MINNESOTA HOUSING

Family Homeless Prevention and Assistance Program

Program Guide

Contract Term: October 1, 2027 – September 30, 2029



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Minnesota Housing 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 and Commitment to Equity

The Family Homeless Prevention and Assistance Program (FHPAP) was established in 1993 by the Minnesota Legislature to assist families with children, single adults and youth who are homeless or at imminent risk of homelessness. Minnesota Housing is the agency administrator of FHPAP funds, and funding is contingent upon approval by the Minnesota Legislature.

Minnesota Housing created this guide, which outlines FHPAP requirements and steps on how to implement FHPAP funded projects. Minnesota Housing program staff are available to provide information needed to operate the program. For questions and/or to offer feedback, contact us at mhfa.grants@state.mn.us. We reserve the right to correct technical errors or clarifications as well as to incorporate any new legislative requirements to this program guide as needed and with approval of the Assistant Commissioner of Housing Stability. Any significant changes to the program guide will be approved by the Minnesota Housing board.

1.01 Commitment to Equity

One of Minnesota Housing's values is to be inclusive, equitable, and just in its actions, as stated on our About Us webpage and in our Strategic Plan. This not only includes supporting a new state plan that focuses on racial, housing, and health justice, but it also extends to Minnesota Housing's funding commitments, including FHPAP.

To further address the racial disparities that exist among Minnesotans experiencing homelessness, Minnesota Housing prioritizes working with grant administrators who will be successful at improving housing stability for communities disproportionately impacted by homelessness, including those who can provide culturally specific services.

Minnesota Housing staff strive to address inequalities when awarding funds and to maintain transparent and clear communication.

Chapter 2 – Purpose

2.01 Preventing and Ending Homelessness

Effectively ending homelessness means preventing homelessness whenever possible, and if homelessness does occur, that it is rare, brief, and nonrecurring (one-time). The outcomes of FHPAP, which align with the State Plan to Prevent and End Homelessness, are to:

- Reduce the number of people who become homeless for the first time *(Prevent)*.
- Reduce the number of people who experience homelessness *(Rare)*.
- Reduce the length of time people experience homelessness *(Brief)*.
- Reduce the number of people who return to homelessness *(One-Time)*.
- Increase equitable outcomes for households who are disparately impacted by homelessness *(Equity)*.

FHPAP resources are intended to complement the existing network of services in the community's region and within Tribal Nations and provide funding for four activities designed to address or prevent homelessness. The four activities are: 1) Coordinated Entry, 2) Street Outreach, 3) Prevention, and 4) Rapid Rehousing. Refer to Chapter 4 (Eligible Activities) of this document for a more detailed description of these activities.

Funds can only be used for eligible expenses, which are defined in Chapter 6 (Eligible Expenses and Supportive Services Activities) of this document.

2.02 Statute

Minnesota Statute 462A.204 authorizes the program and provides legislative requirements regarding selection criteria, project design, authorized uses of grant funds, the requirements for an advisory committee, and reporting on use of grant funds.

Minn. Stat. 462A.204, subdivision 8 outlines requirements for school stability projects, which apply to the Homework Starts with Home (HSWH) Program. The HSWH Program serves families with children eligible for prekindergarten through grade 12 academic program and youth (with or without children of their own) who are eligible for an academic program through grade 12 and who are without their parent or guardian. All Grantees should be familiar with the statute that authorizes FHPAP and HSWH.

For more information on HSWH refer to Chapter 7 (School Stability) of this document.

Chapter 3 – Eligibility Criteria

3.01 Eligible Grantees

Eligible Grantees are as follows:

- Tribal Nations, including those recognized by the federal government: Bois Forte Band of Chippewa, Fond du Lac Band of Lake Superior Chippewa, Grand Portage Band of Lake Superior Chippewa, Leech Lake Band of Ojibwe, Lower Sioux Indian Community, Mille Lacs Band of Ojibwe, Prairie Island Indian Community, Red Lake Nation, Shakopee Mdewakanton Sioux Community, Upper Sioux Community, and the White Earth Nation;
- Twin Cities metropolitan counties, which include Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties.
- Non-metropolitan areas, which include a county, a group of contiguous counties jointly acting together, or a community-based nonprofit organization.

Collaborative applications, including those from CoC regions or Tribal Nations, are encouraged.

3.02 Eligible Households

Eligible households of FHPAP assistance must meet the following criteria:

- Household income at or below 200% of federal poverty guidelines.
- Be residing in Minnesota, or a household otherwise approved in writing by Minnesota Housing, approval of which is at Minnesota Housing's sole discretion.
- Be homeless or at imminent risk of homelessness and in need of services and/or financial assistance due to a housing crisis.

Grantees may add additional criteria in some circumstances, such as:

1) Grantees may choose to further restrict household income below 200% of federal poverty guidelines to target households with the greatest need.
2) Grantees may choose to further target their Rapid Rehousing resources toward households prioritized by their CoC, such as chronically homeless or literally homeless.
3) Grantees or Subgrantees that specialize in serving a specific population, such as youth or families, may target those households; however, Grantees are obligated to describe in their application how they intend to serve all populations (families, youth, singles). This can be accomplished by describing complementary funding sources or programs that are being used to meet the needs of some of these populations.
4) A Grantee or Subgrantee may dually assess a household for FHPAP eligibility at the same time as assessing the household for Emergency Assistance/Emergency General Assistance (EA/EGA) if the assessment process does not provide an additional burden to the household. For

example, if a household is applying for assistance on a common application, such as FHPAP, EA, EGA, etc., and the county and/or Grantee makes the determination regarding the funding source to be used, the process for the funding source should not be an additional burden on the household to complete.

Outside of the four exceptions noted above, Grantees and Subgrantees should not add additional eligibility criteria without the prior written approval of Minnesota Housing, as additional criteria could act as a barrier to households who are trying to access FHPAP.

3.03 Household Assessment

At current funding levels, not all eligible households seeking assistance will be able to be served through FHPAP. Grantees should not select completed applications on a 'first come, first served' basis, rather they should prioritize households based upon need and budget their direct financial assistance expenditures throughout each quarter and entire biennium.

Assessment for Households at Risk of Homelessness (Prevention)

Grantees and Subgrantees are required to assess households at risk of homelessness. They may use the Minnesota Homelessness Prevention Assessment (M-PAT), or another assessment process approved in writing by Minnesota Housing. Households that are experiencing homelessness, including doubled up households, that are not eligible to be assessed or prioritized for homeless assistance through Coordinated Entry may be assessed utilizing the M-PAT or another assessment process. The score of the M-PAT or other assessment tool should anticipate those households who will most likely experience homelessness if they do not receive assistance.

The M-PAT is designed to assist FHPAP staff with two functions: 1) verify eligibility for homelessness prevention assistance and 2) identify the most vulnerable households most likely to experience homelessness if they do not receive assistance. This process supports Minnesota's goal of reducing the number of people who become homeless. Note that the M-PAT is designed to be administered by staff and should not be completed by the household. The M-PAT is translated in Hmong, Somali and Spanish and can be found on Minnesota Housing's Family Homeless Prevention and Assistance Program (FHPAP) webpage.

Refer to Section 4.03 (Prevention) of this document for Prevention Service Set.

Assessment for Households Experiencing Homelessness

Grantees who, along with their advisory committees, have determined that they will utilize FHPAP resources for households experiencing homelessness must connect with their community's Continuum of Care (CoC) region(s) and their Coordinated Entry Systems to coordinate intake assessment and referral.

Refer to Section 4.01 (Coordinated Entry) and 4.04 (Rapid Rehousing) of this document for more information and Service Sets.

Household Enrollment

In designing household enrollment procedures, FHPAP expects Grantees and Subgrantees to provide Culturally Responsive and Trauma-Informed services, including assisting families and individuals with patience and empathy.

Household data is required to be entered into the Homeless Management Information System (HMIS). This data is gathered during assessment, program enrollment, at 12 months (if applicable), and at program exit; refer to section 11.09 (Homeless Management Information System) of this document for more information. Trauma-Informed care should begin at initial contact including during intake/assessment.

Timeliness

Resolving a housing crisis requires timely intervention. Grantees are expected to:

- Make and issue a determination on the application within two weeks of receiving a completed application for assistance.
    - If a household is not enrolled, we encourage referral or friendly hand-off to other in-house or community resources and services.
    - The Grantee's program policies must include an appeal process.
- Issue payment on an approved rental application to the property owner/manager within 30 days of receiving a completed application for rental assistance.

Chapter 4 – Eligible Activities

There are four eligible activities: 1) Coordinated Entry, 2) Street Outreach, 3) Prevention, and 4) Rapid Rehousing. The tables below include a description of each category as well as types of services and assistance that can be provided.

4.01 Coordinated Entry

Coordinated Entry is a centralized process to coordinate household intake assessment and provision of referrals and is an eligible category to carry out necessary FHPAP assessments for people experiencing homelessness.

A centralized or coordinated assessment system covers the geographic area such as a CoC region or a Tribe/group of Tribes, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.

Table 1: Coordinated Entry

Activity	Coordinated Entry
Description of Model	Provide assessments and information to connect FHPAP-eligible households to applicable resources.
Household Target	People who are experiencing homelessness or at imminent risk of homelessness. This may include doubled up households.
Program Strategies: Service Set	• Homeless Assessment • Diversion • Referrals
Program Strategies: Assistance Set	• Basic needs (food, clothing, work boots, phone minutes, safety items, etc.) • One-time financial assistance to resolve the crisis (such as Diversion assistance) • Transportation assistance such as gas cards or bus tokens[1]

4.02 Street Outreach

Street Outreach is intentional engagement to provide emergency services and link households who are homeless or at imminent risk of homelessness with available shelter, housing, and/or critical health and supportive services. Street Outreach activities actively engage those experiencing or who are at risk of homelessness and include households that would not otherwise be connected to the homeless response system.

