Bring It Home Rental Assistance
Due Diligence Session

MINNESOTA HOUSING

Housing is the foundation for success. | mnhousing.gov/local-government/bring-it-home

Staff

Local Government Housing Programs

Bring It Home Rental Assistance Program

Dani Salus – Manager

Peter Elwell – Program Policy Specialist

Cassi Reissmann-Doring – Program Manager

Agenda

1:00 – 1:05 p.m.   Welcome & Overview

1:05 – 1:30 p.m.   Due Diligence Items

1:30 – 1:40 p.m.   Using Box (Demo)

1:40 – 1:45 p.m.   Next Steps

1:45 – 2:00 p.m.   Questions

Our Vision & Mission

All Minnesotans live and thrive in a stable, safe and accessible home they can afford in a community of their choice.
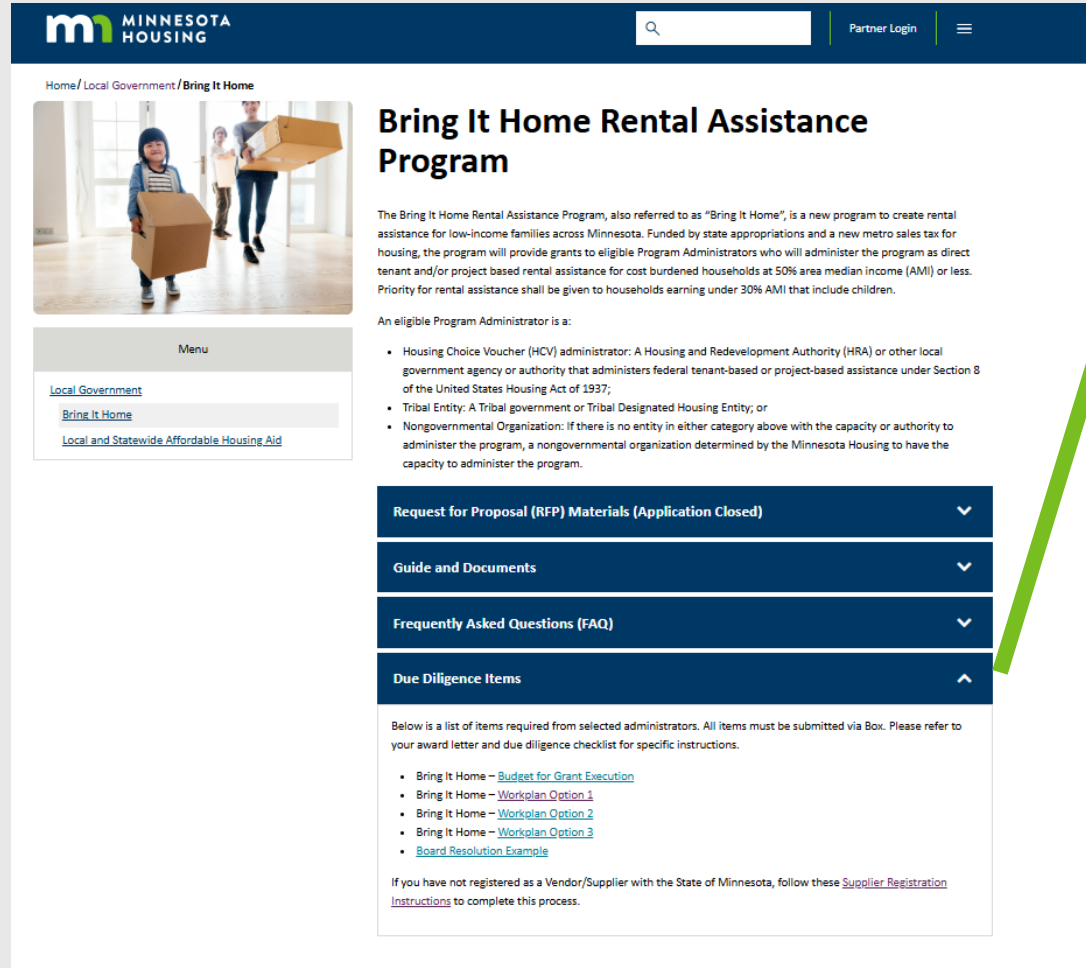
Housing is foundational to a full life and a thriving state, so we equitably collaborate with individuals, communities and partners to create, preserve and finance housing that is affordable.

