

MEMORANDUM OF AGREEMENT

**Between Mankato EDA (Grantee), Blue Earth County EDA, Faribault County HRA, LeSueur County HRA, New Ulm EDA, Pipestone HRA, and the South-Central MN Multi-County HRA
regarding the Bring It Home Rental Assistance Program
through Minnesota Housing.**

Award Date: 7-24-25

Period of Performance: 10-1-25 to 9-30-27

Grant Amount: \$3,347,771 (Start Up Costs: \$62,575, HAP and Administrative Fees: \$3,285,196)

Regional Jurisdiction: Blue Earth County, Brown County, Faribault County, LeSueur County, Martin County, Nicollet County, Pipestone County, Sibley County, Waseca County, and Watonwan County.

Whereas the Bring It Home Rental Assistance Program is a new program to create rental assistance for low-income families across Minnesota. Funded by state appropriations and a new metro sales tax for housing, the program has provided grants to Public Housing Authorities to administer the program as direct tenant and/or project based rental assistance for cost burdened households.

Introduction:

This memorandum of agreement, **effective as of October 1, 2025**, details the roles and responsibilities of the grantee, Mankato Economic Development Authority (grantee) and partner Public Housing Authorities (PHA): Blue Earth County Economic Development Authority, Minnesota Valley Action Council for Faribault County HRA and LeSueur County HRA, New Ulm Economic Development Authority, Pipestone Housing and Redevelopment Authority, South Central MN Multi-County Housing and Redevelopment Authority in meeting the specific requirements of the Bring It Home Rental Assistance program as detailed in the grant agreement and Minnesota Statute 462A.05, subdivision 8.

PHAs together support a regional effort to administer the Bring It Home (BIH) program under a formal allocation request made to Minnesota Housing by the grantee. We agree to comply with the grant agreement to ensure services to assist eligible households within the multi-county jurisdiction.

We value that all Minnesotans live and thrive in a stable, safe and accessible home they can afford in a community of their choice. To achieve the concept of One Minnesota where everyone thrives, we will reorient how we work and expand who has a voice at the table and who participates in and benefits from the housing economy. We will:

- Center the people and places most impacted by housing instability at the heart of our decision making
- Listen and share the power we have,
- Honor, respect and strengthen communities, and
- Be inclusive, equitable, just and antiracist in our actions.

Purpose and Scope

Partner PHAs agrees to the administration of the BIH rental assistance program, providing funding for tenant-based and project-based rental assistance for cost-burdened households earning up to 50% area median income (AMI) or less. Cost burdened household means a household that is paying more than

30% of the household's annual income on rent. Priority for rental assistance shall be given to households with children 18 years of age and under and annual incomes of up to 30% of the area median income.

This rental assistance is provided in amounts equal to the difference between 30% of household income and the rent charged, plus an allowance for utilities if not included in rent. Grantee and partners may not provide assistance that is more than the difference between 30% of the tenant's gross income and 120% of the payment standard as established by the local Public Housing Authority, unless otherwise authorized by Minnesota Housing. Like the federal Housing Choice Vouchers, households may continue to receive housing assistance as long as the household remains income-eligible and is compliant with Participant obligations.

Eligible Households:

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.

All referrals for the BIH Program come through the PHA's HCV program wait list, need to be a cost burdened household (paying more than 30% of the household's annual income on rent), using established priority preference:

- BIH - households with children 18 years of age and under and annual incomes of up to 30% of the area median income

In the absence of a qualified household immediately meeting this criterion, the highest priority household may be considered for an opening using other PHA established preferences that may include:

- Move up Preference from supportive and transitional housing programs.
- Coordinated Entry System – regional homeless response system.
- Veterans
- Domestic violence
- Local residency

Roles and Responsibilities:

Each partner PHA may administer BIH Vouchers within their jurisdiction in accordance with the Grant Agreement entered by the grantee and MN Housing as attached with this Memorandum. PHAs will follow existing procedures used to administer the federal Housing Choice Voucher (HCV) Program for tenant based and project-based assistance. The HCV Administrative Plan establishes requirements for maintaining waitlists, leasing units and making payments.

