institutions	Facilities such as Regional Treatment Centers, community behavioral health hospitals, nursing homes, adult foster care settings, or other hospital or residential treatment centers, jails, and prisons. If you have questions about a particular facility and whether it meets the definition of an Institution, please contact Minnesota Housing, DHS-BHA, or DHS-HHSSA.
Intensive Residential Treatment Services (IRTS)	Time-limited mental health services provided in a residential setting.
Local Mental Health (LMH) Entity	An entity that is: • An LMHA operating under the authority of the county, or • A Tribal Nation Mental Health Agency operating under the authority of the Tribal government, or • An AMHI.
Local Mental Health Authority (LMHA)	A county operating under the Minnesota Comprehensive Adult Mental Health Act.
Local Payment Standard (LPS)	The maximum subsidy a PHA can pay on behalf of a Participant. PHAs establish payment standards based on the HUD-established Fair Market Rents (FMR) for the area.
Mental Health Professional	A person providing clinical services in the treatment of mental illness who is qualified in at least one of the following ways: 1. Psychiatric nursing: a registered nurse licensed under Minn. Stat. 148.171-148.285 and who: (i) is certified as a clinical specialist or as a nurse practitioner in adult or family psychiatric and mental health nursing by a national nurse certification organization, or (ii) has a master's degree in nursing or one of the behavioral sciences or related fields from an accredited college or university or its equivalent, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness 2. Clinical social work: an individual licensed as an independent clinical social worker under Minnesota Statutes, Chapter 148D, or a person with a master's degree in social work from an accredited college or university, with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness

Term	Definition
	3. Psychology: an individual licensed by the Board of Psychology under Minn. Stat. 148.88-148.98 who has stated to the Board of Psychology competencies in the diagnosis and treatment of mental illness 4. Psychiatry: a physician licensed under Minnesota Statutes, Chapter 147 and certified by the American Board of Psychiatry and Neurology or eligible for board certification in psychiatry, or an osteopathic physician licensed under Minnesota Statutes, Chapter 147 and certified by the American Osteopathic Board of Neurology and Psychiatry or eligible for board certification in psychiatry 5. Marriage and family therapy: a marriage and family therapist licensed under Minn. Stat. 148B.29-148B.39 with at least two years of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness 6. Professional clinical counseling: a licensed professional clinical counselor under Minn. Stat. 148B.5301 with at least 4,000 hours of post-master's supervised experience in the delivery of clinical services in the treatment of mental illness
Mental Health Service Agency	A mental health provider agency eligible to provide Minnesota Health Care Programs services.
Minnesota Child Tax Credit	The Minnesota Child Tax Credit is a fully refundable state tax credit worth $1,750 per qualifying child under the age of 18, with no limit on the number of children you can claim.
Minnesota Comprehensive Adult Mental Health Act	An act that describes the fundamental mental health system in Minnesota and is defined under Minn. Stat. 245.461-245.4863.
Minnesota Department of Human Services Behavioral Health Administration (DHS-BHA)	The Behavioral Health Administration at DHS includes adult mental health, children's mental health, and alcohol and drug abuse services. The administration works to integrate substance use disorder and mental health with physical health care to promote successful treatments and to serve people close to their communities, families, and other supports.
Minnesota Department of Human Services Housing, Homeless and Support Services Administration (DHS-HHSSA)	The Housing, Homeless and Support Services Administration at DHS is dedicated to addressing Homelessness and housing security and oversees adult income supports and housing-focused behavioral health grant programs. The administration, along with partners at other state agencies, works to ensure housing is available for everyone by bringing together housing, services, and income supports to enable people to live as independently as possible in the community of their choice.
Minnesota Health Care Programs	Includes Medical Assistance (MA), MinnesotaCare, Minnesota Family Planning Program, and others.
Minnesota Housing	Minnesota's Housing Finance Agency.
Minnesota Supplemental Aid (MSA)	Provides cash assistance to help adults who get Supplemental Security Income (SSI) pay for their basic needs.
Participant	Under the Bridges Program, an eligible Participant must meet each of the following requirements:

