

# **Housing Trust Fund Program Rental Assistance**

**Request for Proposals Application Instructions** 

Contract Term: October 1, 2025 – September 30, 2027

Application Deadline: Thursday, December 19, 2024, at noon Central Time

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#### **Overview**

Minnesota Housing is now accepting Housing Trust Fund (HTF) Program Rental Assistance Request for Proposals (RFP) applications for funding in accordance with <u>Minnesota Statute 462A.201</u> and the following <u>Minnesota Rules 4900.3760</u> - <u>4900.3769</u>.

The Rental Assistance provides temporary rental assistance, security deposits, and other housing related expenses to income eligible families and individuals. The Rental Assistance serves High Priority Homeless (HPH) referrals through the local Coordinated Entry (CE) system. Rental assistance is provided in partnership with supportive services, as indicated in Minnesota Rules 4900.3766 funded through other sources to help Participants achieve housing stability and ultimately transition to permanent sustainable housing opportunities. The Rental Assistance is a resource that will be used to help advance the Crossroads to Justice and Olmstead Implementation Office Plans. Additional information, including the HTF Program Rental Assistance Program Guide, is available on the Housing Trust Fund Program Rental Assistance webpage.

#### **Available Funding**

Minnesota Housing anticipates awarding up to \$25.0 million of funding for:

- Tenant-Based Rental Assistance (TBRA)
- Housing navigation, up to \$500,000 available only to applicants also applying for TBRA
- Sponsor-Based Rental Assistance (SBRA)

The grant period is October 1, 2025 – September 30, 2027.

The available funding may be adjusted and is contingent on the amount awarded from the Minnesota Legislature. Funding modifications and extension amendments may be approved at Minnesota Housing's sole discretion. Any funding modifications would be dependent on, among other factors, additional funding becoming available. Minnesota Housing will notify existing grantees if additional funding becomes available.

## **Eligible Applicants**

Eligible applicants for this funding include:

- Tribal Nations or Tribal housing corporation
- A nonprofit organization, as defined in Minnesota Statute 462A.03, subdivision 22
- A for-profit organization
- A limited dividend entity, as defined in Minnesota Rules, part 4900.0010, subpart 14
- A cooperative housing corporation, as defined in Minnesota Rules, part 4900.0010, subp. 8

- A city, as defined in Minn. Stat. 462A.03, subd. 21
- A joint powers board established by two or more cities
- A public housing agency
- A natural person

SBRA applicants, in addition to meeting at least one of the above criteria, must also be a current SBRA grantee or have been a SBRA grantee within the past three years from September 30, 2023.

In order to alleviate regional service gaps, priority will be given to applicants proposing to serve a region of the state not currently providing TBRA. A list of <u>current HTF Administrators</u> and their regional service area is available online from Minnesota Housing.

## **Eligible Uses**

Rental Assistance funds available through this RFP may be used to provide TBRA and SBRA, Administrative Fees, security deposits, application fees, utility connection fees, damage claims, vacancy payments, or other fees—as approved by Minnesota Housing—necessary to obtain landlord participation or to prevent repeat episodes of homelessness.

An Administrative Fee is an eligible use and may be paid to the Administrator each month in which a Participant resides in an eligible Assisted Unit. Minnesota Housing will approve an Administrative Fee within a range of \$62 to \$76 per household per month. Applicants should refer to the <a href="https://https

Under this RFP, TBRA applicants may apply for housing navigation funding to enhance the utilization of Rental Assistance funds. Housing navigation funds may be used to provide extra support in helping Participants search for, find and move into housing. Note that housing navigation funds are available only to applicants selected for funding of TBRA programs. Eligible uses for housing navigation funds under this RFP include:

- Utilizing housing search engines to locate opportunities
- Assisting Participants in completing housing applications
- Assisting Participants in obtaining application fees, if needed
- Transporting Participants to housing appointments
- Assisting Participants in communicating with potential property managers
- Providing tenant education on landlord and tenant rights and responsibilities
- Expediting the move-in timeline when feasible, between the date of acceptance and lease signing

Housing navigation funds may not be used to pay for Tenant Service Coordination, case management or any other type of support services once a household has moved into housing. Additionally, housing navigation funds may not be used for indirect costs (e.g., facilities or overhead).