Due Diligence Overview

- Required before contract execution

- Grant contract must be executed before funds are expended or costs incurred

- We're here to support you through the process

Where to find Due Diligence Materials

www.mnhousing.gov/local-government/bring-it-home

- **Board Resolution:** Specific to the grant, including the grant amount and name of authorized person

Due Diligence Items: Budget

- **Budget:**
  - Use the Bring It Home – Budget for Grant Execution template
  - Adjust your RFP budget to match your final award amount
  - Review and update: Start-Up Costs, HAP/Admin Fees, Number of Voucher

Bring It Home Rental Assistance Program
Budget Exhibit B

Program Administrator Name:
SWIFT Vendor Number
10 digit number with a 3 digit location (e.g. 0000000000 - 000)

Startup Costs	Proposed Budget
Startup costs are intended to be used for the first 12 months of the Bring It Home Rental Assistance Program and may include any necessary expenses to establish and quickly disperse funds, before administrative fees are fully realized. Please fill out the proposed budget amounts as well as the narrative portion at the bottom.	
Initial Staffing	
Advertising and recruitment for program staff	
Onboarding, orientation and training for program staff	
Initial salaries and benefits for program staff (# of staff _____)	
Marketing & Outreach	
Materials for advertising and outreach (printing, website updates, social media, etc.)	
Educational outreach for landlords	
Educational outreach for service agencies	
Educational outreach for potential participants	
Translation and interpretation services	
Equipment & Technology	
Software updates and licensing fees	
Purchase of office equipment, furniture and technology	
Other Startup Costs	
Accounting and audit expenses	
Legal fees related to the program	
Other (please describe in notes)	
Other (please describe in notes)	

Due Diligence Items: Budget

- **Budget:**
  - Awards (Minimum Grant Amounts) were based on past data - update estimates to reflect current rent levels
  - If you were awarded lower Start-Up Costs, contact us after this session
  - Use the bottom of budget to explain any revisions to Start-Up or HAP amounts

Totals		Proposed Year 1 Budget
Startup Costs		$0.00
Rental Assistance (HAP)		$0.00
Administrative Fees		$0.00
Year 1 Total		$0.00

		Proposed Year 2 Budget
Rental Assistance (HAP)		$0.00
Administrative Fees		$0.00
Year 2 Total		$0.00

Grand Total (Year 1-2)	$0.00

Proposed Total # of Vouchers	0

Startup Costs Budget and Projected Households

Expectation: The Grantee must adjust its budget and proposed number of households to match the award provided by MHFA.
intent of the initial application. If the budget and outputs have not been changed from your initial application, you may skip th
the originally proposed use of:
- Details of any revisions to the Start Up Costs based on the award amount
- Details of any revisions to the number of proposed households served based on the award amount

- **SWIFT Vendor Number:** If not already done, register as a vendor with the State of Minnesota

