



Workforce Housing Development Program

Program Guide

01/25/2024



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This information will be made available in alternative format upon request.

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Chapter 1 – Introduction

1.01 Program Purpose and Authorizing Statute

The Workforce Housing Development Program (the Program) assists Eligible Recipients to finance Qualified Expenditures to develop Market Rate Residential Rental Properties to address the lack of workforce housing in Greater Minnesota. This program was established by [Minnesota Statute 462A.39](#).

Funds will be awarded through a competitive Request for Proposals (RFP) process. Funds will be awarded as deferred forgivable loans to Eligible Recipients that use the funds to make loans or grants to developers to create new Market Rate Residential Rental Properties.

All Recipients must maintain compliance with the Program requirements through the term of the Deferred Loan Agreement; however, Minnesota Housing strongly encourages Recipients to assess local workforce housing needs beyond the term of the Deferred Loan Agreement. Projects that remain available and affordable to the local workforce beyond the initial funding term will further strengthen the community by providing a long-term housing asset.

1.02 Program Guide

This Program Guide, including subsequent changes and additions, will be incorporated into the Deferred Loan Agreement executed between the Recipient and Minnesota Housing. If there are any conflicts between the terms of this Program Guide and the Deferred Loan Agreement, the Deferred Loan Agreement will control.

1.03 Definitions

Appendix A includes definitions of capitalized terms used in this Program Guide and is attached and incorporated into this Program Guide.

1.04 Legal Addendum

Any Recipient of an award pursuant to the Program agrees to comply with the additional requirements and obligations as described in Appendix B, which is attached and incorporated into this Program Guide.

Chapter 2 – Eligibility Criteria

2.01 Eligible Recipient

An Eligible Recipient is one of the following Eligible Project Areas:

- A home rule charter or statutory city with a population exceeding 500 located outside of a Metropolitan County.
- A community that has a combined population of 1,500 residents located within 15 miles of a home rule charter or statutory city located outside a Metropolitan County.
- An area located outside of a Metropolitan County that serves a federally recognized Indian Tribe in Minnesota, or their associated Tribally Designated Housing Entity as defined by [United States Code, title 25, section 4103\(22\)](#), as approved in writing by Minnesota Housing.
- An area served by a Joint County-City Economic Development Authority.

The application must be submitted by an Eligible Recipient.

Eligible Project Areas with fewer than 30,000 people will be given preference. Refer to [Minnesota Statute 462A.39](#) for additional information.

2.02 Eligible Housing Types

Eligible housing types must meet the definition of a Market Rate Residential Rental Property to serve employees of businesses located in an Eligible Project Area or surrounding area. A portion of the units can have rent restrictions or income restrictions.

2.03 Eligible Activities

Eligible activities include the following or a combination of the following:

- New construction
- Acquisition and rehabilitation of a property that creates new housing units. This Program would only fund those new units of housing.
- Adaptive reuse of an existing property that is not currently used for housing.

2.04 Qualified Expenditures

Program funds must be used for the following Qualified Expenditures for Market Rate Residential Rental Properties:

- Acquisition of property
- Construction of improvements

- Provisions of loans or subsidies, grants, interest rate subsidies, public infrastructure, and related financing costs.

Reserves, commercial spaces and related infrastructure, and community spaces that may be rented for public use are ineligible expenses for this Program.

2.05 Maximum Funding Amount per Project

The Program funds shall not exceed 50% of the total development costs to complete the Market Rate Residential Rental Property.

2.06 Funding Match Required

For every \$2 of the Program funding, the project shall secure at least \$1 of matching funds from a local unit of government, business, nonprofit organization, or federally recognized Indian Tribes in Minnesota. The match may be provided by one or more of the listed organizational types. The developer or an entity affiliated with the developer will not qualify as a source for the match unless they are an Eligible Recipient, and the match is approved in writing by Minnesota Housing. Minnesota Housing's approval of an eligible source of a match is at its sole discretion.

NOTE: The matching funds can be a below market deferred loan. However, Minnesota Housing reserves the right to determine, at its sole discretion, that the loan does not qualify as a matching contribution based on the loan terms or source of funds.