[1] Must be needed due to a housing crisis and assistance provided results in a housing stability outcome. For example, a gas card is needed to secure Permanent Housing by driving to live with family.

Examples of FHPAP Street Outreach may include responding to requests from police or other referral sources to connect with a household living outside or in their car, visiting known locations where people experiencing homelessness may live, such as vacant structures or encampments, or connecting with households at youth drop-in sites, free meal sites, food shelves, etc.

Table 2: Street Outreach

Activity	Street Outreach
Description of Model	Emergency services and engagement intended to link households with available shelter, housing, and/or supportive services.
Household Target	People experiencing homelessness and not connected to the homeless response system. This may include doubled up households.

Program Strategies: Service Set	• Assessment and referrals to other programs and services
	• On-site medical screening and assessment
	• Population specific information/services, such as:
	  ○ Vets: MACV (Minnesota Assistance Council for Veterans)
	  ○ Domestic Violence/Sexual Violence/Trafficking
	  ○ Youth

Program Strategies: Assistance Set	• Basic needs (food, clothing, work boots, phone minutes, safety items, etc.)[1] • Transportation assistance such as gas cards or bus tokens[1]

4.03 Prevention

Prevention is intended to reduce the number of people who become homeless and includes a set of strategies to assist people in maintaining Permanent housing or divert them from entering the homeless system. Service strategies are focused on addressing the immediate housing crisis and can be integrated with other mainstream resources to address more long-term needs. FHPAP is designed to prevent homelessness by assisting people at imminent risk of homelessness (or doubled up), and assistance is targeted toward those who will most likely experience homelessness if they do not receive assistance. Grantees should choose activities that target FHPAP resources to best meet community needs and assist those households most likely to experience homelessness if assistance were not provided.

Table 3: Prevention

Activity	Prevention
Description of Model	Temporary financial assistance and/or supportive services to assist people in maintaining existing Permanent Housing, relocation to more appropriate Permanent Housing, and/or diverting them from entering the homeless system.
Household Target	Households based on the Minnesota Homelessness Prevention Assessment (M-PAT) score, or other assessment tool approved in writing by Minnesota Housing program staff. The score of the M-PAT or other assessment tool should anticipate those households who will most likely experience homelessness if they do not receive assistance. This can include doubled up households.

Activity	Prevention
Program Strategies: Service Set	• Referral to resources, including but not limited to, cash and non-cash benefits, legal aid, childcare, mental health/chemical health, employment, and financial assistance. • Budgeting assistance • Tenant-property owner/manager mediation
Program Strategies: Assistance Set	• Rental assistance • Mortgage assistance • Utility assistance (including past due) • Transportation assistance, such as a gas card, bus tokens or vehicle repairs[1] • Rental application fees • Vital documents such as a social security card or ID[1] • Furniture/household supplies

Grantees and Subgrantees are required to assess households at risk of homelessness using the M-PAT or another assessment tool or process approved by Minnesota Housing. Households that are homeless, including doubled up households, that are not eligible to be assessed or prioritized for homeless assistance through coordinated entry must be assessed utilizing the M-PAT or another assessment tool or process, as approved in writing by Minnesota Housing program staff.

4.04 Rapid Rehousing

Rapid Rehousing's fundamental goal is to reduce the amount of time people experience homelessness and is designed for households to quickly exit homelessness and return to Permanent Housing.

In general, Rapid Rehousing can provide short- to medium-term (up to 24 months) rental assistance and services and should be offered without preconditions (such as employment, income, absence of a criminal record or poor credit, sobriety, etc.). FHPAP Rapid Rehousing is more aligned with serving households short-term (one to six months of assistance); however, it is possible assistance can be provided for a longer period (up to 24 months) if assessment or program staff determines the household needs continued assistance. An example may be if Grantees choose to utilize Rapid Rehousing as a bridge program for persons who score for more intensive activities or services but for whom those more intensive programs are not available at the time of referral. It is also possible that a community does not have other Rapid Rehousing programs, which makes FHPAP attractive for both short- and medium-terms.

While Rapid Rehousing can be highly successful for many households, it is not designed to address all household needs or necessarily end their situation of poverty, especially households who need Supportive Housing or longer-term case management. Households, however, should not be denied Rapid Rehousing assistance strictly based upon their ability to cover housing costs with current household income.

The three components of Rapid Rehousing include:

- Case management and services
    - Offer appropriate and time-limited services and support, including services such as assessing barriers to housing stability, housing search assistance, advocacy on behalf of the household, making referrals and connections to community resources, follow-up with households, and monitoring housing stability. Refer to section 6.04 (Supportive Services Activities) of this document for more information on case management.
- Housing navigation assistance
    - Provide housing search assistance, engage, and recruit property owners/managers, property owner/manager-tenant mediation, assist household with completing applications, etc. Refer to section 6.04 (Supportive Services Activities) of this document for more information on housing navigation.
- Rent payment and move-in assistance
    - Provide financial assistance such as rent, security deposit, and application fees to move into Permanent Housing as rapidly as possible. Refer to section 6.01 (Eligible Expenses: Direct Financial Assistance) of this document for more information on rent payment and move-in assistance.

Table 4: Rapid Rehousing

Activity	Rapid Rehousing
Description of Model	Services and/or financial assistance to help quickly rehouse households experiencing homelessness
Household Target	• Currently experiencing homelessness and in need of services and/or financial assistance due to a housing crisis. • See also section 3.03 (Household Assessment) of this document.

Program Strategies: Service Set	Minimum service expectation:
	• Housing navigation assistance
	  ○ Property owner/manager engagement and recruitment
	• Assisting households with housing search
	• Case management, including:
	  ○ Financial management
	  ○ Life skills
	  ○ Employment training and support or connections to such services
	  ○ Mental health/chemical dependency services and referral
	  ○ Connections to mainstream resources
	  ○ Tenant education
	Additional services:
	• Property owner/manager mediation, education, and engagement
	• Family reunification
	• Legal assistance
	• Established services/partnerships for immigrant populations

Activity	Rapid Rehousing

Program Strategies: Assistance Set	• Rental Assistance, including:
	  ○ Monthly rent
	  ○ First/last month's rent
	• Deposit (up to three times the amount of monthly rent)
	• Housing application fees
	• Utility assistance, including past due
	• Transportation assistance such as a gas card, bus tokens, vehicle repair[1]
	• Eviction filing fees[1]
	• Vital documents such as a social security card or ID[1]
	• Furniture/household supplies
	• Property owner/manager risk mitigation funds or fees that provide property owner/managers with a time limited financial reimbursement for unpaid rent or damages beyond the rental deposit, with a cap on the amount of reimbursement available.
	  ○ Property owner/manager risk mitigation funds committed on behalf of a household cannot be carried over into the next biennium; that is, if funds not accessed by the property owner/manager within the grant period must be returned or reallocated. Consult with Minnesota Housing for more information.

Some Grantees offering Prevention and/or short-term Rapid Rehousing assistance (one to six months of financial assistance) may choose to require a tenant portion of rent based upon their income. Grantees are encouraged to consult with their CoC, the Minnesota Tribal Collaborative, or other Tribal Nations to make determinations about whether to implement required tenant rent portions based upon household income.

Chapter 5 – Ineligible Activities and Expenses

Activities that are not eligible under this grant include:

- Acquiring, rehabilitating, or constructing Emergency Shelters, Transitional or Permanent Housing.
- Payment for more than 24 months of rental assistance or supportive services, except if utilizing FHPAP funds allocated under Minnesota Laws 2023, chapter 20, section 1 or being served by Homework Starts with Home.
- Payment for operating costs of Transitional Housing or Emergency Shelter, including hotel/motel expenses. Note that payment for staff to provide housing search assistance or housing navigation services to secure Permanent Housing is allowable.
- Payment for operating Permanent Supportive Housing and supportive services expenses related to that housing

Chapter 6 – Eligible Expenses and Supportive Services Activities

There are three eligible FHPAP expense categories: 1) Direct Financial Assistance, 2) Administration, and 3) Supportive Services.

6.01 Eligible Expenses: Direct Financial Assistance

Direct financial assistance is funding used to stabilize a household and prevent a homeless episode or to rehouse a household into permanent, stable housing. Direct financial assistance includes:

- Rent payment assistance, including:
    - Unpaid rent owed to a previous property owner/manager is eligible if payment will result in housing attainment. Grantees and Subgrantees must receive a written guarantee from the property owner/manager that they will accept the household prior to submission of payment to the previous property owner/manager.
    - Households receiving ongoing rental assistance, such as Project-Based Section 8, may receive rent payment assistance; however, only the household rent portion is eligible. If the household need is due to a decrease in income and they did not contact the property owner/manager to have their rent portion adjusted, program staff should assist them in doing so.
    - Households experiencing short term hospitalization, in-patient treatment, or incarceration with a plan to return to their housing unit within 90 days, or longer with Minnesota Housing approval.
    - Late fees are eligible if the tenant and property owner/manager agreed upon this in writing; however, it is important to note that late fees cannot exceed the amount outlined in Minn. Stat. 504B.177.
    - Assistance for persons needing to break a lease due to experiencing domestic violence or needing a long-term care facility even if the household will not immediately achieve Permanent Housing as a result.
- Mortgage payment assistance, including eligible late fees, which are generally 4-5 % and vary by lender. Homeownership Association (HOA) Fees/Dues are eligible. The authorized percentage is provided on the Homeowner's Note.
- Rental deposit assistance, including up to three times the amount of monthly household rent portion, if doing so will result in a household with rental barriers obtaining housing.
- Rental application fees.
- Utility bill payment assistance, including:
    - Gas or electric, including deposits or fees to restore the shut off utility.
    - Propane and wood, including full prepayment for a fill or load and related transit fee.
    - Water, sewer, garbage.
- Transportation expense assistance, for example, bus tokens, gas card, cash assistance for car repairs, that result in a household achieving Permanent Housing.

