



Bring It Home Rental Assistance Program

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mnhousing.gov

Bring It Home Statute Overview

- Statutory Requirements
 - Grants to Program Administrators (PA) for rental assistance to eligible households
 - Defined as HRA's, Tribal Nations or if a lack of capacity they could be administered by a non-governmental entity
 - Grants in proportion to the number of eligible households according to the most recent ACS data
 - PA can use existing or alternative procedures
 - Can be project based or tenant based

Bring It Home Statute Overview, Cont.

- Priority must be given to households with children under 18 and with annual incomes up to 30 AMI
- Rental assistance amount is the difference between 30% household income and the rent charged plus utilities if not included in rent
- Assistance cannot be more than 30% of tenant's gross income and 120% of the payment standard
- Grant funds can be used for start up costs, rental assistance, admin fees and landlord incentives

Funding for Bring It Home

- State appropriations of \$23 million annually for the entire state
- Sales tax of $\frac{1}{4}$ of a cent in the 7-county metro
 - 25% of the sales tax dedicated to Bring It Home
 - Collections started in October of 2023
 - Revenue running approximately 12% lower than projected
 - As of September 1, 2024, we have received a total of approximately \$30.4 million
 - For 7-county metro only

Minnesota Housing's Role

- Developing a formula
- Creating the Program Guide
- Developing a Request for Proposal
- Selecting Grantees/Executing Contracts
- Processing Payment Requests
- Collecting Reports
- Monitoring the program

Development of the Bring It Home Formula

- All HRA's received a memo with their allocation amount in early August
- Using ACS data, we determined the number of eligible household by HRA service area
- The number of households was then multiplied by the average HAP to determine the amount of money needed to assist all eligible households - ~\$163 million
- The need amount for each HRA service area was then divided by the total amount needed to come up with a Share of Need
- The Share of Need % was then multiplied by the total amount of funding available to determine each HRA's allocation amount

Creation of the Program Guide

- Created an internal work group comprised of members from the Servant Leadership, Legal, Grants, Policy, FHPAP and PBRA teams
- Met weekly for 3 months to assist in the drafting of the Program Guide
- Met with the MN NAHRO Work Group as well as HCV Administrators to receive feedback on the program development
- Draft Program Guide is being reviewed by Deputy Commissioner Robinson
- Next steps will be to route it internally to Communications, Grants and Legal for review

Eligible Uses

- Start Up Costs
- Administrative Fees
- Rental Assistance/Housing Assistance Payments (HAP)
- Landlord Incentives

Program Guide Components

Start Up Costs

- Separate pool of \$6 million
- Eligible uses including, but not limited to:
 - Advertising, hiring, on-boarding, orientation and training of new staff
 - Wages/benefits for new staff
 - Fees such as software, accounting and legal fees associated with Bring It Home
 - Office equipment, furnishing, phones, computers
 - Advertising and outreach materials
- Must be used for Bring It Home expenses
- Must be tracked

Administrative Fees

- Included in the total allocation received on August 16
- Will be based on a Per Voucher Per Month (PVPM) basis
- Considering a sliding scale based on program size with the minimum amount based on Column A of the HCV Administrative Fees by HUD
- Funds will not be tracked but must be used on administrative expenses directly related to Bring It Home

Rental Assistance/HAP

- By statute, must prioritize households with children and incomes up to 30% AMI
- Can be up to 120% of the current Payment Standard
- Can use existing procedures or alternative procedures
- Considering three options:
 - Option 1: Existing Procedures
 - Option 2: Amended HCV Procedures
 - Option 3: Alternative Plans

Option 1 - Existing Procedures

- May follow your current Admin Plan
 - Housing Choice Voucher (HCV)
 - Moving to Work (MTW)
- Considering following changes without further review by Minnesota Housing:
 - Vouchers at up to 120% of the payment standard
 - Prioritization for households with children who are under 30% AMI
 - Conformance with all Minnesota state law as outlined in Program Guide

Option 2 – Amended Procedures

- May propose alternatives to the HCV Admin Plan
- Must reach the goal of reaching households most in need or incentivizing landlord incentives
- Must be approved by Minnesota Housing
- Minnesota Housing is considering a checklist for preapproved items such as:
 - Payment Standard up to 120%
 - Inspections
 - Criminal background checks

Option 3 – Alternative Plan

- May propose to do something completely different than HCV
- Funds must be used for rent assistance, admin fees and/or landlord incentives
- Additional requirements include:
 - Must prioritize households with children under 18 with incomes at or below 30% AMI
 - All households served must be at or below 50% AMI
 - Provide housing assistance for the difference between 30% income and the contract rent or 120% of the PS whichever is lower
- Alternative Plans must be approved by Minnesota Housing