- **Copy of W-9:** To avoid payment delays
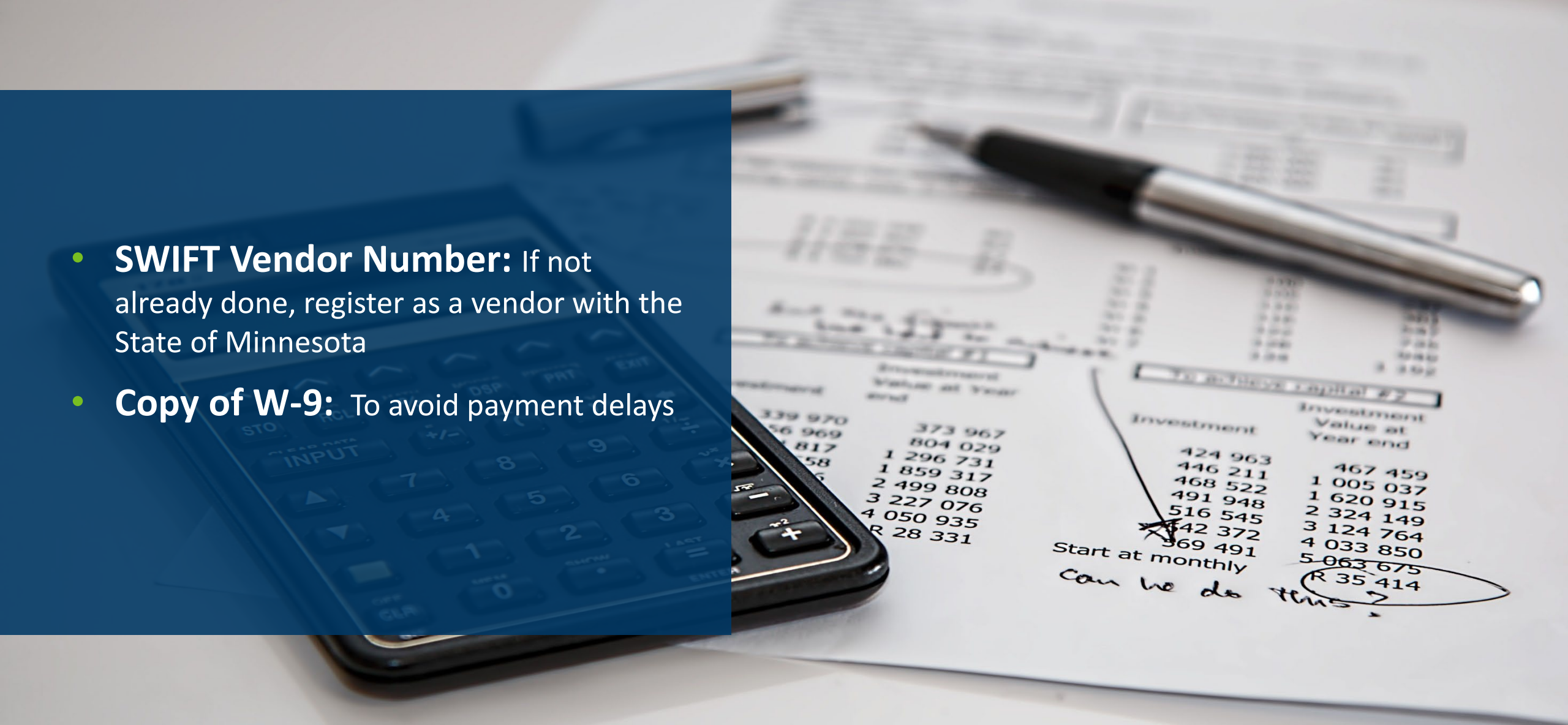
Due Diligence Items: Workplan

- **Workplan:**

  Submit a workplan for each administrative option you plan to use

  Use applicable template(s)

  RFP-submitted plans can serve as a helpful reference

Due Diligence Items

Below is a list of items required from selected administrators. All items must be submitted via Box. Please refer to your award letter and due diligence checklist for specific instructions.

- Bring It Home – Budget for Grant Execution
- Bring It Home – Workplan Option 1
- Bring It Home – Workplan Option 2
- Bring It Home – Workplan Option 3
- Board Resolution Example

If you have not registered as a Vendor/Supplier with the State of Minnesota, follow these Supplier Registration Instructions to complete this process.

Due Diligence Items: Workplan Option 1

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Bring It Home Rental Assistance (BIH) Option 1 Existing Procedures Work Plan [Exhibit A]

The purpose of this BIH Work Plan is to outline the basic parameters that will be used in administering Option 1. The BIH Work Plan must be submitted and approved by Minnesota Housing Finance Agency (MHFA) prior to the execution of the Grant Contract Agreement.