## **Program Expectations**

The following program expectations apply to all Administrators; for a complete list of expectations, refer to the <a href="https://example.com/htt

- Programs will serve High Priority Homeless (HPH) populations which means households prioritized for permanent supportive housing by the local CE system
- Households served through Rental Assistance must meet income criteria:
  - Per Minn. Stat. 462A.201, an eligible Participant may have a Gross Annual Household Income, at the time of initial eligibility, up to 60% Area Median Income (AMI) as determined by the United States Department of Housing and Urban Development for the metropolitan area, adjusted for household size
  - Applicants may use deeper income targets as approved by Minnesota Housing in accordance with HTF Program Rental Assistance requirements
- People with lived expertise must be engaged in program planning and implementation
- Data will be entered in the <u>Homeless Management Information System</u> (HMIS) (or comparable database for certain restricted populations) to obtain the following measures:
  - Measure #1: The percentage of households who exit to permanent, stable housing by race, ethnicity, and household type
  - Measure #2: The length of time from enrollment to housing placement by race, ethnicity, and household type
  - Measure #3: The percentage of households served who do not return to homelessness by race, ethnicity, and household type
  - Measure #4: Intake demographics of the households served compared to exit demographics by destination (e.g., if the program serves 60% Black people or people of color, are 60% of the program's positive housing outcomes experienced by Black people or people of color?)
- Administrator responsibilities include:
  - Recruit and partner with rental property owners
    - Conduct outreach to an organization's network of existing rental property owners
    - Maintain ongoing communication to engage and maintain a positive relationship with property owners and mitigate any issues that may arise
    - Keep an active list of subsidized housing waiting list openings
  - o Request referrals from CE and determine eligibility of Participants

- Work with CE staff to receive proper referrals of High Priority Homeless populations
- Conduct verification, interim (if/when necessary) and annual recertification of Participant eligibility
- Complete Housing Quality Standards inspections prior to initial occupancy, and at least annually thereafter
- o Create, implement, and assess Participant transition plans
  - Transition plans are person-centered (i.e., Participants' strengths inform goal plans, and they are the directors of the supportive processes)
  - Participant communications provide sufficient notification in the case of subsidy termination (Refer to Minnesota Rules, part 4900.3767)
- Payment & Accounting
  - Pay rental subsidies directly to rental property owners or management agents in a timely manner
  - Submit monthly invoicing to Minnesota Housing for rental subsidies repayment
  - Ensure that financial management includes oversight of funding utilization
- Reporting & Records
  - Meet reporting requirements as stated in Chapter 7 of the <u>Housing Trust Fund</u>
     <u>Program Rental Assistance Program Guide</u>
  - Maintain and retain complete program and Participant records as stated in Chapter 7 of the <u>Housing Trust Fund Program Rental Assistance Program Guide</u>
- Ensuring that programs comply with <u>Minnesota Statute</u>, <u>Minnesota Rules</u>, and Minnesota Housing's program requirements
- Participation in state monitoring requirements and financial reconciliation
- Monitor and evaluate Subgrantees and Partnering Service Providers on an annual basis, at minimum
- Participation in Administrator meetings

Rental assistance will be provided in partnership with support services to promote housing stability, including the creation of a transition plan for all Participants, with an annual (at minimum) program eligibility review.