Term	Definition
	• The head of household or other household member is 18 years of age or over and has a diagnosed mental illness, as defined in Minn. Stat. 245.462, subd. 20 (a), verified by a Mental Health Professional; • The household is eligible to receive a HCV or other permanent housing option or can become eligible based on successful participation in the Bridges Program; and • The gross income of the household at the time of initial eligibility is at or below 50% of the area median income for the household size.
Bridges RTC Program Participant	An eligible Bridges RTC Program Participant must meet each of the following requirements: • The individual is an eligible Participant under the Bridges Program; and • The individual is receiving in-patient care at the Anoka-Metro Regional Treatment Center (AMRTC) or Forensic Mental Health Program and does not meet hospital level of care; or • The individual was a patient at the AMRTC or Forensic Mental Health Program prior to entering an Intensive Residential Treatment Services (IRTS) facility or other treatment facility; and • The individual has significant or complex barriers to accessing and retaining housing; and • The individual is Homeless or at Imminent Risk of Homelessness upon AMRTC or Forensic Mental Health Program discharge.
Participant Rent	A portion of the rent payable by the Participant to the property owner.
Permanent Supportive Housing	Permanent rental housing affordable to the population served where support services are available to residents. Permanent Supportive Housing is available to individuals and families with multiple barriers to obtaining and maintaining housing, including those who are formally Homeless or at Imminent Risk of Homelessness and People with Mental Illness, substance abuse disorders, and/or HIV/AIDS.
Person/People with Mental Illness	People with an organic disorder of the brain or a clinically significant disorder of thought, mood, perception, orientation, memory, or behavior that: • Is detailed in a diagnostic code list published by the commissioner of Minnesota Department of Human Services and verified by a qualified Mental Health Professional and • Seriously limits a person's capacity to function in primary aspects of daily living such as personal relations, living arrangements, work, and recreation.
Program Guide	A document developed to implement the Bridges Rental Assistance Program and Bridges RTC Rental Assistance Program under statutory requirements.
Public Housing Authority (PHA)	Provide decent, safe, and affordable quality rental housing for eligible low-income families, the elderly, and persons with disabilities.

Term	Definition
Regional Treatment Center (RTC)	A facility where the state provides active inpatient treatment for People with Mental Illness, developmental disabilities, chemical dependency, and/or elderly who have complex medical conditions and challenging behaviors.
Release of Information (ROI)	A signed and dated authorization by the Participant allowing the Housing Agency and relevant LMH Entity to share information about the Participant.
Segregated Settings	Often have qualities of an institutional nature and include but are not limited to: • Congregate settings populated exclusively or primarily with individuals with disabilities • Congregate settings characterized by regimentation in daily activities, lack of privacy or autonomy, policies limiting visitors, or limits on individuals' ability to engage freely in community activities and to manage their own activities of daily living • Settings that provide for daytime activities primarily with other individuals with disabilities. Examples of Institutions or Segregated Settings include RTCs, community behavioral health hospitals, nursing homes, adult foster care, or other hospital or residential treatment centers. Behavioral health residential treatment facilities, including mental health and substance use disorder treatment programs, are typically Segregated Settings. Tribal definitions of Segregated Settings and Institutions, if identified as different than above, will also be considered.
Service Area	A geographic area in which a Housing Agency and a Mental Health Service Agency operate the Bridges Program.
Subgrantee	The government or other legal entity to which a subgrant is awarded and which is accountable to the grantee for the use of the funds provided.
Supervised Release	A court ordered sentence issued as an alternative to jail or prison. Individuals under supervision (probation or Supervised Release) are assigned to a probation officer who is responsible for monitoring offenders and ensuring they comply with the conditions ordered by the court and obey laws.
Tribal Nation	An American Indian or Alaska Native Tribe, Band, Nation, Pueblo, Village, or Community that the Secretary of the Interior acknowledges as a federally recognized Tribe pursuant to the Federally Recognized Indian Tribe List Act of 1994, 25 U.S.C. 5130-5131.
Tribal Nation Mental Health Agency	The agency primarily responsible for Tribal Nation mental health services.
U.S. Department of Agriculture (USDA) Rural Development	The lead federal agency helping rural communities grow and prosper by increasing economic development and improving the quality of life in rural places and small towns. USDA Rural Development provides loans, grants, and technical assistance to build critical infrastructure like broadband, water systems, and hospitals.