- Condemnation mitigation services, if housing conditions are creating a risk of losing housing due to potential unit condemnation, such as due to sanitation, as approved by Minnesota Housing.
- Vital documents such as payment for an identification to obtain employment or a social security card to apply for housing.
- Moving assistance (costs for household to move to new unit without a day of homelessness or to move a household experiencing homelessness into a new unit).
- Furniture/household supplies (costs for households moving into a new unit who do not have furniture or household supplies).
- Basic Needs (food, clothing, work boots, phone minutes, safety items, etc.).
- Direct Financial Assistance will be budgeted as a category used for the allowable expenses and not broken down into separate line items. Grantees are responsible for tracking the breakdown of how much is spent on each type of Direct Financial Assistance and this will be reflected in their Quarterly Expenditure and Output Reports.

Direct financial assistance costs are an eligible expense only if the assistance is needed due to a housing crisis and correlates with a housing stability outcome. This should be well documented in the household file.

6.02 Eligible Expenses: Administration

Grantees must ensure that administrative costs do not exceed the percentage defined in their Grant Contract Agreement, which cannot exceed 15%. Eligible administrative expenses include:

- Salaries/wages/fringe benefits of staff responsible for program oversight
    - HMIS data staff can be included in either administration or supportive services, depending upon who is responsible for data entry.
    - Hiring or staff retention bonuses may be eligible only if requested at the time of application and included on the approved budget, which is an exhibit to the Grant Contract Agreement.
- Travel.
- Office space/utilities, equipment, phone, computer, internet.
    - Includes tablets, data storage/security and other software.
- Supplies, copies, postage, culturally specific items, meeting costs, refreshments.
- Training.
- HMIS fees.
- Participant stipends/financial compensation for persons with lived experience who are involved in planning, design, and evaluation of FHPAP activities including transportation assistance, childcare assistance, companion support.

    - We encourage direct compensation for people with lived experience; stipends and gift cards are also acceptable. In the design of the compensation package, Grantees should consider the preferences of the participant and tax implications: frequency of payments, payroll taxes, etc.
- Audit, insurance, accounting.
- Human resources, information technology, communications.
    - Communications includes translation services for language line, written materials, marketing materials, cost to use Digital or Electronic Signatures (eSignatures).
- Other expenses directly related to the program, which must be approved in writing by Minnesota Housing.

Agencies that utilize cost allocation plans for administrative expenses will be required to provide a description in the work plan that is submitted as part of due diligence.

6.03 Eligible Expenses: Supportive Services

Supportive services include staffing and related expenses, as outlined below, for providing case management and other related activities, such as housing navigation and HMIS support.

Eligible supportive services expenses include:

- Salary, wages, and fringe benefits of staff working directly with households. This includes management staff who spend part of their time working directly with households (the full-time equivalent [FTE] should be proportional). Time spent conducting supervision may be included but must not exceed the proportion funded by FHPAP.
    - HMIS data staff can be included in either administration or supportive services, depending upon who is responsible for data entry.
    - Hiring or staff retention bonuses may be eligible only if requested at the time of application and included in the approved budget.
- Travel.
- Office space, utilities.[2]
- Phone, computer, internet.[2]
    - Technology specific for household or program participant use onsite or remotely to assist with the application process such as tablets, hotspots, etc.
- Supplies, copies, postage directly related to service delivery.

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[2] If these expenses are billed to FHPAP, they must be pro-rated and cannot exceed the staffing FTE. An exception to this requirement is if staff are employed at an agency part-time and 100% of their time is dedicated to FHPAP (they do not work in another program). In such circumstances, FHPAP may be used to pay for the full cost if it is identified in the approved budget.

- Training.
- HMIS fees.
- Other staffing expenses directly related to the program, which must be approved in writing by Minnesota Housing.

Supportive services costs cannot exceed 50% of the total budget unless this was requested in the application, approved by Minnesota Housing, and is reflected in the budget exhibit of the Grant Contract Agreement. Refer to section 10.01 (Planning) of this document for more information.

6.04 Supportive Services Activities

Case Management

Case management may include, for each household, the following activities:

- Assessment: Work collaboratively with the household to identify strengths, resources, barriers, and needs in the context of their local environment.
- Plan Development: Develop an individualized service plan, with specific outcomes, based on the assessment.
- Connection: Obtain for the household the necessary services, treatment, and supports.
- Coordination: Bring together all service providers to integrate services and ensure consistency of service plans.
- Monitor: Evaluate with the household their progress and needs, and adjust the plan as needed.
- Personal Advocacy: Intercede on behalf of the household to help ensure access to timely and appropriate services.

The activities listed above are the activities that, taken together, make up case management. These case management activities will vary in several ways. The following variables are related to how case management is provided, as opposed to what case management is:

- Intensity (frequency of contact; household-staff ratios).
    - The intensity and frequency of case management may vary depending upon the type of service households are receiving; that is, one-time, short- or medium-term assistance. Households often receive more frequent and intensive services when they first enter FHPAP, and this may decrease as the household makes progress toward housing stability. The minimum expectation of household contact is once per month.
- Duration (from brief to time-limited to open-ended).
- Focus (from narrow to targeted to comprehensive).
- Availability of staff (from scheduled office hours to 24-hour availability).
- Location of services.

- Staffing patterns (from individual caseloads to interdisciplinary teams with shared caseloads, depending on the need of the household).

In addition to the above components of case management, there are other activities often offered that enhance the core case management activities. These activities can be divided into two broad categories, household specific activities and system activities.

Household Specific Activities:

- Outreach and engagement: To attempt to connect with households not currently accessing services.
- Direct service: To provide services directly to the household (budget counseling, housing search assistance [housing navigation]); refer below for further information on housing navigation.
- Crisis intervention: To assist households in crisis to stabilize, through direct interventions, and to mobilize needed support and services.
- Follow-up: To maintain contact with the household prior to exiting them from services to track stability and provide additional services, if needed.
- Final contact: Within 15-60 days after a household exits from services, attempt to contact the household to verify housing stability and provide additional services, if needed. Attempted contact can occur via text, phone, email, etc.

System Activities:

- System advocacy: To intervene with organizations in larger systems to promote more effective, equitable, and accountable services to a participant group (to be distinguished from personal advocacy above).
- Resource development: To attempt to create additional services or resources to address the needs of households.

Housing Navigation

Housing navigation services, whether through a case manager or another position dedicated to housing navigation, are eligible FHPAP expenses.

The purpose of a housing navigator is to minimize the number of days a household experiences homelessness by assisting the household in obtaining housing as quickly as possible. While services may be short- to medium-term, they are generally intensive in nature and usually involve multiple and frequent contact with the household, which can include in person, virtual, texts, email and/or phone. It also includes staff actively assisting the household in its housing search. Staff should seek input from the household regarding the level of housing search assistance they need and consider other factors, including household barriers such as mental health, rental history, including unlawful detainers, unpaid rent or damages, credit history, criminal background, lack of transportation, etc. Additionally, low

vacancy rates or increased property owner/manager resistance to lease to households with barriers may require additional staff assistance to engage with housing search and potential property owners/managers.

Housing navigation activities include:

- Recruiting property owners/managers, including outreach to an organization's network of existing property owners/managers.
- Utilizing search engines to locate housing opportunities.
- Attaining ongoing communication with property owners/managers to engage, maintain a positive relationship with, and mitigate any issues that may arise during tenancy.
- Keeping an active list of subsidized housing, including project-based waiting list openings.
- Assisting households in completing housing applications.
- Assisting households in obtaining application fees.
- Transporting households to housing appointments.
- Assisting households in communicating to a potential property owner/manager any housing barriers.
- Providing tenant education on property owner/manager and tenant rights and responsibilities.
- Expediting the move-in timeline when feasible, between the date of acceptance and lease signing.

For more information on housing navigation activities, refer to the United States Department of Housing and Urban Development (HUD) Housing Search Assistance Toolkit.

Chapter 7 – School Stability

Minn. Stat. 462A.204, subd.8 authorizes the use of FHPAP grant funds for a school stability project to secure stable housing for families with school-aged children (prekindergarten through grade 12) who have moved frequently, and for unaccompanied youth. Minnesota Housing, in partnership with the Minnesota Department of Education, have utilized this statute to establish the Homework Starts with Home Program. For more information, refer to Minnesota Housing's Homework Starts with Home webpage.

In addition, the McKinney-Vento Homeless Education Assistance Improvements Act of 2001 ensures families have the opportunity to maintain education stability for their student(s), which is key to their educational trajectory and success. One of the priorities of the act is the provision of transportation services to allow students experiencing homelessness to remain in their school of origin, which is defined as the school that the student attended when they first experienced homelessness.

Because school stability is important for all homeless families with children, as well as unaccompanied youth, Grantees and Subgrantees should assess whether children of homeless households are receiving transportation to their school or origin, and if not, assist in connecting households with their school district homeless liaison.