If the rental assistance Administrator will not be providing the support services, then they must partner with an organization that will do so. Such an arrangement should be agreed to with a Memorandum of Understanding (if the Administrator is not paying the Service Provider) or a contract (if the Administrator is paying a Service Provider). The applicant must submit a draft copy of the appropriate document at the time of application, which must include:

- The roles and responsibilities of each additional entity, including the target number of households to be served in the grant period
- A description of services and outreach provided including frequency of engagement

- A description of how the communication will take place during the grant period, including but not limited to:
  - Regular meetings that will be scheduled between collaborative partners (e.g., regional community action partners and/or Continuum of Care meetings)
  - Evaluation of shared outcomes
  - Termination of the agreement
- The shared eligibility criteria and any additional eligibility criteria
- Identification of the entity or entities responsible for HMIS (or comparable for certain restricted populations) data entry
- Identification of the entity responsible for reporting expenditures, households served, and annual narrative reports that are to be submitted in an approved Minnesota Housing format
- Compensation amount and source if any

Please contact <u>deran.cadotte@state.mn.us</u> for further guidance if a contract relationship is expected.

## **Equity**

Applicants must include in their response their capacity to serve households disproportionately represented among those experiencing homelessness within their proposed service areas. Some of these populations include:

- Racial and ethnic communities, including Indigenous populations
- LGBTQIA+ communities
- People with disabilities
- Veterans
- People living across Minnesota, including in Greater Minnesota and the seven-county metro

Applicants should be prepared to address the needs they have identified and evaluate the effectiveness of their model or services. Applicants should also describe their capacity to implement clear and appropriate strategies for engaging households and serving them effectively.

#### **Review Criteria**

This is a competitive application process. Applications will be reviewed and scored by a grant review committee which may include Minnesota Housing staff, members of other state agencies, and community members. Recommendations will be presented to the Minnesota Housing board for approval. The award decisions of Minnesota Housing are final and not subject to appeal. Proposals will be evaluated based on the threshold criteria, scoring methodology, and other criteria such as past performance (for current Administrators). The application's criteria are expanded upon below.

#### **Threshold Criteria**

Minimum threshold criteria for an application to be considered:

- All documents listed in the Application Checklist must be complete and submitted
- The application must be submitted by the deadline
- The applicant must be an eligible applicant as defined in the Eligible Applicants section

Review the Application Checklist and Submission Instructions sections below for further details.

#### **Competitive Criteria**

Only applications that satisfy the minimum threshold criteria will be reviewed and scored. The total possible score equals 100 points. The following table highlights the points for each application category.

Table 1: Application Scoring Summary

Category	Criteria	Maximum Score
Local Program Design	The application contains detailed knowledge about the regional housing market and particular needs. The application describes how people with lived experience of homelessness contribute to the program design or are otherwise included in the organization's operations. The application describes achievable strategies to partner with housing owners and managers, and, in the case of current Administrators, reflects on its successes. The application describes an equitable referral process with Coordinated Entry or via another relationship (especially for distinct populations).	40 points
Capacity	The application describes clear roles and ways they partner with households in housing search. The application communicates an understanding of data analysis and identifies roles that are involved in this work. The application describes thorough experience with similar programs, either within its organization or through partnership(s).	20 points

Category	Criteria	Maximum Score
Equity <sup>1</sup>	Applicant describes practices or methods (including those of any additional entities, as applicable) that will provide culturally appropriate services.	30 points
	Applicant describes practices or methods (including those of any additional entities, as applicable) that establish the ability to demonstrate cultural awareness when supporting households.	
	Applicant provides examples (including those of any additional entities, as applicable) that demonstrate how its organization's staff reflects the demographics of the households intended to be served.	
Funding Request/Budget	The budget provides a detailed and logical narrative on how it was arrived at. It also clearly aligns with the data presented in the HTF Program Rental Assistance Budget Template.	10 points

#### **Housing Navigation Funds (optional for TBRA applicants)**

Applicants requesting housing navigation funds will only be eligible to be awarded housing navigation funds if they are selected for TBRA funding. The housing navigation funds are a separate set-aside; therefore, applicants are scored on a separate 40-point scale.

