Capacity Building Program Request for Proposals (RFP) Frequently Asked Questions (FAQ)

Updated November 3, 2026

The information in this FAQ document addresses questions regarding the Capacity Building Request for Proposals (RFP) that were received through November 3, 2026.

Request for Proposals Background Information

Q1: What is the maximum and minimum award for an individual grantee?

A: $100,000 is the maximum award. There is no minimum award and we encourage applicants to request the amount they need even if that is less than the maximum award. Please note that if your project is selected, we cannot award more than you requested.

Q2: How many proposals does Minnesota Housing anticipate advancing as finalists in Phase Two?

A: Approximately 50 to 60 proposals.

Q3: Can you describe a general makeup of the review committee?

A: Phase One Applications will be scored by the Community Development Director. Phase Two Applications will be scored by a review committee comprised of about 20 Community Reviewers and 10 to 15 State reviewers. Each application will have three to four reviewers.

Q4: Is there a specific funding split between the Metro area and Greater Minnesota?

A: The Capacity Building Grant does not have a strict split between awards going to the Metro area, Greater Minnesota, Tribal Nations and statewide activities. We are looking to have a balanced geographic distribution of awards across the state.

Q5: Is the source of Capacity Building Program funds federal or state?

A: The funding source is state funds.

Q5: Does one person from the organization need to create an account on the Cvent website and use that email going forward? Can more than one person from the organization access the application website to work together on the application?

A: Use only one email address for the application submitted by the organization. Applicants do not need to create an account, but the email address entered when they first start the application must be the same one that is used to access the application, make any updates and upload documents. Please make sure that the email address is entered correctly.

Q6: Can you further define "creative solutions" and "innovative housing concepts" listed in the Capacity Building Grant description?

A: It is up to the applicant to propose what those creative solutions and innovative housing concepts might be. If an applicant has an idea in mind and it is something that nobody else is really doing or doing in that same way, that is a good place to start.

Q7: Is it possible to schedule a phone or Teams conversation with me to discuss eligibility or does all communication need to happen via e-mail?

A: When there is an open RFP, state grantmaking rules require all questions and answers be made available to all potential applicants. We post questions and answers to the grant webpage as an FAQ such as this one. Please submit your questions via email to CommunityDevelopment.MHFA@state.mn.us. Staff cannot advise applicants on the activities they should apply for or how to have a strong application.

Q8: Are matching funds required?

A: Matching funds are not required. In Phase Two we do evaluate whether the proposal will have the necessary funds to move forward.

Q9: Would we need to enter our fiscal agents as evidence of good standing?

A: Because the fiscal agent is technically the applicant and would be the entity contracting with Minnesota Housing, the fiscal agent must provide evidence of good standing with the Minnesota Secretary of State as part of Phase 1 of the application.

Eligible Applicants

Q10: Is this RFP only for new organizations or just need-based?

A: The Capacity Building RFP is not limited to new organizations. To be eligible, an organization must have been in operation for at least one calendar year as of the date of the application deadline. The financial need of the organization is not considered when scoring applications.

Q11: If we were already awarded the Community Homeownership Impact Fund grant and we have not finished the terms of that grant, can we still apply?

A: If you have received grants or awards from other Minnesota Housing programs, you can still apply.

Q12: Housing redevelopment authorities are not 501(c)(3), are they ineligible for this application?

A: Eligible applicants are limited to 501(c)(3) tax-exempt nonprofit organizations, Tribal Nations and Tribal Business Entities. Entities that are not eligible to apply as lead applicants can receive funding as subgrantees or consultants. This would include for-profit business and the other entities that are listed as ineligible applicants.

Eligible Activities and Expenses

Q13: Can the funds be used to provide legal services to clients?

A: Direct client services, medical services, mental health and recovery services are ineligible activities. Legal services are direct client services and therefore ineligible.

Q14: Can you clarify the ineligible use as providing homebuying counseling or education to individuals. Does this include capacity building activities intended to expand these services to underserved communities? For example, using the funds to cover the cost of training multilingual and multicultural individuals to provide these services.