Refer to the Minnesota Department of Education website for more information on McKinney-Vento, including a list and contact information for the state's district homeless liaison staff.

Chapter 8 – Budget Modifications

8.01 Pre-Approval Not Required

Grantees are not required to seek Minnesota Housing approval for the following budget modifications but are required to inform Minnesota Housing staff in writing of these budget modifications within two working days of advisory committee approval, or other approval as outlined in the advisory committee bylaws:

- Moving funds from Administration to Direct Financial Assistance or Supportive Services, provided Supportive Services do not exceed 50% of the total budget unless it is allowed in the Grant Contract Agreement. Refer to section 10.01 (Planning) of this document for more information.
- Moving funds from Supportive Services to Direct Financial Assistance provided there will not be a reduction in projected households to be served and there is no impact to the program design outlined in the application.
- With the exception of travel costs, moving funds between existing line items within a distinct budget category (Administration, Supportive Services).
- Moving funds between a Grantee's and Subgrantee's budget or moving funds from one Subgrantee's budget to another Subgrantee's budget, provided that moving funds will not result in a reduction in projected households to be served, there is no impact to the program design outlined in the application and aligns the aforementioned items.

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

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

Budget modification request approvals are at the sole discretion of Minnesota Housing. Any amendments to the Grant Contract Agreement must still be executed before the Grantee, or a Subgrantee, incurs costs in order for those costs to be considered eligible expenses.

Chapter 9 – Advisory Committee

9.01 Statute Requirement

As outlined in Minn. Stat. 462A.204, subd.6:

Each Grantee shall establish an advisory committee consisting of a homeless advocate, a homeless person or formerly homeless person, a member of the state interagency task force on homelessness, local representatives, if any, of public and private providers of emergency shelter, transitional housing, and permanent affordable housing, and other members of the public not representatives of those specifically described in this sentence. The Grantee shall consult on a regular basis with the advisory committee in preparing the project proposal and in the design, implementation, and evaluation of the project.

9.02 Membership

Grantees must, at a minimum, include the following members:

- A person with lived experience; that is, an individual currently or formerly experiencing homelessness.
- A homeless advocate.
- A representative from the local Tribal Nation, if applicable.
- A member of the Minnesota Interagency Council on Homelessness.
- Local representatives, if any, of public and private providers of Emergency Shelters, Transitional Housing, and permanent affordable housing.
- Housing Trust Fund Program Rental Assistance administrator.

It is also recommended that advisory committee membership include:

- Local law enforcement.
- Property owners/managers.
- School liaison staff.
- Legal aid.
- County/Tribal staff.
- Employment organizations.
- Coordinated Entry staff.

9.03 Roles and Responsibilities

Grantees may structure their advisory committee in a way that best meets their needs. What follows are common structures for advisory committees:

- Two or more Grantees may join to establish a single advisory committee.
- The advisory committee may be the CoC or a subgroup of the CoC membership.
- The advisory committee may have several housing response committees that are workgroups that represent different geographies within the Grantee's service area.

The Grantee shall consult with the advisory committee in preparing the project proposal and in the design, implementation, and evaluation of the project. The advisory committee shall assist the Grantee as follows:

- Designing or refocusing the Grantee's emergency response system.
- Developing project outcome requirements.
- Assessing the short- and long-term effectiveness of the project in addressing the needs of families, singles and youth who are homeless or at imminent risk of homelessness.
- Identifying and developing innovative solutions to barriers households experiencing homelessness or at imminent risk of homelessness face and provide services to address these barriers.
- Monitoring of Grantees and Subgrantees, at a minimum, annually. Monitoring must include review of household records documenting eligibility and service provision. It should also include reviewing financial files for eligible expenses, invoicing, and supporting documentation. Results should be shared with the Grantee's advisory committee. Refer to section 11.06 (Monitoring and Evaluation) of this document for more information.
- Helping ensure providers are offering Culturally Responsive services to those populations disproportionately impacted by homelessness.
- Developing and updating program policies including an appeal process.
- Monitoring expenditures and helping ensure alignment with the approved budget.
- Managing the rate of expenditures to last the duration of the biennium.
- Advisory committee meetings must be held, at a minimum, quarterly, although more frequent meetings are recommended. Meetings should occur at a time and location that allows for the greatest access by members and can include in-person, virtual, or hybrid meetings to meet the community need.

9.04 Bylaws

Advisory committees must develop written bylaws that may include, but are not limited to:

- Meeting frequency and scope.
- Membership composition, including both representatives from entities which receive FHPAP funding as well as other community partners.
- New member recruitment and orientation.
- Election of officers, length of terms, and job descriptions.
- Voting process and quorum requirement.

- Conflict of Interest.
    - Bylaws must include a Conflict of Interest Statement or policy. Members must disclose their status and abstain from voting on any actions that present a conflict of interest. For example, Subgrantees should abstain from voting on how much funding will be awarded to each Subgrantee.

9.05 Commitment to Equity

Advisory committees should be committed to addressing inequities as they pertain to those populations disproportionately impacted by homelessness, and to targeting their homeless response system to address those inequities. Factors to consider:

- Identify and recruit potential Subgrantees based in part on their ability to provide culturally specific services and whose staffing represents the population served. Grantees may choose to provide technical assistance to assist an organization in planning for the development of a program under FHPAP in advance of their applying to be a Subgrantee.
- Providing technical assistance to new Subgrantees in areas such as data collection and reporting, case file documentation, financial reporting, etc.
- Ensuring advisory committee members and Subgrantees participate in equity training.
- Ensuring advisory committee members are representative of populations served.
- Engaging and partnering with Tribal Nations if they are in an advisory committee's region.
- Helping ensure providers are offering Culturally Responsive and Trauma-Informed services to all seeking housing assistance, and particularly to those populations disproportionately impacted by homelessness.
- Ensuring all people, regardless of their spoken or written language, literacy, or disability status, may learn about, apply for, and, if applicable, receive FHPAP assistance.
- If populations do not access services in a traditional manner, such as shelters or coordinated entry access points, providing alternative avenues to outreach, and identifying those that need homeless or prevention assistance.
- Ensuring that persons with lived experience are engaged in an advisory committee's planning, implementation, and evaluation and are provided compensation for their participation; note that compensation is an eligible FHPAP administrative expense.

Grantees and Subgrantees are encouraged to be creative around other methods to engage with persons with lived experience throughout the duration of the grant period. For example, forming a work group or advisory subcommittee driven and led by persons with lived experience, conducting surveys that reach a broad population, establishing focus groups, etc.

Chapter 10 – Preparing the Application

Minnesota Housing typically issues a Request for Proposals (RFP) in the fall for the next grant cycle, which is every two years. Prior to the issuance of the RFP, FHPAP staff are available for consultation about how to design and structure the grant proposal. When the RFP is released, FHPAP staff are unable to provide consultation, except for technical issues related to the RFP, until the RFP period has closed. Potential Grant Applicants are encouraged to contact FHPAP staff prior to the RFP release date for technical assistance.

Minnesota Housing is interested in how the Grant Applicant fully engages its advisory committee and the community in its planning process. Applicants will be requested to describe their program design and how it meets the needs of the community, including those disparately impacted by homelessness, whether it is aligned with CoC/Tribal priorities, and how FHPAP complements other funding resources in a particular region.

10.01 Planning

Minnesota Housing expects Grant Applicants to have developed a fair and transparent process for soliciting providers to meet the needs identified in their community. Grant Applicants are expected to conduct the following activities:

- Conduct a needs assessment of homelessness and those at risk of homelessness in the Grant Applicant's community, including the use of multiple data sources, analysis of trends, and comparison of homeless numbers and population types, past to present, including those populations disparately impacted by homelessness.
    - It is recommended that the needs assessment be concluded a minimum of 120 days prior to the issuance of the Minnesota Housing FHPAP RFP to help ensure adequate time for data analysis and planning.
- Engage Tribal governments (if in the service area) in discussions, planning and project design.
- Engage other service and housing providers, agencies, local governments, and schools.
- Engage people with lived experience in the planning, implementation, and evaluation of the program, such as conducting focus groups or administering surveys.
- Plan for alignment with the CoC and Tribes, including coordinated entry and performance measures.
- Develop strategies that meet the needs identified in the community needs assessment.
- Identify additional funding resources that can be used to meet the local need, including philanthropic, other state funding, and federal resources.
- Issue a local Request for Information (RFI) or RFP to regional providers of homeless and prevention services to solicit proposals.
    - Actively engage with a broad range of potential Subgrantees, including those that target and whose staff represent culturally specific populations and those disproportionately

impacted by homelessness. Engage potential Subgrantees using multiple venues such as email, websites, social media, newspapers, mailings, radio, local cable programs, etc.

- Develop and implement a transparent process and criteria for selecting service providers (both Grantees and Subgrantees) best suited to implement strategies identified in the planning process.
- If the project does not serve all three populations (families, singles, and youth) the Grant Applicant must demonstrate that other funding resources are available to meet the needs of the population(s) not served by FHPAP.
- Grant Applicants are encouraged to continually monitor community need by analyzing local data sources such as the Coordinated Entry Priority List, the HMIS, including the homeless dashboard, Point-in-Time Count (PIT), etc. and help ensure funds are being targeted to those households most likely to become homeless or to remain homeless without assistance.
- Grant Applicants must not have more than 50% of their total FHPAP budget dedicated to supportive services; however, if the Grant Applicant can provide rationale, they can request to exceed the 50% cap in their competitive application. Justification to do so must be clearly described in the application and budget narrative. This is the only timeframe in which requests to exceed the 50% cap will be considered. An example where a Grant Applicant may request to exceed the cap includes increasing supportive services and decreasing direct financial assistance, such as rental assistance, if that assistance type is available through another funding source.
    - If requesting to exceed the supportive services cap, Grant Applicants should consult with and receive approval from their advisory committee prior to submission of the application. Minnesota Housing will inform Grant Applicants selected for funding whether this request is approved or denied at the time of award.