Grantees must follow the state eligibility criteria for households allowable by the program (see section 2.02 of the Program Guide). Households are eligible to apply for the BIH Rental Assistance Program if they:

- ☐ Are a Minnesota resident;
- ☐ Have an annual income of up to 50% of the area median income as determined by the United States Department of Housing and Urban Development (HUD), adjusted for family size;
- ☐ Pay more than 30% of the household's annual income on rent;
- ☐ Are not receiving federal tenant-based assistance under Section 8 of the United States Housing Act of 1937, as amended; and
- ☐ Are not currently in a unit receiving project-based assistance under Section 8 of the United States Housing Act of 1937, as amended.

OPTION 1 INFORMATION	PROGRAM ADMINISTRATOR RESPONSE
Which rental assistance program (HCV, MTW, NAHASDA) will the BIH program be modeled after?	
Which inspection procedures (HQS, NSPIRE) will the BIH inspection procedure be modeled after?	
Are there any identified populations to be served that will receive preference points other than households with children under the age of 18 and incomes below 30%?	
Will the BIH program allow rental assistance at up to 120% of the payment standard?	
Will a separate waitlist be established for BIH applicants?	
Name of Software Provider (Yardi, MRI, PHAweb, etc.)	

Due Diligence Items: Workplan Option 2

Bring It Home Rental Assistance (BIH) Option 2 Amended Procedures Work Plan [Exhibit A]

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The purpose of this BIH Work Plan is to outline changes from the Administrator's Housing Choice Voucher (HCV) plan that will be used to implement Option 2. The BIH Work Plan must be submitted and approved by Minnesota Housing Finance Agency (MHFA) prior to the execution of the Grant Contract Agreement.

Provide the name of the software provider currently being utilized. If switching providers, provide that information as well.

Software Provider (Yardi, MRI, PHAweb)	

Listed first are the modifications that will have expedited approval from MHFA.

When adding proposed Option 2 Amendments, please be sure to include:
- Detailed description of the proposed change
- How the change differs from the Program Administrator's HCV Administrative Plan or similar governing document
- How the change aligns with the objectives of the Bring It Home Rental Assistance Program

OPTION 2 EXPEDITED APPROVAL AMENDMENTS	Explanation of Administrative Plan Differences
Expectation: The Grantee must select which expedited approval amendments they are pursuing.	Administrative Plan differences must include: • Plan section that is being amended • General description of how it differs from current procedures
Additional time for the housing search so that renters are more likely to find and secure housing.	
Alternatives to the HUD Housing Quality Standards/National Standards for the Physical Inspection of Real Estate (NSPIRE) inspections that achieve efficiencies for the renter, Housing Providers, and Program Administrator while maintaining health and safety standards.	

Changes to the definitions of household or family for the purposes of determining eligibility.	
Project-Based Rental Assistance without limitations on the number of units receiving Rental Assistance per property or address.	
Issuance of Project-Based Rental Assistance for units that have already passed previous inspections or meet state and local occupancy requirements without HUD-required property reviews such as environmental reviews that are not otherwise required by state or local law.	
Allowing households to rent units above 120% of the payment standard and/or pay up to 50% of their income towards rent where the Program Administrator can demonstrate that choices are severely restricted, the alternative would be homelessness or housing instability, and all other options have been exhausted.	
Allowing shorter-term leases including month-to-month or rental agreements that are not in a standard lease form where the Housing Provider would otherwise refuse to rent to the household.	
Allowing Eligible Households to apply for BIH Rental Assistance using various forms of identification.	
Allowing eligibility based on receipt of income-based state or federal benefits.	

Proposed Amendment	Explanation of Administrative Plan Differences	MHFA Approval Date or Required Changes
Expectation: The Grantee must adjust its proposed amendments to program procedures as needed. The final listed amendments must reflect the spirit and intent of the initial application.		
Proposed change must include:	Administrative Plan differences must include:	

• Detailed description of proposed change • How change aligns with BIH objectives	• Plan section that is being amended • General description of how it differs from proposed change
Example: "Local applicant" preference points given to households on separate BIH waiting list who live in Service Area. 3 points will be awarded to these households.	*Current Administrative Plan Section III.D. does not allow preference points for local applicants on waiting list.*

Due Diligence Items: Workplan Option 3

Left document

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Bring It Home Rental Assistance (BIH) Option 3 Alternative Work Plan and Program Guidelines [Exhibit A]

The purpose of the BIH Work Plan is to outline the guidelines and activities that will be used to administer Option 3. The BIH Work Plan must be submitted and approved by Minnesota Housing Finance Agency (MHFA) prior to the execution of the Grant Contract Agreement.