Partner PHAs agrees to administer the BIH funds under tenant-based rent assistance and may project-based rental assistance as addressed in the PHA administrative plan without limitations on the number of units receiving rental assistance per property or address.

The BIH program does not allow portability. Under this Memorandum, partnering PHAs agrees that moves with continued assistance within our multi-County service area between PHAs administering the BIH vouchers will be allowed.

Currently the New Ulm HRA, Pipestone HRA and the South-Central MN Multi-County HRA have underutilized Housing Choice Vouchers and allow the Grantee to coordinate the administration of the BIH vouchers where greater need has been identified. The Grantee will coordinate with the Minnesota Valley Action Council to administer these BIH vouchers. Partner PHAs agrees to collaboratively administer the BIH vouchers within each PHA's jurisdiction when eligible applicants are identified.

Together, the grantee and partner PHAs resolve to:

- Work cooperatively to achieve the stated Program Purpose and scope.
- Follow the BIH statutory requirements that state:
 - Maximum household income of 50% AMI, determined upon initial receipt of the rental assistance and recertified annually.
 - Households are paying more than 30% of their household's annual income on rent,
 - Priority for households with children 18 years of age or younger and annual incomes below 30% of AMI.
 - Make housing assistance payments directly to Housing Provider; and
 - Housing
- Obtain Privacy Act Notice and Tennesen Warning prior to collecting private data from any individual, the grantee and partners must supply the individual with a Combined Privacy Act Notice and Tennesen Warning. The Notice and Warning must be consistent with the requirements of Minn. Stat. 13.04, Subd. 2 and list Minnesota Housing as a party with whom the data may be shared.
- Annually review and adopt all related written standards, policies, and procedures to ensure alignment with referral, prioritization, and enrollment processes.
- All Partners are required to implement adopted Housing Choice Voucher Program Administrative policies and procedures.
- Coordinate with each other to educate and meet the needs of each household eligible for and enrolled in the Program, ensuring that assistance is provided based on preferences, and households interest in housing. Offered in the least restrictive manner and flexible in terms of scheduling.
- Engage with local landlords and property management to strengthen partnerships, ensure adequate supply of affordable units, educate them program guidelines, and support lease compliance.
- Develop registries of available units include lists of landlords or other resources available outside of poverty or minority concentration areas and will include affordable and low-income housing tax credit projects.
- Comply with any other terms or conditions established by the Grant Agreement.
- Administer funds through the tenant-based or project-based rental assistance in accordance with HCV Administrative Plan and established policies and procedures.
- Conduct Housing Quality Standards/ INSPIRE Inspections.

- Provide the grantee with data and supplemental information necessary for required reports to MN Housing, or any other governing or funding entity, such as the US Department of Housing and Urban Development, that may have an interest or stake in the project.
- Ensure the BIH Program is operated in accordance with the Minnesota Statute and involvement of low-income families in program operation.
- Administer funds through the tenant-based or project-based rental assistance in accordance with HCV Administrative Plan and established policies and procedures.
- Conduct Housing Quality Standards/ INSPIRE Inspections.

Additional Grantee Responsibilities:

The grantee serves as the grant recipient for the BIH Program. In this role the grantee agrees to:

- Submit regional request for funding under the BIH request for proposal.
- Formalize grant agreement with MN Housing
- Ensure proper notifications for training and reporting requirements.
- Ensure the BIH Program is operated in accordance with the Minnesota Statute and involvement of low-income families in program operation.
- Monitor grant expenditures provided by partner PHAs and report to MN Housing.

Financial Administration of Funding:

The grantee agrees to coordinate requests for funding under the Bring It Home Program for the region. Each PHA will submit monthly payment requests to the grantee who will then submit requests to MN Housing as outlined in the grant agreement. Disbursements of the funding will be made back to each PHA to disburse in their jurisdiction. An administrative fee per month per household will be provided to the PHA that will administer the Program in their jurisdiction.