2.07 Subrecipients

A Recipient may lend or grant Program funds to a Subrecipient. In such cases, the Subrecipient shall conform to all Program requirements. Program funds received by a Subrecipient may only be awarded or loaned to another entity that owns the project and in which the Subrecipient also possesses an ownership interest. Any funds awarded or loaned by a Subrecipient must obtain the prior written consent of Minnesota Housing, which consent may be withheld at its sole discretion. If Recipients or Subrecipients award funds as a loan, then the loan terms must be as set forth in Section 3.02 of this Program Guide.

Chapter 3 – Funding Information

3.01 Funding Source

Funds for the Program are appropriated by the Minnesota Legislature.

3.02 Funding Type and Terms

Funds will be awarded to Recipients as a deferred loan. Recipients or Subrecipients can then award funds in the form of a grant or a deferred loan directly to the project.

If Recipients or Subrecipients award funds as a loan, then the loan must:

- (i) Be unsecured;
- (ii) Be deferred;
- (iii) Have a 0% interest rate; and
- (iv) Will be forgiven after three years provided the project has been completed and there is no default or noncompliance under the loan documents and Deferred Loan Agreement

The term of the Deferred Loan Agreement will be three years from the effective date of the Deferred Loan Agreement after which the Recipient will have no obligation to repay the deferred loan provided construction of the project has been completed and there is no default or noncompliance under the Deferred Loan Agreement.

3.03 Return of Funding

Any awarded Program funds that are disbursed to the Recipient and not used to pay for Qualified Expenditures within a reasonable timeframe, as determined at the sole discretion of Minnesota Housing, must be immediately returned to Minnesota Housing upon request. Any awarded Program funds returned or repaid to the Recipient or Subrecipient must be immediately returned to Minnesota Housing.

3.04 Disbursement Schedule

Minnesota Housing will disburse up to one-third of the total awarded funds upon Deferred Loan Agreement execution. An additional amount, up to one-third of the total awarded funds, will be disbursed no sooner than commencement of project construction. The remaining balance will be disbursed upon completion, as determined by Minnesota Housing. Recipients will submit supporting documentation to determine eligibility prior to each disbursement. Notwithstanding the foregoing, Minnesota Housing reserves the right to require that any awarded Program funds disbursed are used

by the Recipient to pay for Qualified Expenditures within a set timeframe, as determined by Minnesota Housing at its sole discretion.

Chapter 4 – Application Requirements and Responsibilities

Minnesota Housing encourages sustainable, healthy housing that optimizes the use of cost-effective, durable building materials and systems that minimize the consumption of natural resources both during construction or rehabilitation and in the long-term maintenance and operations. Minnesota Housing encourages optimizing the use of renewable resources and energy, minimizing damages and impact to the environment, and maximizing the use of natural amenities such as solar, wind, climate, and orientation of the development site.

Minnesota Housing is committed to creating equitable, affordable, and accessible housing for all Minnesotans. Tenant selection plans (TSP) and tenant screening criteria that reduce barriers to housing access are critical to these efforts. It is recommended that all Recipients awarded Program funds follow Minnesota Housing's [Tenant Selection Plan Guidelines](#).

4.01 Applicant Responsibilities

The applicant is responsible for understanding the submission requirements necessary for a complete application. Applicants can access the Workforce Housing Development Program RFP Instructions, supplemental materials, and resources on Minnesota Housing's [Workforce Housing](#) webpage.

4.02 Application Content

Required application materials are available on Minnesota Housing's [Workforce Housing](#) webpage. The Workforce Housing Development Program RFP Instructions provide comprehensive resources for these application materials and submittal instructions. The application package must include, at a minimum, all items listed on the Application Checklist. Upon review of the application materials, applicants must be willing to provide additional documentation, if requested, to help ensure a viable project. Denial of an application for funding may result from incomplete or insufficient documentation.

4.03 Design and Construction Requirements

Recipients are responsible for complying with all applicable state and local requirements.

4.04 Visitability

Recipients and Subrecipients must comply with visitability requirements contained in [Minnesota Statute 462A.34](#).

4.05 Building Standards

Recipients and Subrecipients and all third parties involved must adhere to the local building code. If a project area does not have a local building code, adherence to the state of Minnesota building code is required.

4.06 Federal, State, and Local Laws

Recipients and Subrecipients receiving financial assistance from Minnesota Housing under the Program must comply with the requirements of all applicable federal, state, and local laws.