Program Guidelines can be in a format of your choosing, but must contain the following elements as applicable:

Program Overview

- Populations Served
  - Target population
  - Additional priority populations identified (in addition to requirements in statute)
- Overview of Program Basics
  - Payment standard being used (identified by zip code if service area spans multiple counties)
  - Utility allowance
  - Eligibility criteria
    - Factors outside of what is required in statute
    - Definition of family and/or household

Applications, Waiting List, and Tenant Selection

- Application process
- Waiting list management
  - Procedure for opening and closing waiting list
- How will priority populations be ranked (preference points)?
  - How do interested households apply?
  - How are households selected off the waitlist?
- Application review, approval, and/or denial process
  - Eligibility verification guidelines (such as residency, cost burdened, etc.)
- Timeline from Request for Tenancy Approval to Housing Assistance Payment Contract

Voucher Issuance Meeting

- Voucher Issuance meeting procedure (meeting with an eligible household and providing them with their voucher)
- Determining family unit size
- Voucher search time and procedure to request an extension

Right document

Income Determinations

- Annual income determination
  - Counted vs. not-counted income
  - Adjustments for identified deductions
- Verification of income
- Calculation of income and subsidy determination

Inspection and Rent Reasonableness Determinations

- Inspection process
  - Physical standards
  - Who performs inspections
  - Frequency of inspections
  - Inspection failure enforcement
- How rents will be determined to be reasonable (unit comparison, other method)
- Landlord eligibility or disqualifications
- Length of lease requirements

Recertifications

- Annual recertification procedures and timeline
  - Recertifying annual eligibility
- Interim recertifications

Termination of Rental Assistance

- Grounds for termination of rental assistance
- Termination procedure
  - Informal review/appeals procedure

Partnerships

- Landlord responsibilities
- Community partnerships identified
  - Partner named and responsibilities listed
- Tenant outreach
- Property owner outreach and retention plan
- Marketing plan

Program Integrity

- Preventing fraud and program abuse

Program Administration

- Tenant file procedures
  - Electronic or physical
  - List of documents within file
- Applicant tracking procedure
- Tenant tracking procedure

- **Signed MOA:** Between two partnered administrators (if applicable)

