



## 2025 Local Housing Trust Fund Grants Program Frequently Asked Questions (FAQ)

**Application Deadline:** Wednesday, March 19, 2025, 5 p.m. Central Time

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Minnesota Housing's Local Housing Trust Fund Program, authorized under [Minnesota Laws 2023, chapter 37, article 1, section 2, subd. 21](#), provides grants to local housing trust funds to incentivize local funding with the purpose of making grants, loans and loan guarantees for the development, rehabilitation or financing of housing; matching other funds from federal, state or private resources for housing projects; or providing downpayment assistance, rental assistance and homebuyer counseling services. All uses of grant funding must benefit households with incomes at or below 115% State Median Income (SMI).

The following are questions regarding the 2025 Local Housing Trust Fund Grants Program RFP that Minnesota Housing received following the Intent to Apply release on January 24, 2025, and responses provided by Minnesota Housing. All questions were required to be submitted by Wednesday, February 26, 2025, at 5 p.m.

### General Questions

**Q1. When is the application submission deadline and how to do I submit an application?**

A. The application information and required documentation must be submitted only through the [online Cvent application tool](#) no later than 5 p.m. Central time on Wednesday, March 19, 2025, to be eligible for funding.

**Q2. Is the Intent to Apply form required for application and has it been released?**

A. Yes, the required Intent to Apply form was released on January 24, 2025, and was due at 5 p.m. Central time on Tuesday, February 11, 2025, as part of the application process in order to be eligible for program funding.

**Q3. Can you accept late submissions of application documents or the Intent to Apply form?**

A. No, Minnesota Housing cannot accept late submissions for any RFP application documents including the required Intent to Apply.

**Q4. What is the maximum amount of funding a local government can apply for? Is there a minimum amount that can be requested?**

A. The maximum amount of grant funding that can be requested or received is \$225,000. There is no minimum amount required for application.

**Q5. By what date does the local housing trust fund need to be established in order to be eligible for funding?**

A. The local housing trust fund needs to be established by the RFP submission deadline of March 19, 2025, to be eligible for funding.

**Q6. What documentation is required to demonstrate establishment of a local housing trust fund if created before 2017?**

A. [Minnesota Statutes, section 462C.16, subdivision 6](#), reads “A local or regional housing trust fund existing on July 1, 2017, is not required to alter the existing terms of its governing documents or take any additional authorizing actions required by subdivision 2.” Local housing trust funds established before July 1, 2017, may submit any authorized document which demonstrates approval of the local housing trust fund creation. Examples of approval documents include, but are not limited to:

- City or County Ordinance
- Joint Powers Agreement
- Approved Meeting Minutes
- Memorandum of Understanding (MOU)
- Other approved documents that validate the establishment of the local housing trust fund

**Q7. Does the matching New Public Revenue need to be raised by the time of application or can it be raised over the grant period if awarded funds?**

A. The matching New Public Revenue needs to be raised by the application due date.

**Q8. Do the matching New Public Revenue funds need to be on-hand at the time of application?**

A. The matching New Public Revenue funds do not need to be on hand at the time of application and may be previously spent. The matching funds must still meet the New Public Revenue eligibility requirements as listed in the [program guide](#) and [Application Instructions](#). Applicants

must complete the [Certification of Matching Funds form](#) as part of the required application documents.

**Q9. Will there be another round of funding for this program?**

A. The Local Housing Trust Fund Grants Program is currently a one-time funded program. Any future funding would be determined by the Minnesota Legislature.

**Q10. Are redevelopment authorities, such as CDAs and HRAs, eligible to apply for the program as either the establishing or administrating entity?**

A. Entities eligible to apply for grant funds are cities, counties, tribal governments, and collaborations established by a joint powers agreement. Redevelopment authorities are eligible to apply either as the establishing local government entity or as the administrating organization if they are a legal entity organized by a local government.

**Q11. What type(s) of funding could be considered matching New Public Revenue? Can you provide some examples?**

A. New Public Revenue is defined as local income that is committed to the Local Housing Trust Fund on or after June 29, 2021, from any source other than the state or federal government.

Some examples of New Public Revenue sources include, but are not limited to:

- Property and sales tax proceeds
- Bond and loan proceeds
- Levy dollars
- Tax Increment Financing (TIF) funds
- Charges for services
- Interest income
- Enterprise funds
- Income from licensing, permitting and fines
- Private donations

**Q12. Do applicants need to have a project or specific uses in mind for funds when applying?**

A. It is not required that applicants have a project or program decided when applying. However, proposals with pre-determined uses will likely score higher than proposals that do not have a plan for the grant funds.

**Q13. Where can the state median income (SMI) limits be found?**

A. The state median income (SMI) limits can be found on the US Department of Housing and Urban Development (HUD) [webpage](#).

**Q14. Can the local housing trust fund support a broad range of household incomes but only use the grant funds for households at or below 115% SMI projects, as required by [statute](#)?**

A. Only the grant funds must support households at or below 115% SMI. Other housing trust fund dollars, including matching funds, can be used for any purpose allowed under [Minnesota Statute 462C.16](#), or as otherwise authorized by law.