Chapter 5 – Selection and Award Process

5.01 Statutory Requirements and Threshold Criteria

Program applications must meet all statutory requirements and threshold criteria in order to remain eligible for funding.

Statutory Application Review Requirements

- Eligible Project Area: Small-to medium-sized cities in Greater Minnesota (refer to Eligibility Criteria above)
- Project Area Rental Vacancy Rate: The average vacancy rate for rental housing located in the eligible project area, and in any other city located within 15 miles or less of the boundaries of the area, has been five percent or less for at least the prior two-year period
- Eligible Uses: Funds will be used on Qualified Expenditures (refer to Eligibility Criteria above)
- Match: Secured matching funds of one dollar for every two dollars requested in funding
- Community Need: One or more letters of support from one or more businesses located in the eligible project area, or within 25 miles of the area that employ a minimum of 20 full-time employees in aggregate.
- Maximum Award Amount: Funding request cannot exceed 50% of the project's total development costs

Matching funds can come from a local government, a business, a nonprofit organization, or a federally recognized Indian Tribe in Minnesota. The developer or an entity affiliated with the developer will not qualify as a source for the match unless they are an Eligible Recipient.

Threshold Criteria

- The application must be complete and include all required items listed in the Application Checklist
- The application must be submitted by the deadline. Refer to the Workforce Housing Development Program RFP Instructions for more detailed information.

5.02 Review of the Application

This is a competitive application process. Program applications that meet threshold criteria and statutory requirements will be scored on the selection criteria. Refer to the Workforce Housing Development Program RFP Instructions for detailed information on the selection criteria.

Program applications will be reviewed and scored by Minnesota Housing staff determine selection and funding recommendations. Final selection and funding recommendations are subject to approval by the Minnesota Housing board.

In addition to the competitive selection criteria and final project score, Minnesota Housing considers the following when reviewing applications and making selection recommendations:

A. Project Feasibility

Projects must demonstrate and satisfy the following feasibility requirements in their application:

- The proposed site is appropriate for the proposed housing and the target population
- The proposed housing is needed in the intended market based upon population, job growth, and vacancy rates
- The costs of developing the housing are reasonable based on market conditions and/or justifiable as determined by Minnesota Housing at its sole discretion
- The housing is economically viable and sustainable when the Program underwriting standards are applied

Projects determined not to be feasible will not be processed further in the applicable funding cycle. An application's financial structuring may be revised by Minnesota Housing during this review to help ensure financial feasibility and/or to meet required components of the Program underwriting standards, as applicable, and a reduction to the application's scoring may occur as a result of these revisions.

B. Geographic Distribution

Minnesota Housing considers geographic distribution of resources and the resulting amount and type of anticipated housing production throughout the state when making the Program selection decisions.

C. Underwriting Standards

The Program underwriting standards are used by Minnesota Housing for underwriting and sizing of all the Program funding awards and can be found in the Workforce Housing Development Program RFP Instructions.

D. Amount of Funding Requested

Minnesota Housing considers the amount of funding requested in comparison to available resources in order to fully fund or nearly fully fund as many projects as reasonably feasible, which may result in not selecting higher scoring projects, including instances where insufficient resources are available to fully fund or nearly fully fund a project.

E. Development Cost Review

Minnesota Housing will review project costs based on comparability and reasonableness. Minnesota Housing may, at its sole discretion, reject applications that have excessive project costs.

F. Statutory Preference

Preference will be given to applicants located in an Eligible Project Area with a population of fewer than 30,000. Preference will also be given to projects with a higher proportion of units that are not income or rent restricted.

5.03 Selection Notification

Applications recommended for acceptance will be presented to the Minnesota Housing board. All applicants will be notified of their status after Minnesota Housing's board has acted upon selection recommendations.

5.04 Workforce Housing Development Program Fees

Please review the [Multifamily Loan Programs and Housing Tax Credit Fee Schedule](#) for applicable fees associated with the loan products in this Program Guide.

Chapter 6 – Compliance Monitoring and Reporting

6.01 Compliance Reporting Requirements

For the length of the Deferred Loan Agreement, Recipients must submit an annual report that includes, at a minimum, the name of the developer, the amount of award, the amount of award received to date, the number of units in the project, the purpose of Program funding, the share of the project costs in relation to the total development costs and information about Qualified Expenditures. Minnesota Housing reserves the right to ask for additional information. Minnesota Housing will provide a reporting template to Recipients.