Term	Definition
Utility Allowance	The amount that a Housing Authority determines is necessary to cover the resident's reasonable utility costs. Such allowances are estimates of the expenses associated with different types of utilities and their uses.

Appendix B – Mental Illness Statutes

Minn. Stat. 245.462, subd. 20. **Mental illness.**

(a) "Mental illness" means an organic disorder of the brain or a clinically significant disorder of thought, mood, perception, orientation, memory, or behavior that is detailed in a diagnostic codes list published by the commissioner, and that seriously limits a person's capacity to function in primary aspects of daily living such as personal relations, living arrangements, work, and recreation.

(b) An "adult with acute mental illness" means an adult who has a mental illness that is serious enough to require prompt intervention.

(c) For purposes of case management and community support services, a "person with serious and persistent mental illness" means an adult who has a mental illness and meets at least one of the following criteria:

(1) The adult has undergone two or more episodes of inpatient care for a mental illness within the preceding 24 months;

(2) The adult has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding 12 months;

(3) The adult has been treated by a crisis team two or more times within the preceding 24 months;

(4) The adult:

(i) Has a diagnosis of schizophrenia, bipolar disorder, major depression, or borderline personality disorder;

(ii) Indicates a significant impairment in functioning; and

(iii) Has a written opinion from a mental health professional, in the last three years, stating that the adult is reasonably likely to have future episodes requiring inpatient or residential treatment, of a frequency described in clause (1) or (2), unless ongoing case management or community support services are provided;

(5) The adult has, in the last three years, been committed by a court as a person who is mentally ill under chapter 253B, or the adult's commitment has been stayed or continued; or

(6) The adult (i) was eligible under clauses (1) to (5), but the specified time period has expired or the adult was eligible as a child under section 245.4871, subdivision 6; and (ii) has a written opinion from a mental health professional, in the last three years, stating that the adult is reasonably likely to have future episodes requiring inpatient or residential treatment, of a frequency described in clause (1) or (2), unless ongoing case management or community support services are provided.

(7) The adult was eligible as a child under section 245.4871, subdivision 6, and is age 21 or younger.

Minn. Stat. 245.4871, subd. 6. **Child with severe emotional disturbance.** For purposes of eligibility for case management and family community support services, “child with severe emotional disturbance” means a child who has an emotional disturbance and who meets one of the following criteria:

(1) The child has been admitted within the last three years or is at risk of being admitted to inpatient treatment or residential treatment for an emotional disturbance; or
(2) The child is a Minnesota resident and is receiving inpatient treatment or residential treatment of an emotional disturbance through the interstate compact; or
(3) The child has one of the following as determined by a mental health professional:
    (i) Psychosis or a clinical depression; or
    (ii) Risk of harming self or others as a result of an emotional disturbance; or
    (iii) Psychopathological symptoms as a result of being a victim of physical or sexual abuse or of psychic trauma within the past year; or
(4) The child, as a result of an emotional disturbance, has significantly impaired home, school, or community functioning that has lasted at least one year or that, in the written opinion of a mental health professional, presents substantial risk of lasting at least one year.

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 of this Addendum.

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 of this Addendum.

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:** An 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 (that is, 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 of this Addendum.

A contracting party should review its contract and request for proposals (RFP) materials, 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 of this Addendum;
- 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 of this Addendum.

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 of this Addendum.

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 (for example, 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 Risk and Internal Controls Director 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 (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 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. All questions regarding state prevailing wages and compliance requirements should be directed to the Minnesota Department of Labor and Industry as follows:

Division of Labor Standards and Apprenticeship
State Program Administrator
443 Lafayette Rd. N.
St. Paul, MN 55155
651.284.5091 or 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.