- **Organization's Bylaws:** States the legal name of the organization

Submitting Documents Using Box

- Each grantee will use Box to upload <u>all</u> required due diligence items

- You'll receive a secure folder created just for your organization

- This section will walk you through the steps

Submitting Documents

Box Folder Invitation

- Receive an email invitation from Minnesota Housing staff via Box

- Email will include a link to your individual grantee folder

- Click the link to access the folder
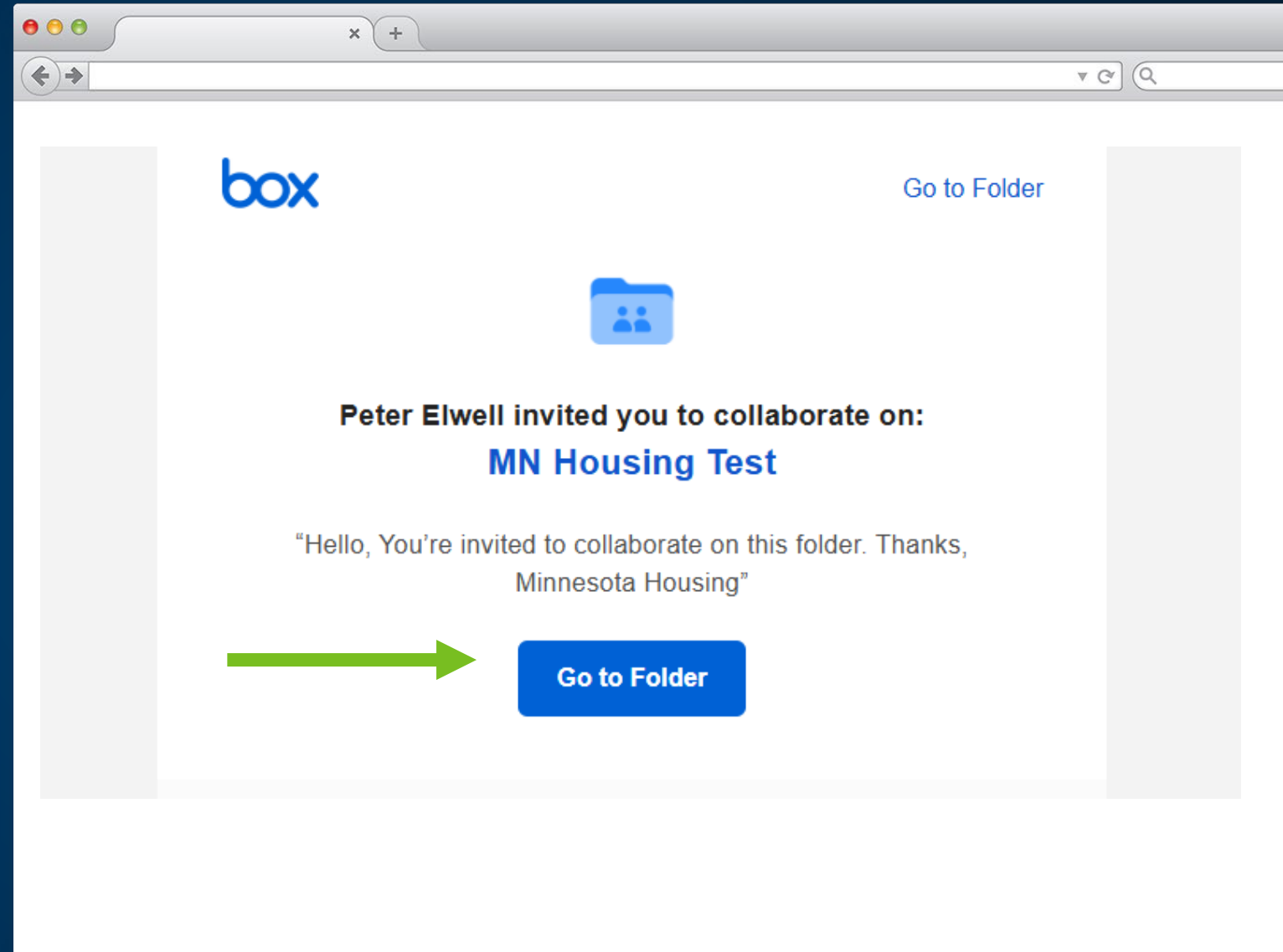
Submitting Documents