A: If the funds would be used to build the capacity of your organization to expand who you are able to provide services to, that would be an eligible use. However, if it would be to provide ongoing homebuying counseling and education services, that is considered direct client service and would be ineligible. You would also need to explain how you would sustain this increased capacity after the grant ended.

Q15: If a project involves a multi-unit building and only one is used for transitional housing, can an organization still apply for funds to pilot a community partnership for the other units in the building for low-income housing programming?

A: The Capacity Building Grant doesn't fund direct services. Using funds to pilot a community partnership program may be an eligible use.

Q16: Would funding be eligible to support the planning, development, or capitalization of a loan guarantee or credit enhancement program for housing developers?

A: Planning and development of an initiative to address a community need may be an eligible use. Using funds for capitalization of a loan guarantee program is not an eligible use.

Q17: Can a city looking to redevelop old hotels, but not sure what to convert them to use this grant to help research that?

A: Cities are not eligible applicants. The applicant would need to be a 501(c)(3), a Tribal Nation or Tribal Business Entity. Additionally, researching how to develop property would be considered predevelopment expenses which are ineligible.

Q18: We operate a shelter for people experiencing homelessness. Could we use the funds to develop a program, curriculum resources for individuals moving from shelter to housing?

A: If you're looking to support people in stabilizing their housing to exit homelessness, and building their capacity to do that, such as building a curriculum, that may qualify as an eligible use.

Q19: Is it required that the proposed activities need to be new to the organization, or can they be an expansion of an existing program?

A: Proposed activities are not required to be new to an organization. It may be eligible to use the Capacity Building funds to expand an existing program and make it more responsive.

Q20: If we have a training program that builds capacity for other community-based organizations around housing advocacy organizing skills, would that be eligible?

A: Yes.

Q21: Would this program fund infrastructure, for example adding shower, laundry room, and a nap room to our building for unhoused clients?

A: No, those are considered development expenses which are ineligible expenses under the Capacity Building Grant.

Q22: We are a homeless shelter in a metro area wanting to develop a rural outreach program which would include finding individuals at risk of becoming unhoused. Our program would help teach them how to utilize their local area resources to keep them housed. We would also want to use the funds to purchase a vehicle to get to those rural areas. Are these eligible expenses?

A: Travel expenses are eligible under the Capacity Building Grant, but the purchase of a vehicle is not. If you are looking to expand your services to a different region your efforts to expand your services could be eligible, but providing existing direct services would not be.

Q23: We currently have a small grant supporting our homeownership program, which serves individuals and communities and families in our communities. Would we be eligible to apply for this grant to strengthen our organizational capacity? This would include staff training, professional development, and expanding our ability to serve more families.

A: Applicants can use this grant to build their own capacity as an organization.

Q24: Would establishing a new housing supportive services and coordination program for older adults be considered an eligible organization building activity if grant funds are used for planning, training systems development and partnership building?

A: If an applicant is looking to build a new program that does not currently exist within the system, that could be eligible activity.

Q25: I see building operations are ineligible expenses. Does that include property-related expenses?

A: Administrative expenses can include a percentage of rent for an organization’s office space if that is what is meant by “property-related expenses.”

Q26: We are an intermediary organization looking to offer a training/learning cohort program. Would we score lower if we do not have participants identified at the time of the application?

A: Minnesota Housing cannot provide feedback on how an applicant will score. Listing specific participants in a proposed cohort is not required for applications to be considered.

Q27: Because this would be a learning cohort and training, our likely outcomes would be more around organizational capacity growth than more concrete systems change goals or numbers of units of housing preserved. We are wondering whether outcomes more focused on skills built, relationships developed, increased understanding of government systems around housing issues, etc. would be seen as strong or weaker than more concrete quantifiable housing outcomes?

A: Minnesota Housing cannot comment on the strength of a proposed application during the open RFP period. It could be helpful to reference the Scoring Criteria section of the Capacity Building RFP Instructions.