**Q15. Can the proposed project or program include multiple uses in order to be eligible for grant funding?**

A. Yes, the proposed project or program may include multiple uses. Grant funds must be used for an authorized expenditure use as listed in [statute](#).

**Q16. Do the matching New Public Revenue funds need to be utilized for the same project or program as the state grant funds?**

A. No, they do not need to be used for the same activity. The New Public Revenue funds may be used, in whole or in part, as a match for a different project or program than the state grant funds.

**Q17. Should the budget template include current funds as well as grant funds?**

A. Yes, please include the full cost of all proposed project or program uses in the local housing trust fund, including those for which you intend to use the grant funds.

**Q18. Are there criteria and/or goals for the geographic distribution of grant awards? Is there a certain percentage goal for Greater Minnesota vs. the Metro?**

A. No, there are not set criteria or goals for the geographic distribution of grants for this grant program, nor is there a required or anticipated percentage distribution for Greater Minnesota vs. the Metro as there is no scoring criteria for this. However, Minnesota Housing is a statewide agency and may consider geographic distribution when making selections.

**Q19. What is the start date of the grant, if funded?**

A. There is not a set start date for the grant, though we anticipate contracting to take place in late summer 2025. A contract term begins once all parties have signed the Grant Contract Agreement. Grant Contract Agreements will have a three-year term.

**Q20. Can the grant funds be used for staffing expenses or hiring a program administrator?**

A. Yes, the grant funds may be used for the cost of staffing, however, staffing is considered an administrative expense, which cannot be more than 10% of the grant award.

**Q21. What documentation of matching New Public Revenue funds will be required at the time of contracting and does this change if the matching funds have been spent?**

A. Additional documentation of matching New Public Revenue (that is not from state or federal resources) will be required at the time of contracting and for disbursement requests. Minnesota Housing will include a list of potential authorized documents in the Grant Contract Agreement.

**Q22. What are the signature requirements of the grant application?**

A. There are three forms that require a signature from an authorized representative as part of the application: [Application Signature Page](#), [Certification of Matching Funds form](#) and [Pre-award Risk Assessment form for Political Subdivisions](#). The forms can be signed digitally, electronically, or via wet signature.

**Q23. Who can sign the Grant Contract Agreement?**

A. The Grant Contract Agreement will need to be signed by an authorized representative of the local housing trust fund that is a part of the organization that created the fund. Redevelopment authorities that are legal entities of the establishing city or county may sign the Grant Contract Agreement as the authorized representative. Grant Contract Agreements for local housing trust funds that are administered by a nonprofit organization will need to be signed by an authorized representative of the establishing municipality.

**Q24. Can Minnesota Housing provide coaching or advice specific to an application?**

A. No, Minnesota Housing cannot provide coaching for completing an RFP application or advice specific to one applicant.

**Q25. When will awards be announced?**

A. Grantee Selections will be announced after approval by the Minnesota Housing board of directors. We anticipate announcing Selections in May or June of 2025.

**Q26. Are American Rescue Plan Act (ARPA) funds or Community Development Block Grant (CDBG) funds considered federal income?**

A. Yes, both those sources are federal income and cannot be used as matching New Public Revenue.

**Q27. Can we use Statewide Affordable Housing Aid (SAHA) or Local Affordable Housing Aid (LAHA) funds as matching New Public Revenue?**

A. No, both SAHA and LAHA funds are state income and cannot be used as matching New Public Revenue.

**Q28. Can you share how many entities submitted an Intent to Apply and if the total requested is more than the available funding? Will applicants be able to receive more than \$150,000 in funding?**

A. We are not able to share how many entities submitted an Intent to Apply or the total requested amount from the submissions while the RFP application is open. The Intent to Apply is considered RFP application data and, by law, we are prohibited from sharing application data until a later date. If you have \$300,000 or more in local matching funds, you may request up to \$225,000, even if the program is oversubscribed.

**Q29. What sources is Minnesota Housing using for the statistical data scoring criteria? Will the applicants receive this data before application submission?**

A. The data for cost-burdened households and households with incomes under \$100,000 will come from the 2023 5-Year [American Community Survey \(ACS\)](#) data. The data for [LAHA](#) and [SAHA](#) funding is from the Department of Revenue and the data for CDBG (Community Development Block Grant) funding is from [HUD](#).

**Q30. What is considered “a significant share of cost-burdened households” in scoring criteria?**

A. The scoring criteria for cost-burdened households reads “The community has a significant share of cost-burdened households. (10 points possible),” which is broken down in the percentages below:

- 10 points: The community has a share of cost-burdened households above 30%
- 7 points: The community has a share of cost-burdened households between 25.1%-30%
- 4 points: The community has a share of cost-burdened households less than or equal to 25%

**Q31. If the program is oversubscribed, will applicants receive partial funding or will some applicants not receive any funding?**

A. It is possible that some applicants will not receive the full requested amount of funding and/or that some applicants will not receive funding, depending on scoring.