Administrative Fees:

Administrative Fees are an eligible expense under the Bring It Home Program. Administrative Fees specifically for the Bring It Home Rental Assistance Program will be reimbursed on a monthly basis with submission of the disbursement request form provided by Minnesota Housing, based on the number of vouchers issued at the time of the submission. PHAs may receive Administrative Fees based on a per voucher per month basis using the developed schedule of Administrative Fees provided by MN Housing. Administrative expenses covered by Administrative Fees must be directly related to BIH Program.

A portion of a PHAs Administrative Fee may be used for Landlord Incentive Programs.

Housing Assistance Payments (HAP):

Rental Assistance A Program Administrator must use grant proceeds to provide tenant-based or project-based rental assistance payments in an amount equal to the difference between 30% of the tenant's gross income and up to 120% of the payment standard, as established by the local PHA, unless otherwise authorized by Minnesota Housing. This rental assistance payment is known as the Housing Assistance Payment (HAP). PHAs will calculate HAP amounts for each household and use grant proceeds to make payments directly to the Housing Provider.

Primary Contacts:

The following are the primary contacts for the BIH Program:

Mankato Economic Development Authority

Nancy Bokelmann, Associate Director of Housing and Economic Development,
nbokelmann@mankatomn.gov, 507-387-8623

Nicole Cunningham, Housing Coordinator, ncummingham@mankatomn.gov, 507-387-8675

Blue Earth County Economic Development Authority

Nancy Bokelmann, Associate Director of Housing and Economic Development,
nbokelmann@mankatomn.gov, 507-387-8623

Nicole Cunningham, Housing Coordinator, ncummingham@mankatomn.gov, 507-387-8675

Minnesota Valley Action Council

Judd Schultz, Housing Services Director, jschultz@mnvac.org, 507-345-2401

Brit Fankhauser, Housing Coordinator, brit@mnvac.org, 507-345-2416

New Ulm Economic Development Authority

Heather Bregel, Housing Coordinator, HeatherB@newulmmn.gov, 507-233-2107

Pipestone Housing and Redevelopment Authority

Tammy Manderscheid, Executive Director, tmanderscheid@cityofpipestone.com, 507-825-2221

South Central MN Multi-County Housing and Redevelopment Authority

Jessica Place, Executive Director, Jessica@scmmchra.org, 507-3454-1977 Ext 7

NON-DISCRIMINATION AND EQUAL OPPORTUNITY:

The grantee and partner PHAs agree that no person shall, on the grounds of race, color, religion, national origin, sex, sexual orientation, handicap, ancestry, familial status, or age be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program participating in BIH Program or funded in whole in part with funds made available to the grantee pursuant to this agreement.

Term of Memorandum of Understanding:

This agreement will be renewed with each Grant Agreement under the BIH Program operating regionally.

Amendment of Cancellation of this MOU:

This agreement may be amended or renegotiated with the written agreement by all parties during the term of the contract. In addition, any party may cancel this MOA with sixty (60) days advance written notice to the other Parties.

All partners agree to the terms, definitions, and conditions of this memorandum of understanding by signing below:

By: _
Susan MH Arntz, Executive Director
Mankato Economic Development Authority (Grantee/EDA)

Date: _____

By: _
Robert Meyer, Executive Director
Blue Earth County Economic Development Authority (EDA)

Date: _____

By: _
Amanda Mackie, Executive Director
Faribault County HRA, Minnesota Valley Action Council (HRA)

Date: _____

By: _
Amanda Mackie, Executive Director
LeSueur County HRA, Minnesota Valley Action Council (HRA)

Date: _____

By: _
Chris Dalton, Executive Director
New Ulm Economic Development Authority (EDA)

Date: _____

By: _
Tammy Manderscheid, Executive Director
Pipestone Housing and Redevelopment Authority (HRA)

Date: _____

By: _
Jessica Place, Executive Director
South Central MN Multi-County Housing and Redevelopment Authority (HRA)

Date: _____