6.02 Compliance Monitoring Requirements

Prior to final disbursement of Program funds, all disbursement records are subject to Minnesota Housing's review. This will include a reconciled account balance showing when Program funds were received by the Recipient and disbursed. Minnesota Housing reserves the right to ask for additional information.

6.03 Compliance Term

All Recipients awarded Program funds are required to comply with all monitoring and reporting requirements for the term of the Deferred Loan Agreement. Recipients must retain files for six years after the expiration or termination of the Deferred Loan Agreement. Additionally, Recipients must ensure compliance of Subrecipients with all monitoring, reporting, and records retention requirements.

Appendix A – Terms

Term	Definition
Deferred Loan Agreement	The Deferred Loan Agreement between Minnesota Housing and Recipient and any related documents evidencing a deferred loan.
Eligible Project Area	A home rule charter or statutory city located outside of a Metropolitan County with a population exceeding 500; a community that has a combined population of 1,500 residents located within 15 miles of a home rule charter or statutory city located outside a Metropolitan County; an area located outside of a Metropolitan County that serves a federally recognized Indian Tribe in Minnesota, or their associated Tribally Designated Housing Entity as defined by United States Code, title 25, section 4103(22) , as approved in writing by Minnesota Housing; or an area served by a Joint County-City Economic Development Authority.
Eligible Recipient	Those entities described in Section 2.01 of this Program Guide.
Greater Minnesota	The areas outside of a Metropolitan County as defined in Minnesota Statute 473.121, subdivision 4.
Joint County-City Economic Development Authority	An economic development authority formed under Laws 1988, chapter 516, section 1, as a joint partnership between a city and county and excluding those established by the county only.
Market Rate Residential Rental Property	A property that is rented at market value, including new modular homes, new manufactured homes, and new manufactured homes on leased land or in a manufactured home park.
Metropolitan County	Any one of the following counties: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott or Washington as defined in Minn. Stat. §473.121, subdivision 4 .
Minnesota Housing	The Minnesota Housing Finance Agency
Program	The Workforce Housing Development Program established by Minn. Stat. §462A.39 to award deferred loans to an Eligible Project Areas for Qualified Expenditures.

Term	Definition
Qualified Expenditures	An expenditure for Market Rate Residential Rental Properties including acquisition of property; construction of improvements; and provisions of loans or subsidies, grants, interest rate subsidies, public infrastructure and related financing costs.
Recipient	An Eligible Project Area that has been selected for funding by Minnesota Housing.
Request for Proposals (RFP)	The competitive process of applying for Program funds.
Subrecipient	An entity awarded Program funds by a Recipient that awards or loans the funds to a related entity to be used for Qualified Expenditures related to a Market Rate Residential Rental Property.

Appendix B – Legal Addendum

1.01 Conflict and Control

In the event of any conflict between the terms of this Addendum and the document to which it is attached, the terms of this Addendum will govern and control.

1.02 Fraud

Fraud is any intentionally deceptive action, statement or omission made for personal gain or to damage another.

Any person or entity (including its employees and affiliates) that enters into a contract with Minnesota Housing and witnesses, discovers evidence of, receives a report from another source or has other reasonable basis to suspect that fraud or embezzlement has occurred must immediately make a report through one of the communication channels described in section 1.07.

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.

1.04 Conflict of Interest

A conflict of interest – Actual, Potential or Appearance of a Conflict of Interest – occurs when a person has an actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A Potential Conflict of Interest or Appearance of a Conflict of Interest exists even if no unethical, improper or illegal act results from it.

- **Actual Conflict of Interest**: An Actual Conflict of Interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict.
- **Potential Conflict of Interest**: A Potential Conflict of Interest may exist if a person has a relationship, affiliation or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations or interests.
- **Appearance of a Conflict of Interest**: The Appearance of a Conflict of Interest means any situation that would cause a reasonable person, with knowledge of the relevant facts, to question whether another person's personal interest, affiliation or relationship inappropriately influenced that person's action, even though there may be no Actual Conflict of Interest.

A conflict of interest includes any situation in which one's judgment, actions or non-action could be interpreted to be influenced by something that would benefit them directly or through indirect gain to a Partner, Family Member, Relative, Friend, Business or other Outside Interest with which they are involved. Such terms are defined below.