Logging In or Signing Up

- If you already have a Box account, sign in

- If not, register for a free account using the invited email

- You must use the same email the invitation was sent to
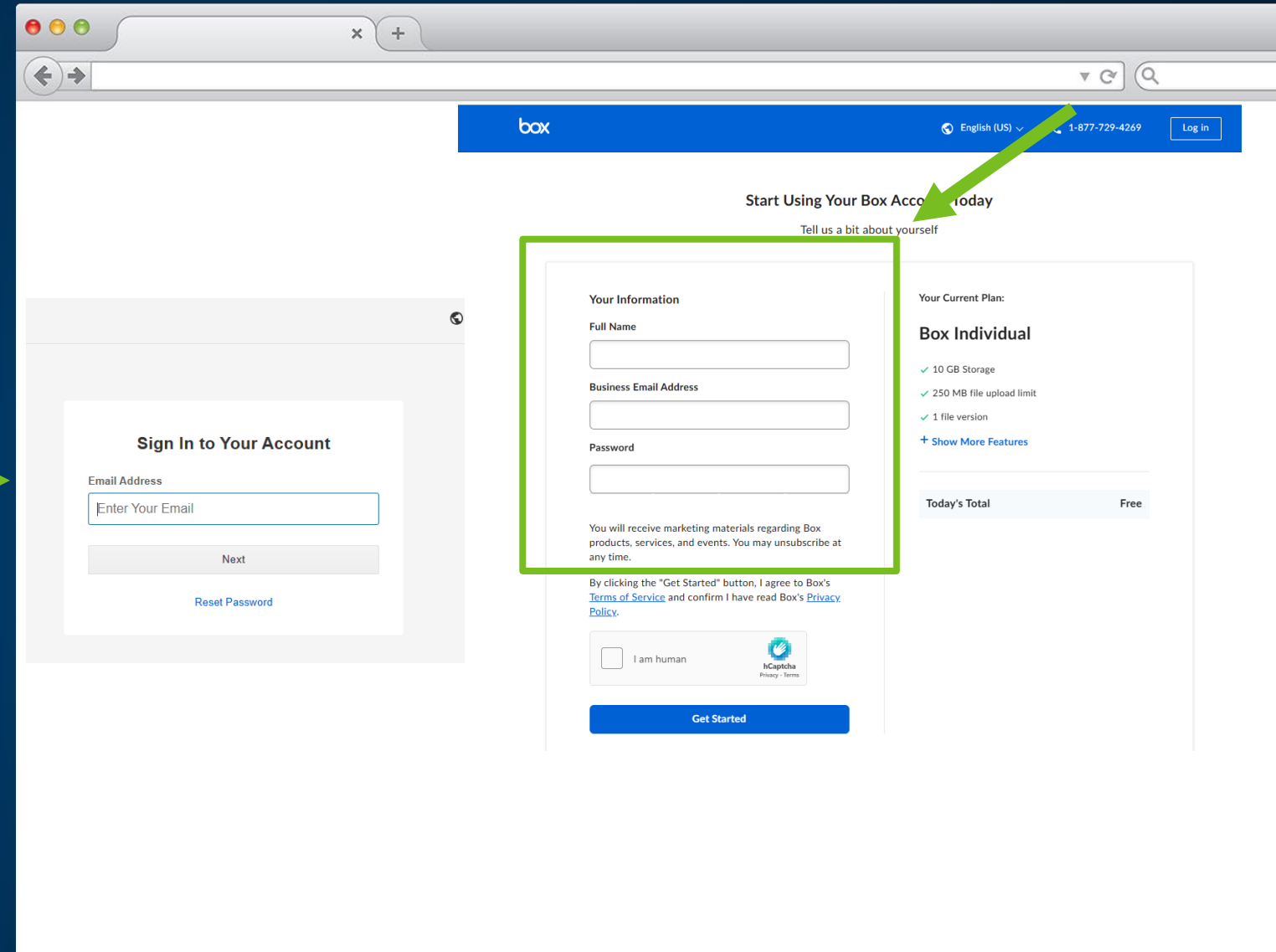
Submitting Documents

Uploading Your Files

- Drag and drop files into the folder

- Or click "Upload" > "Files" to select from your computer

- Rename files clearly ("Board Resolution – Org Name")