Table 2: Housing Navigation Scoring Summary

Category	Criteria	Maximum Score
OPTIONAL: Housing Navigation Funds	The application clearly describes how Housing Navigation funds will support eligible activities. The applicant provides a clear description of proposed monitoring and evaluation of Housing Navigation services. The workplan and budget appears complete; FTE costs appear accurate; specific services are listed and seem to be logically weighted regarding workload.	40 points

## **Application Scoring**

After the grant review committee has met and the scores have been finalized, Minnesota Housing staff will incorporate the scores into final funding recommendations that may also consider geographic distribution, and services specific to identified local needs. Final funding amounts will be dependent on the amount requested, the number of applicants, and the funding amount available to distribute. TBRA

<sup>&</sup>lt;sup>1</sup> Sovereign Tribal Nations are exempt from responding to this question. Points are automatically awarded to Sovereign Tribal Nations.

or SBRA applicants with scores below 50 points may not be funded or may be given conditional funding and required to comply with additional requirements, such as technical assistance.

All funding decisions are at Minnesota Housing's sole discretion and are not subject to appeal. Additionally, Minnesota Housing reserves the right to request proposal revisions during the due diligence phase, which is after Minnesota Housing board approval but before the Grant Contract Agreement is signed.

#### **Pre-Award Risk Assessment**

Per Minn. Stat. 16B.981, Minnesota Housing is required to conduct a pre-award risk assessment of potential grantees requesting grant awards of \$50,000 or more. The information submitted by potential grantees will be used to assess the risk that a potential grantee cannot or would not perform the required duties of the grant. Minnesota Housing will review the potential grantee's past performance, tax returns, audits, principals, and standing with the Secretary of State.

Minnesota Housing will determine whether:

- 1. The potential grantee would likely be able to perform the duties of the grant without additional conditions,
- 2. The potential grantee would likely be able to perform the duties of the grant with additional technical assistance or conditions placed on the potential grantee, or
- 3. There is a substantial risk that the potential grantee cannot or would not perform the required duties of the grant.

The pre-award risk assessment will include the following components:

- A Risk Assessment Form with questions to be completed as part of the application
- Financial Information as applicable to the applicant organization and detailed on the Risk Assessment Form
- Evidence of good standing with the Minnesota Secretary of State
- Certification of no convictions of felony financial crimes by a principal, along with a list of principals being certified

To complete this assessment, Minnesota Housing may request additional information which must be provided by the potential grantee. Minnesota Housing will notify a potential grantee if it is unable to satisfy its concerns by working with the potential grantee. This notification will include information on the decision and options to request reconsideration of the decision.

The submission of inaccurate or misleading information may be grounds for disqualification from a grant award and may subject an organization to suspension or debarment proceedings, as well as other remedies available to Minnesota Housing, by law.

The results of this pre-award risk assessment will not impact scoring of an organization's competitive application for grant funds.

Tribal governments are not subject to the Pre-award Risk Assessment. Tribal- affiliated organizations with a non-profit or for-profit business designation with the Minnesota Secretary of State are subject to the requirements.

## **Application Timeline**

Table 3: Application Timeline

Date	Activity
Monday, November 4, 2024	RFP published on the State Register, Minnesota Housing website, and eNews
Tuesday, November 12, 2024	Minnesota Housing holds an RFP information session at 9:00 a.m. Central Time (refer below for more information)
Thursday, November 21, 2024	Final call for questions by 12:00 p.m. (noon) Central Time
Thursday, December 19, 2024	Applications due by 12:00 p.m. (noon) Central Time
Thursday, July 24, 2025	Minnesota Housing staff recommends selections to Minnesota Housing's board <sup>2</sup>
Friday, July 25, 2025	Selected Administrators notified; due diligence phase begins
Wednesday, July 30, 2025	Mandatory due diligence training for all selected Administrators
Monday, August 18, 2025	Due diligence items due
Tuesday, September 30, 2025	Grant Contract Agreements are fully signed
Wednesday, October 1, 2025	Grant Contact Agreement effective date (contingent upon Grant Contract Agreements being fully executed)
Thursday, September 30, 2027	End of Grant period. No activities funded after this date

All dates and times are subject to change at the sole discretion of Minnesota Housing.