- **Business**: Any company, corporation, partnership, proprietorship, firm, enterprise, franchise, association, organization, self-employed individual or any other legal entity which engages either in nonprofit or profit-making activities.
- **Family Member**: A person's current and former spouse; children, parents, and siblings; current and former children-in-law, parents-in-law, and siblings-in-law; current and former stepchildren and stepparents; grandchildren and grandparents; and members of the person's household.
- **Friend**: A person with whom the individual has an ongoing personal social relationship. "Friend" does not generally include a person with whom the relationship is primarily professional or primarily based on the person being a current or former colleague. "Friend" does not include mere acquaintances (i.e., interactions are coincidental or relatively superficial). Social media friendships, connections, or links, by themselves, do not constitute friendship.
- **Outside Interest**: An Outside Interest may occur when an individual, their Family Member or their Partner has a connection to an organization via employment (current or prospective), has a financial interest or is an active participant.
- **Partner**: A person's romantic and domestic partners and outside Business partners.
- **Relative**: Uncle or aunt; first or second cousin; godparent; godchild; other person related by blood, marriage or legal action with whom the individual has a close personal relationship.

Once made aware of a conflict of interest, Minnesota Housing will make a determination before disbursing any further funds or processing an award. Determinations could include:

- Revising the contracting party's responsibilities to mitigate the conflict

- Allowing the contracting party to create firewalls that mitigate the conflict
- Asking the contracting party to submit an organizational conflict of interest mitigation plan
- Terminating the contracting party's participation

Any person or entity (including its employees and affiliates) that enters into a contract with Minnesota Housing must avoid and immediately disclose to Minnesota Housing any and all conflicts of interest through one of the communication channels described in section 1.07.

A contracting party should review its contract and request for proposals (RFP) material, 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;
- 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.

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.

1.06 Suspension

By entering into any contract with Minnesota Housing, a contracting party represents that the contracting party (including its employees or affiliates that will have direct control over the subject of the contract) has not been suspended from doing business with Minnesota Housing. Please refer to Minnesota Housing's website for a list of [suspended individuals and organizations](#) (Go to mnhousing.gov, scroll to the bottom of the screen and select Report Wrongdoing, then select Suspensions from the menu).

1.07 Disclosure and Reporting

Minnesota Housing promotes a “speak-up, see something, say something” culture whereby internal staff must immediately report instances of fraud, misuse of funds, conflicts of interest or other concerns without fear of retaliation through one of the communication channels listed below. External business partners (e.g., administrators, grantees or borrowers) and the general public are strongly encouraged to report instances of fraud, misuse of funds, conflicts of interest or other concerns without fear of retaliation using these same communication channels.

- Minnesota Housing's Chief Risk Officer at 651.296.7608 or 800.657.3769 or by email at MHFA.ReportWrongdoing@state.mn.us;
- Any member Minnesota Housing's [Servant Leadership Team](#), as denoted on Minnesota Housing's current organizational chart (Go to mnhousing.gov, scroll to the bottom of the screen and select About Us, select Servant Leadership Team); or
- [Report Wrongdoing or Concerns \(mnhousing.gov\)](#) (Go to mnhousing.gov, scroll to the bottom of the screen and select Report Wrongdoing).

1.08 Electronic Signatures

Minnesota Housing will use and accept e-signatures on eligible program documents subject to all requirements set forth by state and federal law and consistent with Minnesota Housing policies and procedures. The use of e-signatures for eligible program documents is voluntary. Questions regarding which documents Minnesota Housing permits to be e-signed should be directed to Minnesota Housing staff.

1.09 Fair Housing Policy

It is the policy of Minnesota Housing to affirmatively further fair housing in all its programs so that individuals of similar income levels have equal access to Minnesota Housing programs, regardless of race, color, creed, religion, national origin, sex, marital status, status with regard to public assistance, disability, familial status, gender identity or sexual orientation.

Minnesota Housing's fair housing policy incorporates the requirements of Title VI of the Civil Rights Act of 1968; the Fair Housing Act, Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendment Act of 1988; and the Minnesota Human Rights Act. Housing providers and other entities involved in real-estate related transactions are expected to comply with the applicable statutes, regulations and related policy guidance. Housing providers should ensure that admissions, occupancy, marketing and operating procedures comply with non-discrimination requirements. Housing providers and other entities involved in real-estate related transactions must comply with all non-discrimination requirements related to the provision of credit, as well as access to services.