- Upload each document separately
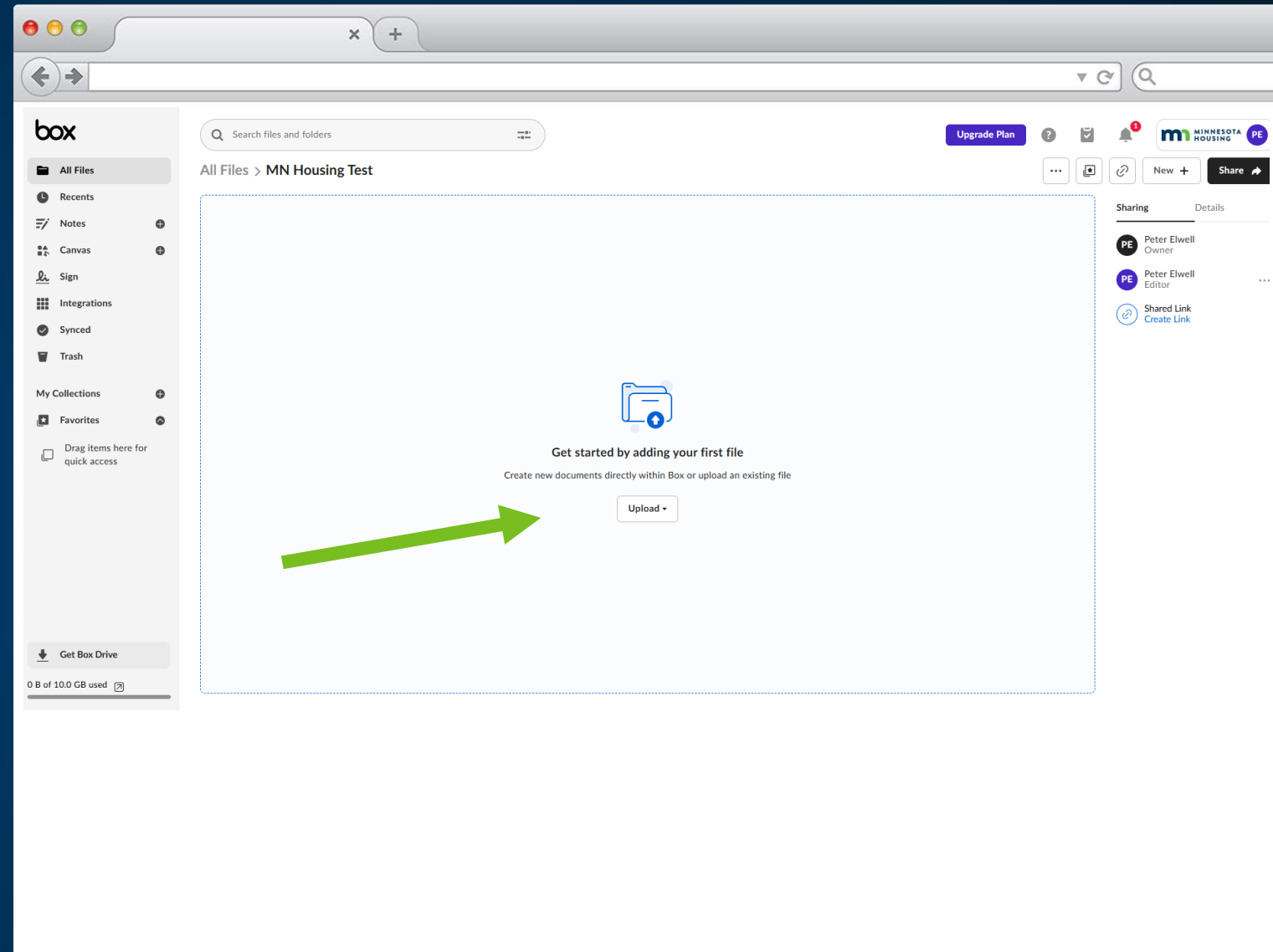
Submitting Documents

Accessing Your Folder in the Future

- Bookmark the link to your folder for quick access

- Or log in to Box using your account

- You must be signed in to access your folder

Where to find Due Diligence Materials
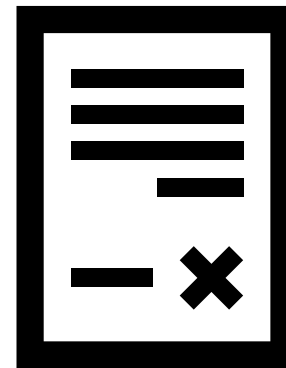

www.mnhousing.gov/local-government/bring-it-home

Submit Documents

Submit all due diligence documents via your Box

Review & Collaborative Follow-Up

Minnesota Housing reviews submissions and follows up with any needed revisions or clarifications

Contract Routing

Contract routed for electronic signature via DocuSign

Grant Contracts Begin

Once fully executed, you can start spending funds

Questions

Thank you!

Additional questions:

BringItHome.MHFA@state.mn.us