Minnesota Housing will hold an <u>RFP information session</u> from 9:00 – 10:00 a.m. Central Time on Tuesday, November 12, 2024, via Microsoft Teams.

The RFP information session will provide an overview of the RFP content and allow time for questions. Answers to the questions asked during the information session and to subsequent questions received through November 21, 2024, will be posted to Minnesota Housing's <a href="Housing Trust Fund Program">Housing Trust Fund Program</a> Rental Assistance webpage on or around December 12, 2024.

<sup>&</sup>lt;sup>2</sup> If the Pre-Award Risk Assessment process is accelerated due to various factors, staff may make funding recommendations at an earlier board meeting.

## **Application Checklist**

Applicants must use the required application form and include all the required information/documentation. Applicants are encouraged to be clear and concise in the presentation of information. Do not submit materials that are not requested (letter of support, photos, brochures, etc.). Unrequested materials will not be reviewed.

The naming convention of the items submitted should be:

HTFRA RFP\_Applicant Name\_Name of Document Example: "HTFRA\_RFP\_XYZ Services\_Program Budget"

All of the following checklist items must be completed properly and submitted to meet the threshold criteria. Only applications meeting the threshold criteria will be considered for funding:

- 1. Application
  2. Application Signature Page
- 3. Budget Form
- 4. For applicants working with any Partnering Service Providers, an unsigned draft Memorandum of Understanding (MOU) or contract must be submitted. The MOUs or contracts are a threshold item but are not scored. The MOUs or contracts must clearly identify the roles listed in Section B of the HTF Program Rental Assistance RFP Application (Capacity: Services Activities, Data Management, Reporting, and Administrative Experience). If awarded funding, Minnesota Housing will review the MOUs or contracts and offer feedback on the draft versions. If selected for funding, any fully signed MOU or contract must be submitted to Minnesota Housing during the due diligence phase.
- 5. Pre-Award Risk Assessment Form and accompanying documents detailed in the form
  - a. Risk Assessment Form—Nonprofit Organizations
  - b. Risk Assessment Form—For-Profit Business Entities
  - c. Risk Assessment Form—Political Subdivisions
  - d. Accompanying Documentation:
    - i. Financial Documents related to the applicant organization and detailed on the Risk Assessment Form (Non-profits and For Profits Only)
      - Internal Controls Certification—Nonprofits Organizations, if applicable
      - 2. Internal Controls Certification—For Profit Business Entities, if applicable
    - ii. Evidence of good standing with the Minnesota Secretary of State (Non-profits and For Profits Only)
    - iii. Certification of no convictions of felony financial crimes by a principal, along with a list of principals being certified (All applicants)

Applicants must understand the application components and what types of submission materials are required to satisfy each required component. Applications that do not contain all required components (completed and submitted properly) will be noted as incomplete and will not be eligible for further review, including scoring. Minnesota Housing is unable to provide notice if an application is incomplete.

If you have questions regarding checklist items listed above, reach out to the designated point of contact found at the end of this document. Allow enough time for staff to respond and help resolve issues so that a complete application can be submitted prior to the application submission deadline. Also note that technical assistance does not guarantee that a complete application will be submitted.

#### **Submission Instructions**

Submit application materials to Minnesota Housing's Multifamily Secure Upload Tool no later than noon Central Time on December 19, 2024, in order to be considered for funding. The Secure Upload Tool will direct you to send items to mhfa.app@state.mn.us. Review the Secure Upload Tool Instructions for more information; note that required documents must be uploaded in their original format. Do not convert the documents into other formats.

Submitted applications are considered final; **late and incomplete applications will not be considered.** Minnesota Housing may request additional information or clarification. The applicant will be responsible for all costs incurred with applying for this RFP. Award decisions are final and not subject to appeal.