In part, the Fair Housing Act and the Minnesota Human Rights Act make it unlawful, because of protected class status, to:

- Discriminate in the selection/acceptance of applicants in the rental of housing units;
- Discriminate in the making or purchasing of loans for purchasing, constructing or improving a dwelling, or in the terms and conditions of real-estate related transactions;
- Discriminate in the brokering or appraisal of residential property;
- Discriminate in terms, conditions or privileges of the rental of a dwelling unit or services or facilities;
- Discriminate in the extension of personal or commercial credit or in the requirements for obtaining credit;
- Engage in any conduct relating to the provision of housing that otherwise make unavailable or denies the rental of a dwelling unit;
- Make, print or publish (or cause to make, print or publish) notices, statements or advertisements that indicate preferences or limitations based on protected class status;
- Represent a dwelling is not available when it is in fact available;
- Refuse to grant a reasonable accommodation or a reasonable modification to a person with a disability;
- Deny access to, or membership or participation in, associations or other services organizations or facilities relating to the business of renting a dwelling or discriminate in the terms or conditions of membership or participation; or
- Engage in harassment or quid pro quo negotiations related to the rental of a dwelling unit.

Minnesota Housing has a commitment to affirmatively further fair housing for individuals with disabilities by promoting the accessibility requirements set out in the Fair Housing Act, which establish design and construction mandates for covered multifamily dwellings and requires those in the business of buying and selling dwellings to make reasonable accommodations and to allow persons with disabilities to make reasonable modifications.

Under certain circumstances, applicants will be required to submit an Affirmative Fair Housing Marketing Plan at the time of application, to update the plan regularly and to use affirmative fair housing marketing practices in soliciting renters, determining eligibility and concluding all transactions.

As a condition of funding through Minnesota Housing, housing providers are not permitted to refuse to lease a unit to, or discriminate against, a prospective resident solely because the prospective resident has a Housing Choice Voucher or other form of tenant-based rental assistance.

1.10 Minnesota Government Data Practices

Minnesota Housing, and any party entering into a contract with Minnesota Housing, must comply with the Minnesota Government Data Practices Act, Minnesota Statutes Chapter 13, as it applies to all data provided by Minnesota Housing under the contract, and as it applies to all data created, collected, received, stored, used, maintained or disseminated by the contracting party under the contract. The civil remedies of Minnesota Statutes Section 13.08 apply to the release of the data referred to in this section by either the contracting party or Minnesota Housing. If the contracting party receives a request to release the data referred to in this section, the contracting party must notify Minnesota Housing. Minnesota Housing will give the contracting party instructions concerning the release of the data to the requesting party before the data is released. The contracting party's response to the request shall comply with applicable law.

1.11 Prevailing Wage

Under certain circumstances, awards of Minnesota Housing funds may trigger state prevailing wage requirements under Minnesota Statutes Chapter 177 or [Minnesota Statutes Section 116J.871](#). In broad terms, Minnesota Statutes Chapter 177 applies to an award of \$25,000 or greater for housing that is publicly owned. [Minnesota Statutes Section 116J.871](#) applies to awards for non-publicly owned housing that meet the following conditions: (1) new housing construction (not rehabilitation); (2) a single entity receives from Minnesota Housing \$200,000 or more of grant proceeds or \$500,000 of loan proceeds.

Minnesota Statutes Section 116J.871 sets out several exceptions to the applicability of prevailing wage including (1) rehabilitation of existing housing; (2) new housing construction in which total financial assistance at a single project site is less than \$100,000; and (3) financial assistance for the new construction of fully detached single-family affordable homeownership units for which the financial assistance covers no more than ten fully detached single-family affordable homeownership units.

All determinations regarding prevailing wage are made by the Minnesota Department of Labor and Industry. All questions regarding state prevailing wages and compliance requirements should be directed to that agency as follows:

Division of Labor Standards and Apprenticeship
State Program Administrator
443 Lafayette Road N, St. Paul, MN 55155
651.284.5091 or dli.prevwage@state.mn.us

If, after a determination by the Minnesota Department of Labor that prevailing wage does apply, a contractor or subcontractor fails to adhere to prevailing wage laws, then that contractor or subcontractor could face civil and/or criminal liability.