10.02 Projecting Households Served

When projecting the number and types of households (that is, single adult, adult family, youth family, and unaccompanied youth) that will be served, Grant Applicants should:

- Factor in the number of households that will be carried over from the previous biennium, which should be included in the projection.
- Utilize current program data, current trends, needs assessment feedback, etc. to determine the average length of time as well as the average amount of direct financial assistance households will need to resolve the crisis.
- Consider the FTE of staff working directly with households, their average caseload, and the average length of time households will be in the program.

10.03 Preliminary Practice Models

Several state agencies and the Heading Home Minnesota Funders Collaborative (Funders Collaborative) identified key elements of a preliminary practice model for programs serving households that are experiencing homelessness or at risk of experiencing homelessness. Grantees are encouraged to identify which elements of the preliminary practice model are currently being practiced, in the process of being implemented, or not yet implemented. In addition, a preliminary practice model should identify at least one element for which there will be a plan for full implementation. Information sessions for several of the elements below can be found on Minnesota Housing's Homework Starts with Home webpage.

Equity Focus

Because homelessness impacts specific groups at disproportionate rates (for example, American Indians, African Americans, LGBTQIA+ youth), effective responses must be attuned to the populations at greatest risk for homelessness. While these populations vary across communities, identifying specific strategies to help ensure that interventions for individuals and families experiencing homelessness are representative of the populations being served and are culturally appropriate and responsive to the specific needs of those populations is critical. For example, Grant Applicants may explicitly monitor the impact of interventions for populations disproportionately impacted by homelessness and define essential roles for stakeholders representing those populations in the design and implementation of programs.

Nothing About Us Without Us

Individuals and families experiencing housing crises or homelessness have lived experience of how and where support systems are most effective and where they fail. Helping ensure that this expertise informs and guides community responses to homelessness can increase the likelihood of deploying resources more effectively, create shared ownership of solutions, and leverage the resilience of people who have experienced homelessness. For this to occur, individuals and families with lived experience of homelessness must have meaningful ways to participate in shaping and implementing a community's response to homelessness. For example, Grant Applicants may create paid leadership and advisory positions for people with lived experience to help shape, implement, and monitor programs serving families and individuals experiencing homelessness.

Early Identification and Trauma-Informed Responses

Given the critical developmental needs of young people and the devastating impacts of homelessness and housing instability, the earliest identification of housing instability coupled with an affirmative response to those housing challenges can mitigate trauma that could otherwise occur. Often, implementing an effective response will require partnerships among entities that allow data sharing

and deploy crisis-oriented resources to respond quickly to the specific circumstances of each individual or family. Given the traumatic nature of homelessness itself and the trauma that often precedes homelessness, these responses themselves must be Trauma-Informed and help support individuals and families in their recovery from trauma. For example, Grant Applicants may propose to conduct training for staff and community partners about the relationship between homelessness and trauma and modify their program to enhance their use of Trauma-Informed approaches.

Two-Generational Approach

A Two-Generational (2-Gen) or whole-family approach recognizes that impacting outcomes for young people requires supporting their parents, and vice versa. While many specific programs or funding streams focus on children or adults, a 2-Gen approach encourages looking at families holistically, focusing on outcomes that impact whole families and, whenever possible, combining programs and resources so that effective whole-family solutions are possible. A 2-Gen approach may include a mindset (for example, considering parents and their children, not just one or the other), specific strategies (for example, programs designed to support parents and children together), or systems-level organization (for example, organizing services so that parents and children receive support simultaneously). One way that Grant Applicants may use this approach is to establish whole-family assessments of needs and strengths as part of routine intake processes for local social service and economic assistance programs, with connections made simultaneously for parents and their children to appropriate programs for which they are eligible.

Progressive Engagement Approach

A Progressive Engagement approach provides a structured way for services to be tailored dynamically to the specific and changing needs of individuals or families experiencing homelessness so that people receive the support that they need. At a systems level, this approach also ensures that resources are available to help support the greatest number of people possible. A Progressive Engagement approach involves assessing initial needs and providing modest support responsive to those needs. If that is sufficient to help the family stabilize, those supports can be continued or weaned as ongoing needs dictate. If initial support is not sufficient, a Progressive Engagement approach identifies paths for increasing or diversifying the support available. This process continues iteratively as long as needed until the family achieves stability. One way that Grant Applicants may use this approach is to structure most initial interventions as short-term responses and establish clear protocols for how services can be escalated, maintained, or discontinued as family needs dictate, including referral processes and data sharing agreements among service providers, as needed.

Housing First Approach

Access to Permanent Housing is the fundamental solution to homelessness. A Housing First approach honors this fact by reducing barriers to accessing housing so that housing itself can serve as a platform

for addressing any other challenges that someone experiencing homelessness may face. This approach is contrasted with a "housing readiness" approach that defines preconditions (for example, sobriety, income, compliance with services) prior to receiving support to access Permanent Housing. One way that Grant Applicants may use this approach is to regularly review and, wherever possible, revise eligibility requirements for housing and homelessness programs that may preclude people experiencing homelessness from gaining access to housing resources or support.

Leveraging Mainstream Resources

Resources specifically intended to serve people experiencing homelessness provide important tools in effective community responses to homelessness, but they are small compared to mainstream programs serving low-income or vulnerable populations. Mainstream programs may include health programs, housing voucher or public housing programs, economic assistance, employment and training programs, or other social services designed to help people obtain stability or improve well-being. While these programs are typically not focused specifically on people experiencing homelessness, their impact for people experiencing homelessness can be significant, particularly if they implement strategies to make these programs accessible and responsive to people experiencing homelessness. Given the way that funding streams, outcomes, and lines of accountability are structured, linking mainstream programs to responses to homelessness often does not occur "naturally," but instead requires deliberate action. For example, Grant Applicants can organize their responses to homelessness jointly with intake processes for mainstream economic assistance, public housing, or other resources so that each family can be connected with whatever resource(s) is/are most responsive to the family's needs.

Continuous Improvement

Adapting and implementing effective solutions to homelessness requires ongoing refinement and attention to evolving needs and opportunities. Rather than expecting that a proposed intervention is complete or optimal as it was initially designed, a continuous improvement approach recognizes that ongoing participation from all stakeholders to identify successes, areas for improvement, and unanticipated needs will result in a stronger and more resilient long-term implementation. For example, Grant Applicants can describe oversight and governance approaches that encourage routine reflection and engagement of leadership and all stakeholders to help improve the impact of existing services and to do so iteratively and continuously.

Chapter 11 – Grantee Requirements

11.01 Subgrantees

As outlined the Grant Contract Agreement, Grantees must enter into formal contracts with Subgrantees and impose, at a minimum, the same expectations that Minnesota Housing requires of Grantees. Subgrantee agreements must be executed before the Subgrantees can begin serving households. Additionally, Grantees should ensure that communication received from Minnesota Housing is relayed to Subgrantees.

11.02 Financial

Once the Grant Contract Agreement is approved and fully executed, except in those instances where Minnesota Housing identifies a risk with the advanced payment model, Minnesota Housing will issue the first quarterly payment to Grantees and subsequently will advance payments each quarter thereafter. Quarterly payments are generally issued in advance to ease the financial burden on Grantees, thus ensuring funds are available to households for the duration of the quarter. Grantees who are two or more quarters behind in their rate of expenditures will be required to meet with Minnesota Housing staff to develop a plan to address their underspending. Minnesota Housing will not issue further advance payments until the Grantee's rate of expenditures is within one quarter or less of the quarterly disbursed amount.

Subgrantees should not receive advanced payment; rather they should be required to submit an invoice with supporting documentation for services and assistance performed prior to receiving reimbursement from Grantees.

Grantees are required to demonstrate the funds have been expended on eligible activities and should work with their financial staff to set up a recordkeeping system to track grant funds received and expended.

Grantees should not spend funds on a 'first come, first served' basis, rather they should prioritize households based upon need and budget their direct financial assistance expenditures throughout the quarter.

Grantees are required to monitor their rate of expenditures to last the duration of the grant period. The rate of expenditures will be considered when evaluating overall Grantee performance as part of the competitive application process.

11.03 Digital or Electronic Signatures

For any documents that require a signature to complete the application or other supporting documentation, a handwritten and Electronic Signature (eSignature) options must be made available.

Grantees may use DocuSign or Adobe e-sign to create a Digital or Electronic Signature. Other Digital or Electronic Signature software requires written approval from Minnesota Housing before being used.

11.04 Participation in Coordinated Entry

A coordinated entry system represents the coordination and management of a CoC's/Tribe's housing crisis response system. Coordinated entry provides available information to CoC/Tribal providers and homeless assistance staff, enabling them to make consistent decisions to efficiently and effectively connect people in crisis to interventions that will rapidly end their homelessness. The coordinated entry approach also aligns with the State of Minnesota's goals to transform crisis response systems to improve outcomes for people experiencing a housing crisis. Grantees must consult with their local CoC and Tribe and follow the local coordinated entry policies in their service area.