Per the Minnesota Government Data Practices Act, responses submitted by an applicant are private or nonpublic until the responses are opened. Once the responses are opened, the name and address of the applicant and the amount requested is public. All other data in a response is private or nonpublic data until completion of the evaluation process, which for the purposes of this grant, is when all Grant Contract Agreements have been fully executed. After a granting agency has completed the evaluation process, all remaining data in the responses is public with the exception of trade secret information as defined and classified in Section 13.37 of the Minnesota Governmental Data Practices Act. A statement by an applicant that the response is copyrighted or otherwise protected does not prevent public access to the response.

## **Due Diligence Requirements**

Due Diligence refers to the documents that organizations must submit or actions that must be completed prior to contracting with Minnesota Housing. *If an applicant is selected for funding,* Minnesota Housing will require the following due diligence items be submitted:

Signed Grant Contract Agreement (provided by Minnesota Housing)

- Board Resolution: A signed original, or signed and certified, copy specific to the application submittal and/or Grant Contract Agreement that designates authorized signatories, authority to enter into a Grant Contract Agreement, and that references the requested and/or awarded amount
- Certificate of Insurance with Employee Dishonesty or Crime Coverage in the amount of at least one-eighth of the total amount of the funding amount; Minnesota Housing cannot accept "Employee Theft" or "Crime and Employee Theft"
- Workplan and Budget: An adjusted workplan and budget that reflects the awarded amount
- **Final MOU or Contract (if the applicant is not also the service provider):** signed by all partners and accepted by Minnesota Housing
- <u>W-9</u> and <u>SWIFT vendor number</u> for a new potential grantee that has been selected, or if the current information on file needs to be updated

Potential grantees that are awarded funding must have all due diligence submitted and approved and the Grant Contract Agreement fully executed, which includes both the potential grantee's and Minnesota Housing's signatures, before costs can be incurred and reimbursed, or grant funds can be expended. Minnesota Housing will not reimburse costs incurred prior to the execution of the Grant Contract Agreement. Minnesota Housing will initiate the execution of the Grant Contract Agreement, including required signatures.

## **Contractual Requirements**

A potential grantee awarded funding under this proposal will be required to:

- Complete a Grant Contract Agreement with Minnesota Housing and comply with all requirements listed therein.
- Comply with the Housing Trust Fund Program Rental Assistance Program Guide.
- Maintain financial records for a minimum of six years after the Grant Contract Agreement has
  ended that document the use of all HTF Program Rental Assistance funds. Minnesota Housing,
  at its sole discretion, may request to review the accounting and documentation of such records
  at site visits or at other times.
- Maintain Participant records for at least six years after the grant term has ended. File
  documentation for Participant records must include: An application/intake form, a signed HMIS

  Data Privacy Notice for all household members over 18, a signed Tennessen warning that lists
  Minnesota Housing, a signed release of information (ROI) form indicating all entities that may
  be contacted, and proof of eligibility and leasing forms as described in the Housing Trust Fund

  Program Rental Assistance Program Guide. Minnesota Housing, at its sole discretion, may
  request to review the accounting and documentation of such records at site visits or at other
  times.

- Complete and submit by required due dates all interim and final program reports in a template provided by Minnesota Housing.
- Have a Conflict of Interest policy and take necessary steps to prevent individual and organizational conflicts of interests. All suspected, disclosed, or discovered conflicts of interest must be reported to Minnesota Housing in a timely manner.
- Comply with applicable contracting and bidding requirements noted in the Grant Contract Agreement.
- Comply with all affirmative action and non-discrimination requirements noted in the Grant Contract Agreement.
- Comply with Minn. Stat. 201.162 by providing voter registration services for employees and for the public served by the grantee.

## **Questions**

Questions can be directed to Deran Cadotte at 651.297.5230 or at <a href="mailto:deran.cadotte@state.mn.us">deran.cadotte@state.mn.us</a>.

No other staff are authorized to respond to questions from potential applicants related to this RFP. All questions and answers will be posted on Minnesota Housing's Housing Trust Fund webpage.