**Q32. Will certain eligible project or program activities be prioritized in scoring? Will applications that submit one large project score higher than applications that offer multiple uses of funds?**

A. No, there is no scoring criteria that prioritizes specific eligible activities, or the number of projects or programs proposed.

**Q33. Does the original balance of the local housing trust fund become subject to income limits if receiving grant funding?**

A. No, the matching New Public Revenue and other funds in the local housing trust fund are not subject to income limits.

**Q34. Do the matching New Public Revenue funds need to follow the grant contract period and be expended within three years?**

A. There is no requirement that matching funds abide by the grant contract period. However, the grant payments will be disbursed on a reimbursement basis, meaning matching funds need to be utilized before receiving grant funding. The grant payment information can be found on pages 4-5 of the [Application Instructions](#).

**Q35. Are local housing trust fund guidelines required to be submitted as part of the RFP application?**

A. No, the local housing trust fund guidelines are not required as part of the application.

**Q36. Can we change the project or program we have proposed after being awarded a grant?**

A. Your application should include your best estimation of how you anticipate using the funds, but if you are awarded funds and the uses need to change based on circumstances out of your control, Minnesota Housing will work with grantees on a case-by-case basis. The uses must be one of the authorized expenditures as described in [Minnesota statute 462C.16](#).

**Q37. How do I determine whether a household meets the income guidelines?**

A. Applicants may use their own methodology to calculate that the household income meets the statutory requirements of the program. Grant funds must serve households at or below 115% SMI. The SMI limits can be found on the [HUD webpage](#).

**Q38. Would loan repayments that are considered Local Funds and not Program Income from owner-occupied Rehab programs seeded with CDBG funds, be considered New Local Revenue?**

A. Loan repayments that are considered “Local Funds” under the CDBG program will be considered local funds for purposes of this program.

## Technical Questions

**Q39. Is the Cvent application or Intent to Apply form able to be saved or printed?**

A. Applicants are not able to save or print their full Cvent application unless they do so by taking screenshots. Program staff can send applicants their final, submitted application or Intent to Apply if requested.

**Q40. Do the character limits in the application include spaces?**

A. Yes, the character limits on the narrative questions in the Cvent application include spaces as well as “enter,” so the start of a new paragraph will also count as one character.

**Q41. Is there a way to view the Application questions without going through each page of the online Cvent application?**

A. Yes, you can view the [Application Reference Document](#) on the Local Government Housing Programs webpage, which includes all application questions.

**Q42. Will applicants receive a confirmation email from Cvent after submitting an application?**

A. No, the Cvent survey tool does not send an email confirmation, only the final screen confirming submission. Applicants are welcome to email [localhousingtrustfund.mhfa@state.mn.us](mailto:localhousingtrustfund.mhfa@state.mn.us) to confirm application receipt.

**Q43. Are we required to use the attachment naming convention, as noted in the application instructions as “Name of Document\_Applicant Name”?**

A. The document naming convention is a suggestion; however, we do ask that you include your organization name in the title so we may match the attachment with the application.



## Pre-Award Risk Assessment Questions

- Q44. Who are considered “principals” in regard to the Pre-Award Risk Assessment documents? Do we need to include their contact information along with their name and title?**
- A. A principal is defined as a public official, board member or staff (paid or volunteer) with authority to access funds or determine how funds are used. Contact information does not need to be included when submitting the list of principals.
- Q45. Regarding the Pre-Award Risk Assessment form, should a local government attorney or finance staff complete the form? Or should program staff?**
- A. Who completes and signs the Pre-Award Risk Assessment form is at the applicant’s discretion.
- Q46. The first question on the Pre-Award Risk Assessment form reads, “List any state grants from the past three years that your organization has administered, including name of awarding agency, program, and dates of the grant. If none, write N/A.” Do cities and counties need to list *all* grants that have been administered in the past three years?**
- A. The municipality will need to include a list of all state grants for the three-year period, but only those state grants associated with the specific department that is applying for Minnesota Housing funds. Applicants may also provide the list of grants on a separate document if needed, with a reference such as “refer to the enclosed document listing our agency’s funding information” included on the Pre-Award Risk Assessment form.
- Q47. If a nonprofit organization is acting as the program administrator, does the Pre-Award Risk Assessment apply to the nonprofit, the local government, or both?**
- A. Only the local government that created the local housing trust fund and is applying to receive grant funds from Minnesota Housing needs to complete the Pre-Award Risk Assessment information.
- Q48. Are program administrators required to run a background check on board members to prove that there have been no felony financial crimes? How should this information be certified?**
- A. Minnesota Housing requires potential grantees to attest that no current principal has been convicted of a felony financial crime within the last 10 years. While the attestation is required to be considered for funding, Minnesota Housing does not determine how the potential grantee verifies or certifies this information.
- Q49. Should a Minnesota Housing Rental Redevelopment Deferred Loan (RRDL) be listed as part of Question 1, “List any state grants from the past three years that your organization has**

**administered, including name of awarding agency, program, and dates of the grant. If none, write N/A.", if applicable?**

- A. The applicant will need to include a list of all state grants received for the three-year period; this does not include loans received from Minnesota Housing or another state agency.