11.05 Household Income

Grantees and Subgrantees must determine income eligibility of households prior to providing assistance. Households must be at or below 200% of the federal poverty guidelines. Income is calculated based upon gross annual income.

Determining Income

The following income is included in income calculation:

- The full amount, before payroll deductions, of wages and salaries, overtime pay, commissions fees, tips, bonuses, and other compensation for personal services.
- The full amount of periodic payments received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts.
- Payments in lieu of earnings such as unemployment or disability compensation, worker's compensation, and severance pay.
- Public assistance payments such as cash assistance or Social Security.
- Periodic and determinable allowances received such as alimony, child support, and foster care payments.
- Net income from the operation of a business or profession.
- When full-time students who are 18 years of age or older are dependents, a small amount of their earned income will be counted. Count only earned income up to a maximum of $480 per year for full-time students, age 18 or older, who are not the head of the family, spouse, or co-head. If the income is less than $480 annually, count all the income. If the annual income exceeds $480, count $480 and exclude the amount that exceeds $480.

The following types of income are not included in income calculation:

- Earned income of youth enrolled in K-12 education.
- Educational grants or scholarships paid expressly for tuition, fees, books, or equipment.
- Income of live-in health aids.
- Non-cash benefits such as childcare or medical care assistance and food support.
- One-time cash gifts, for example a birthday.
- Economic stimulus payments.
- Tribal per capita payments.
- Tribal General Welfare.
- Minnesota Child Tax Credit payments.

A household making child support payments cannot have the amount of the payment reduced from their household income calculation, but in shared custody situations, may include the children as part of their household.

Verification of Household Income

There are three methods to obtaining household income: income documents provided by the household, third-party verification, or self-verification of income.

Households receiving the following types of assistance identified in Minn. Stat. 462A.07, subd. 20 are automatically income eligible, provided proof of the type of assistance received is documented in the household file:

- Childcare assistance programs under chapter 119B.
- General assistance, Minnesota supplemental aid, or food support under chapter 256D.
- Housing support under chapter 256I.
- Minnesota Family Investment Program and diversionary work program under chapter 256J.
- Economic assistance under chapter 256P.
- Other income-based state or federal public assistance benefits, as approved by Minnesota Housing.

Income Documents Provided by the Household

When possible, documentation of income should be obtained from the household. This includes:

- If employed, obtain a minimum of two pay stubs. Pay stubs should be the most recent and just prior to the date the household is seeking assistance. If a household has inconsistent income, for example, they work varied hours, obtaining additional pay stubs is recommended.
- If a household reports they recently gained employment but have not yet been paid, this would not be included in their income calculation.
- Documentation of cash assistance received such as Social Security income or public assistance.
- Documentation of child support, alimony, or foster care payments.

Third-Party Verification

Under this form of verification, a third party is contacted to provide information about the household's income. This may be preferable if providing the documentation poses a hardship on the household due to geographic distance, lack of access to technology, or they are unable to provide it in a timely manner.

To obtain third-party verification, the provider must obtain a signed release of information (ROI) from the household. Written verification is preferred; however, there may be times where the third party is unwilling to provide this and/or do so in a timely manner. In these instances, verbal verification is acceptable; however, this must be well documented in the household file, such as on intake paperwork or a case note. Information included should be the date the verbal verification was provided, the name of the individual providing the information and the entity they represent, as well as their contact information, along with staff signature (Digital or Electronic Signature is acceptable) or initials.

Self-Attestation

If a household is unable to provide the required documents or the provider is unable to obtain third-party verification, a self-attestation of income form that includes the household's signature may be utilized. This signed document along with case notes explaining the necessity of the self-attestation, must be included in the household file.

Calculating Income

When calculating income, keep in mind the following:

- Calculate annual income, rather than monthly, to align with the annual Federal Poverty Guidelines table.
- Calculate annual income based upon 52 weeks in a year.
    - For example, if a household is paid bi-weekly, their average bi-weekly pay should be multiplied by 26 weeks to obtain the annual income.
- Income calculation is determined using gross annual income; that is, total pay before taxes and other deductions.

An Income Calculation Workbook can be located on Minnesota Housing's Family Homeless Prevention and Assistance Program (FHPAP) webpage and can be used to calculate household income. While use of this tool is not required, it may save staff time, be helpful in determining accurate income, and be useful for monitoring purposes where demonstration of income and income calculation is required.

Below are examples of calculating income.

Example 1

Household with two family members is employed and paid bi-weekly.

- Check #1: Gross income – $589.32
- Check #2: Gross income – $640.00

Income calculation steps:

- Step 1: Total the two pay stubs – $589.32 + $640 = $1,229.32
- Step 2: Divide total in Step 1 by two (# of pay stubs) – $1,229.32/2 = $614.66
- Step 3: Multiply $614.66 by 26 weeks (bi-weekly average) – $614.50 x 26 = $15,981.16

Household Annual Income = $15,981.16

Example 2

Household of two receives public cash assistance of $583.00 per month and a housing allowance of $110.00 per month.

Income calculation steps:

- Step 1: Calculate monthly income – $583 + $110 = $693
- Step 2: Multiply total in Step 1 by 12 months – $693 x 12 = $8,316

Household Annual Income = $8,316

Example 3

Household has two adult family members, and both have income.

- Head of household #1 has employment and is paid weekly. In this example, because weekly income amounts vary, the provider requested additional pay stubs.
    - Check #1: Gross income – $723.00
    - Check #2: Gross income – $888.24
    - Check #3: Gross income – $646.29
    - Check #4: Gross income – $881.00
- Adult #2 earns monthly social security benefits in the amount of $941.00

Income calculation steps:

- Step 1: Total the four pay stubs – $723.00 + $888.24 + $646.29 + $881.00 = $3,138.53
- Step 2: Divide the total in Step 1 by four – $3,138.53/4 = $784.63 (average weekly income for last 4 weeks)
- Step 3: Multiply $784.63 by 52 weeks – $784.63 x 52 = $40,800.76 (annual income for head of household)
- Step 4: Multiply $941 by 12 months – $941 x 12 = $11,292 (annual income for adult #2)
- Step 5: Determine combined annual income – $40,800.89 + $11,292 = $52,092.76

Household Annual Income = $52,092.76

In this example, the household does not qualify for FHPAP assistance as their income exceeds 200% of federal poverty guidelines for a household with two members.

Reassessing Income

For households receiving services or direct financial assistance for six months or longer, household income should be reassessed, at a minimum, once every 12 months to determine if the household remains eligible for FHPAP assistance.

Roommates

When two or more people live together as roommates, that is, sharing a living space and not as a family or in a committed relationship, and one or more of the roommates is seeking FHPAP assistance, their income eligibility can be considered on an individual basis. If the roommates are listed on one lease, the amount of assistance an individual is eligible for would generally be proportional, that is, if there are two roommates, the individual seeking assistance would be eligible for 50% of the amount owed. If a roommate can demonstrate they have consistently been paying a higher portion, they could be eligible for a higher amount of assistance. In this instance, for example, they could present copies of checks or the property owner/manager could verify the amount paid. Documentation of roommate situations where only one individual is receiving FHPAP assistance should be clearly noted in the household file, such as in the case notes or on an intake form.

11.06 Monitoring and Evaluation

Monitoring of Grantees and Subgrantees

Grantees are required to conduct site visits and monitor Subgrantee activities, project results, expenditures, and outcome indicators, at a minimum, once per year. The Grantee must communicate outcomes of the Subgrantee monitoring visit to the advisory committee and other stakeholders. In addition, if a Grantee is an FHPAP provider, the advisory committee must monitor the Grantee a minimum of once per year. The advisory committee must develop a written monitoring and evaluation plan to include:

- Advisory committee role with monitoring and evaluation
- How reports and results will be shared with the advisory committee
- How HMIS data quality review will be conducted
- How non-HMIS data will be collected and reported (if applicable)
- How site visits will be conducted
- How household file reviews will be conducted
- How financial reviews will be conducted

- Sample report, site visit, and file review templates

Household Files

At a minimum, household files should contain the following:

- An application/intake date for the household seeking assistance.
- Consent and release forms, including:
    - A signed HMIS Data Privacy Notice and Release of Information for all household members ages 18 and older.
- A separate, signed data disclosure form that lists Minnesota Housing for each adult member of the household which also includes a Tennessen Warning.
- A separate ROI for each individual or entity. For example, do not include a utility company and a property owner/manager on the same ROI. An ROI should include:
    - The name and organization from which information can be shared and/or requested.
    - Specific information that can be provided and/or requested.
    - An expiration date of one year or less.
    - A participant/household signature and date.
    - It is recommended that a staff member also sign and date the ROI.
    - A separate ROI for each adult in the household should be obtained.
- Case notes that are objective, chronological, accurate, concise, timely, and demonstrate action steps and outcomes.
- Documentation of eligibility criteria including:
    - The household is at or below 200% of federal poverty guidelines. In addition to providing documentation of income, such as pay stubs or a statement of benefits, a demonstration of how annual income was calculated should be in the household file. If utilizing the Income Calculation Workbook, providing a copy of this in the household file will suffice for demonstration of income calculation. Refer to section 11.05 (Household Income) of this document for more information.
    - The household is experiencing a housing crisis.
        - Households currently in stable housing are at imminent risk of homelessness. Documentation provided can include an eviction notice, utility shut-off notice, notice to vacate due to past due rent, etc.
        - Households are without a fixed nighttime residence or are homeless. Documentation of the household's homeless status, such as a coordinated entry referral, meets this requirement.
    - Documentation that the household does not have funds to pay for the housing crisis.
        - This can be documented on an intake form, case note, etc.
        - Minnesota Housing does not require a verification of assets for the household file.