Landlord Incentives

- Grant funds may be used to fund landlord incentives
- Landlord incentives are optional
- Must adopt and submit a policy to Minnesota Housing
- Must be approved by Minnesota Housing
- Cannot be used to supplement ongoing HAP

Project Based Vouchers (PBV)

- May use a portion or all of their funds for PBV
- Not required to follow HUD's PBV requirements
- Must be used under Option 2 or Option 3
- Minnesota Housing must approve Option 2 or Option 3

Request for Proposals (RFP)

- Minnesota Housing developed the Minimum Grant Awards for each Program Administrator with a set aside of \$3.14 million for Tribal Nations
- Each Program Administrator must request their funds through an RFP
- Minnesota Housing can only enter into grant agreements for the amount requested
- If the Program Administrator requests less than or equal to the Minimum Grant Award provided in the RFP materials, the award would be capped at the lower of the requested amount or the Minimum Grant Award.
- Program Administrators may apply for more than the Minimum Grant Award amount and would be eligible to receive additional funding subject to availability of additional or unused funds.

Request for Proposals (RFP) – Service Area

- Considering the following: If an HRA or Tribal Nation does not apply for the Minimum Grant Amount covering their region, the award for that service area would be made in the following priority:
 - 1) An eligible HRA or Tribal Nation that has an MOA to serve the area or has completed a complete application that indicates they would serve the area
 - 2) A nongovernmental organization determined by the Agency to have capacity to administer the program
- Subgrantees are not permitted in this program

Selecting Grantees/Application Process

Minnesota Housing will:

- Publish notifications of this grant opportunity
- Develop forms and procedures for soliciting and reviewing applications from Program Administrators.
- Publish the application and required supporting materials on Minnesota Housing's website.

Program Administrators will:

- Complete the Pre-Award Risk Assessment Forms
- Submit a complete RFP application
- Submit a proposed budget for the Start Up Costs in the first RFP only
- Submit proposed budget for Housing Assistance Payments, Administrative Fees and Landlord Incentives
- Submit Landlord Incentives policy or procedures, if applicable
- Submit Memorandum of Agreement, if applicable
- Provide Conflict of Interest Policy
- Other documentation as determined by Minnesota Housing

Processing Payment Requests

- **Start Up Costs**
 - Start Up Costs will be paid monthly for start up period outlined in Grant Agreement
 - Considering a request for up to 3 months in advance
- **Monthly Housing Assistance Payments**
 - Still discussing how these funds will be disbursed
 - Recognize that PA's may need funds in advance of HAP going out
- **Admin Fees**
 - Funds will be disbursed on a per voucher per month basis
 - Admin based on # of vouchers issued
 - Considering a sliding scale for PA's with smaller vouchers

Collecting Reports

- Data collection will be instrumental in showing the success of the program
- Minnesota Housing will establish a form to collect summary information
- Proposing to collect summary data as opposed to individual household
- Will collect information on overall program such as waiting lists, shopping times, average HAP and TTP, etc.
- Will collect household data in summary including # of household members, income, contract rent, HAP, etc.

Monitoring the Program

- Since this is a grant, the State will require ongoing monitoring of the program
- Will monitor the overall program and will review items such as policies/procedures, Admin Plans, FMRs, Payment Standards, etc.
- Will monitor financial records including expenditures to landlords, balance sheet, check register, etc.
- Will review participate files and Program Guide will provide a list of items that must be in the file

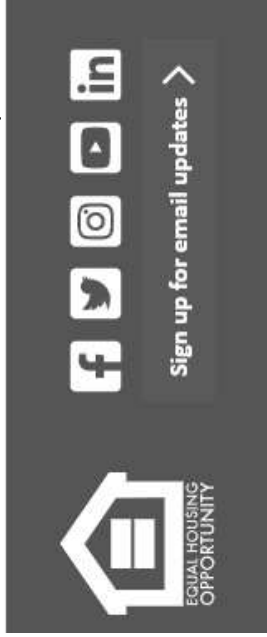
Estimated Timeline

- September/October: Finalize Program Guide
- November: Program Guide to Minnesota Housing Board
- January: Release Request for Proposals
- March: Applications Due
- May: Grant Selections to the Minnesota Housing Board
- June: Enter into contracts with Program Administrators

For more information

Minnesota Housing website (mnhousing.gov)

Local Government Housing Programs
<https://mnhousing.gov/local-government.html>





Questions?



Thank you!

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