- Documentation of the amount owed.
  - For past due rent, a rental ledger or other supporting documentation that clearly indicates the amount owed, including late fees.
  - For prepayments of propane and wood, an invoice.
  - For move-in assistance including rental deposit and rental assistance, property owner/manager verification of amount owed (statement or executed lease).
  - For ongoing rental assistance, a copy of the lease or formal statement from the property owner verifying the monthly rent and any additional fees.
  - If the amount owed has increased since the past due statement was submitted, clearly note this in the file including the name of the person from the utility company who verified the increase/past due notice, the date verification was received, and the updated past due amount.
- The type and amount of FHPAP assistance provided.
  - Evidence can include a purchase order, agency check request, or check copy.
  - The household should receive the total amount of financial assistance needed to resolve the housing crisis. If FHPAP is not used to pay for the full amount needed by the household, clearly indicate in the file the source of the additional funding and amount provided to resolve the crisis.
- Documentation of crisis resolution
  - This can be included in closing paperwork, a case note, etc.

While many rental assistance programs require a housing inspection prior to move in, for example a Housing Quality Standards (HQS) inspection, this inspection is not an FHPAP requirement.

Grantees and Subgrantees are responsible for maintaining financial records that document the use of all FHPAP funds, including those used for supportive services, direct financial assistance, and administrative costs. Grantees and Subgrantees are expected to maintain all financial and household records for a minimum of six years after the Grant Contract Agreement has ended.

In addition, Minnesota Housing reserves the right to review financial and household records during this period, and records must be made available upon request.

Minnesota Housing

Minnesota Housing will conduct annual monitoring of Grantees, which will include:

- Household file monitoring: household files selected for file review will be randomly selected.
- Financial reconciliation: Grantees will be required to submit the following documentation:
  - A job cost report or general ledger, including receipts and expenses for the requested period. The job cost report or general ledger should only include FHPAP related receipts and expenses and should not list non-FHPAP related receipts/expenses.
  - Bank statements

- Payroll records
- Third-party verification such as invoices and receipts

More detailed information will be provided prior to monitoring but will include an overall program review, including Grantee policies and procedures, governance, and administrative performance.

Following conclusion of the household file monitoring, financial reconciliation, and program review, Minnesota Housing staff will conduct an exit interview with the Grantee summarizing the results. Grantees will be notified if follow-up is required. An example of follow-up includes obtaining additional documentation to verify household eligibility. Upon timely completion of follow-up items, Minnesota Housing staff will issue a monitoring review summary letter that includes Grantee strengths, areas of concern, recommendations, and requirements.

11.07 Reporting

Timely and accurate reporting requirements are considered when evaluating overall Grantee performance. Refer to Appendix A (Example FHPAP Biennial Timeline) of this document for due dates.

Quarterly Expenditure and Outputs Report

Grantees will be provided with a Quarterly Expenditure and Outputs Report template that must be submitted to Minnesota Housing after the completion of each reporting period. Reports will include expenses by funding category and the number of households and individuals served. Homeless households that are doubled up should be entered in the same category that Grantees and Subgrantees are using to enter their data in the HMIS, that is, Rapid Rehousing Doubled Up or Prevention. Refer to section 11.09 (Homeless Management Information System) of this document for more detail.

Grantee outputs should match the HMIS report. Occasionally HMIS data issues arise that may impact the reporting timeline. If this occurs, Grantees should notify Minnesota Housing staff as soon as possible.

Administrators must report on the number of households approved or denied within two weeks of the receipt of a complete application and the number of payments made within 30 days of the receipt of a complete application that was approved. A complete application includes all documentation needed for approval or denial and to issue payment if approved.

Homeless Management Information System (HMIS) Reports

The HMIS administrator creates Grantee level and statewide FHPAP reports prior to the Expenditure and Outputs Report submission deadline. Grantees should allow time to review the accuracy of their HMIS reports prior to submitting the Quarterly Expenditure and Output Reports to Minnesota Housing.

It is recommended that Grantees establish an HMIS reporting deadline for Subgrantees in advance of the due date established by Minnesota Housing to provide sufficient time to review data quality. Grantees should work with their Subgrantees to fix data quality issues and then inform Minnesota Housing of the "ready" status. Grantees may also act as a liaison between the Subgrantee and the HMIS administrator helpdesk staff if there are data or reporting issues. The reports currently include:

- Core Report
- FHPAP Supplemental Report

Narrative Reports

Narrative and Outcome Reports are submitted to Minnesota Housing annually. Minnesota Housing will provide the report format to Grantees in advance of the report deadline.

Grantees will be required to provide Minnesota Housing with a summary on the Annual Narrative Report; however, Grantees are strongly encouraged to 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 financial management or service delivery. Further action may be recommended or required, such as providing additional monitoring or developing a performance improvement plan with the Subgrantee.

11.08 Outcomes and Outputs

Minnesota Housing will measure progress toward the specific outcomes listed below and is particularly interested in the outcomes and improvement over time for households disparately impacted by homelessness and housing instability. Grantees and their advisory committees should regularly review and analyze this data, and implement strategies where needed to improve upon them. The indicators will be pulled from data in the HMIS as outlined below.

Outcome #1: The percentage of households receiving assistance who do not experience homelessness, broken down by race, ethnicity, and household type (Prevent).

Outcome #2: The percentage of households who exit to permanent, stable housing, broken down by race, ethnicity, and household type (Rare).

Outcome #3: The length of time from enrollment to housing placement, broken down by race, ethnicity, and household type (Brief).

Outcome #4: The percentage of households served who do not return to homelessness, broken down by race, ethnicity, and household type (One-Time).

Outcome #5: Demographics of the households served at program intake compared to demographics of households served at program exit (for example, is the program experiencing equitable outcomes for Native American households compared to Caucasian households?) (Equity).

Output #1: The number of households served by type of activity (Prevention, Coordinated Entry, Rapid Rehousing and Street Outreach).

Grantees may choose to establish additional outcomes that reflect their local program. Grantees will be asked to discuss the results of these outcome indicators in the narrative report(s).

11.09 Homeless Management Information System (HMIS)

Information for most households served will be entered into HMIS. Exceptions are noted below. The Institute for Community Alliance (ICA) is the designated HMIS Lead Agency for the state of Minnesota. Data collection forms and resources for FHPAP projects can be found on the HMIS website.

Grantees and Subgrantees are encouraged to download these forms on a regular basis to ensure the latest version is being used. Timely data entry is expected to comply with quarterly and annual reporting requirements. Grantees are required to review and analyze their program's HMIS data for accuracy and program evaluation. Refer to section 11.07 (Reporting) of this document for more information.

Quarterly Data Quality

To improve the quality of HMIS data, the HMIS administrator, with support from CoCs, the Minnesota Tribal Collaborative, and state partners, has implemented a Quarterly Data Quality (QDQ) evaluation process. Grantee and Subgrantee participation is required. Providers receive a data quality score, that reflects to what extent they meet the criteria for accuracy, completeness, consistency, and timeliness of reporting. This is an interactive process. Providers receive support from all monitoring partners and will have the opportunity to make data quality corrections prior to receiving their score. Refer to the HMIS website for more information.

Data Entry Expectations

Entry and Exit

Households should be entered into the HMIS no more than seven days after program entry and program exit. Grantees should be mindful of, and may develop their own, data entry and reporting requirements to help ensure there is adequate time to review data prior to submitting the quarterly Expenditure and Outputs Report and Annual Narrative Report.

Activities

Below are *minimum* requirements for when households should be entered into the HMIS:

- **Coordinated Entry:** When a household is assessed and based upon their score, referred to an FHPAP provider for Prevention or Rapid Rehousing services or direct financial assistance.
- **Street Outreach:** When services extend beyond the simple provision of referral resources and a strategic effort to engage the participant in activities designed to end their homeless situation is needed. For example, if an individual receives assistance completing housing applications or is driven to a homeless shelter, and/or service delivery involves multiple contacts or requires a significant amount of time. Grantees have some discretion in determining whether a household should be entered; however, the policy for doing so should be consistent, keeping in mind that proposed numbers served are compared with HMIS outputs only.
- **Prevention:** When a household receives FHPAP supportive services or direct financial assistance.
- **Rapid Rehousing:** All households are required to be entered into the HMIS except for households being served by domestic violence providers. In this instance reporting to Minnesota Housing will occur outside of the HMIS.

Entering Doubled Up Households in the HMIS

One variation of the state of Minnesota's definition of homelessness compared to HUD's definition, is that households doubled up that are at imminent risk of housing loss are considered homeless by the state of Minnesota. Since HMIS definitions are set up to align with HUD, Grantees will enter FHPAP households that are doubled up in the Prevention category within the HMIS.

Grantees and Subgrantees New to the HMIS

Agencies new to the HMIS or returning after a period of absence must complete documentation to get their agency set up to enter data. In addition, new users must complete new user training before entering data. Visit the HMIS website for more information.

11.10 Record Retention

Grantees must save copies of all books, records, program files, documents and accounting procedures related to the grant. Grantees must maintain these documents for a minimum of six years from the end of the Grant Contract Agreement. Minnesota Housing reserves the right to review all records during this six-year period, and records must be made available to Minnesota Housing upon request.

11.11 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.

Appendix A: Example FHPAP Biennial Timeline

Table 5: Example FHPAP Biennial Timeline – Year 1

Approximate Date	Activity
October 1	Biennium begins
Fourth Monday in October	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
October	Annual Grantee Meeting – location and exact date TBD
Fourth Monday in January	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
Mid-February	Quarter 1 Expenditure and Outputs Report due
Fourth Monday in April	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
Mid-May	Quarter 2 Expenditure and Outputs Report due and Six-Month HMIS Report due
Fourth Monday in July	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
Mid-August	Quarter 3 Expenditure and Outputs Report due

Table 6: Example FHPAP Biennial Timeline – Year 2

Approximate Date	Activity
October	Request for Proposals (RFP) application materials published and Information Session
Fourth Monday in October	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
October	Annual Grantee Meeting – Location and exact date TBD
Mid-November	Quarter 4 Expenditure and Outputs Report due, Annual Narrative Report due, and Annual HMIS Report due
January	*RFP applications due (tentative)*
Fourth Monday in January	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
Mid-February	Quarter 5 Expenditure and Outputs Report due
Fourth Monday in April	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
Mid-May	Quarter 6 Expenditure and Outputs Report due and 18-month HMIS Report
Fourth Monday in July	Quarterly Coordinator's teleconference 10-11:30 a.m. Central Time
Mid-August	Quarter 7 Expenditure and Outputs Report due
Mid- November	Quarter 8 Expenditure and Outputs Report due, Final Narrative Report due, and Final HMIS Report due

Grantees will receive an FHPAP Timeline with specific dates as an exhibit to the Grant Contract Agreement. Note that report dates are subject to change. Grantees will receive email notifications of all report deadlines.

Appendix B: Defined Terms

Continuum of Care (CoC): A local planning body that coordinates housing and services planning and funding for homeless families and individuals.

Continuum of Care Plan: A community plan prescribed by HUD to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency and includes action steps to end homelessness and prevent a return to homelessness.

Coordinated Entry (CE): A centralized or coordinated process for conducting a needs assessment and referrals to housing and services for people seeking housing assistance. A CE system is easily accessible in the geographic area of the CoC or a Tribe/group of Tribes, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool. The goal of CE is to match people to the most appropriate service(s) based on the individual or household's needs, prioritizing those with the highest need.

Culturally Responsive: Agencies, programs, and providers of services respond respectfully and effectively to people of all cultures, languages, classes, races, ethnic backgrounds, disabilities, religions, genders, sexual orientations, and other identities in a manner that recognizes, values, and affirms differences and eliminates barriers to access as stated in Minnesota Laws 2024, Ch. 127, art. 16, sec. 2(a)(1)

Digital Signature: A person's name that is digitally affixed to an electronic document not using DocuSign, Adobe Sign, or other eSignature software. Digital Signatures can be typed into or onto a document, an image of a signature, or the use of /s/ as a signature. Checking a box or typing one's initials is also a Digital Signature.

Diversion: An intervention designed to immediately address the needs of someone who has just lost their housing and become homeless. Diversion is a participant-driven approach; its goal is to help the person or household find safe alternative housing immediately, rather than entering shelter or experiencing unsheltered homelessness. It is intended to ensure that the homelessness experience is as brief as possible, prevent unsheltered homelessness, and avert stays in shelter. Refer to the National Alliance to End Homelessness website for more information.

Electronic Signature (eSignature): An electronic sound, symbol, or process attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record. An eSignature is electronically affixed to an electronic document using an approved software program which authenticates identity, day, and time of affix. Approved software for initiating an eSignature is DocuSign or Adobe Sign.

Emergency Shelter (ES): Temporary, short-term lodging for individuals or families who are experiencing homelessness.

Grant Applicant: An organization that applies for FHPAP funds.

Grantee: The primary entity that has applied for and has been awarded funds from FHPAP. A Grantee may have Subgrantees within their FHPAP project.

Grant Contract Agreement: The agreement between Minnesota Housing and the Grantee that governs the Grantee's use of FHPAP funds.

Homeless Management Information System (HMIS): A local web-based information technology system used to collect participant-level data and data on the provision of housing and services to individuals and families experiencing or at risk of homelessness.

HMIS Lead Agency: The entity responsible for managing the HMIS for the geographic area, in accordance with the requirements prescribed by HUD. The Institute for Community Alliance (ICA) is the designated HMIS Lead Agency for the state of Minnesota.

Homework Starts with Home (HWSH) Program: Minn. Stat. 462A.204, subd. 8 outlines requirements for school stability projects, which are relevant to the Homework Starts with Home (HSWH) Program. The HSWH Program serves families with children eligible for a prekindergarten through grade 12 academic program and youth (with or without children of their own) who are eligible for an academic program through grade 12 and who are without their parent or guardian. HWSH utilizes both FHPAP and Housing Trust Fund Program Rental Assistance infrastructure.

Minnesota Homelessness Prevention Assessment Tool (M-PAT): An optional assessment tool designed to verify household eligibility for FHPAP homeless prevention and identify the most vulnerable households most likely to experience homelessness if they do not receive assistance. This assessment is available in Hmong, Somali, and Spanish.

Permanent Housing: Includes several living situations such as home ownership, household renting with their own lease, renting in a roommate situation, living in a host home, or other permanent tenure.

Permanent Supportive Housing (PSH): 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 homeless and those with mental illness, substance abuse disorders, and other disabilities. HUD requires a disability for Permanent Supportive Housing eligibility for people experiencing homelessness. The terms Supportive Housing and Permanent Supportive Housing are used interchangeably in the industry.

Rapid Rehousing (RRH): Rapid Rehousing is an intervention designed to help individuals and families to quickly exit homelessness and return to Permanent Housing. Rapid Rehousing assistance is offered without preconditions (such as employment, income, absence of criminal record, or sobriety), and the resources and services provided are typically tailored to the unique needs of the household. The core

components include housing identification, move-in and rental assistance, and case management and services. The length of assistance can vary between three and 24 months.

Street Outreach: Intentional engagement to provide emergency services and link households who are homeless or at imminent risk of homelessness and not otherwise be connected to the homeless response system with available shelter, housing, and/or critical health and supportive services.

Subgrantee: An agency or organization that is solicited by the Grant Applicant or Grantee to participate as an administrator with the Grantee in the FHPAP.

Supportive Housing (SH): Supportive Housing, in its broadest definition, is affordable housing linked with social services tailored to the needs of the population being housed. The goal of Supportive Housing is to provide affordable housing with access to an array of services designed to foster housing stability and improve health and quality of life for the population to be served. The terms Supportive Housing and Permanent Supportive Housing are used interchangeably in the industry.

Transitional Housing (TH): Temporary housing, with services, that facilitates the movement of homeless individuals and families to Permanent Housing within a reasonable amount of time (usually 24 months or less).

Trauma-Informed: To recognize that many people have experienced trauma in their lifetime and that programs must be designed to respond to people with respect and accommodate the needs of people who have or are currently experiencing trauma as stated in Minnesota Laws 2024, Ch. 127, art. 16, sec. 2(a)(2).

Tribal General Welfare: or "Indian General Welfare Benefit" is any payment made or services provided to or on behalf of a member of an Indian Tribe under an Indian Tribal government program if: 1) such program is administered under specified guidelines and does not discriminate in favor of members of the governing body of the Indian Tribe and 2) the program benefits are available to any Tribal member, are for the promotion of general welfare, are not lavish or extravagant, and are not compensation for services. The Tribal General Welfare Exclusion Act of 2014 amends the Internal Revenue Code to exclude from gross income, for income tax purposes, the value of Tribal General Welfare.

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 or omission made for personal gain or to damage another.

Any person or entity (including its employees and affiliates) that enters into an agreement 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 12.07 (Disclosure and Reporting) of this document.

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 (Disclosure and Reporting) of this Addendum.

1.04 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 is 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 is 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 an agreement with Minnesota Housing must avoid and immediately disclose to Minnesota Housing any and all actual or potential conflicts of interest through one of the communication channels described in section 1.07 (Disclosure and Reporting) 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 (Conflict of Interest) 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 (Conflict of Interest) 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 (Disclosure and Reporting) 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. Refer to Minnesota Housing's website for a list of suspended individuals and organizations.

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, Grantees, borrowers) and the general public are encouraged to report instances of fraud, misuse of funds, conflicts of interest, or other concerns without fear of retaliation using these same communication channels.

- Contact Minnesota Housing's Chief Risk Officer at 651.296.7608 or 800.657.3769 or by email at MHFA.ReportWrongdoing@state.mn.us;
- Contact any member of Minnesota Housing's Servant Leadership Team as denoted on Minnesota Housing's current organizational chart); or
- Submit a Report Wrongdoing Form, which can be found on Minnesota Housing's Report Wrongdoing or Concerns webpage.

1.08 Electronic Signatures

Minnesota Housing accepts Electronic Signatures (eSignatures) on certain documents to the extent the person signing complies with all applicable state and federal Electronic Signature laws, as well as any counterparty requirements. Questions regarding which documents Minnesota Housing permits to be signed electronically should be directed to Minnesota Housing staff.

Minnesota Housing does not permit eSignatures on any document that needs to be recorded with the county. In addition, a contracting party cannot be required to use eSignatures

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 makes 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 allow persons with disabilities to make reasonable modifications.

1.10 Minnesota Government Data Practices

Minnesota Housing, and any party entering into a contract with Minnesota Housing, must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by Minnesota Housing under the contract, and as it applies to all data created, collected, received, stored, used, maintained, or disseminated by the contracting party under the contract. The civil remedies of Minn. Stat. 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.