



BACKGROUND

RentHelpMN was a program that sought to help low-income renters who were affected by the COVID-19 pandemic. The program made direct payments to landlords to cover tenants' past-due and future rent, and to utility companies to cover tenants' past-due utility bills.

RentHelpMN was funded entirely by federal dollars. In 2020 and 2021, two federal acts established and paid for the Emergency Rental Assistance (ERA) program. In total, the Minnesota Housing Finance Agency (MHFA) received around \$560 million in federal funding for the State of Minnesota's ERA program, which MHFA branded as RentHelpMN. Several American Indian tribal nations and local governments in Minnesota also received federal funds to operate their own ERA programs.

While MHFA oversaw the administration of the state's ERA program, federal law, as well as guidance from the U.S. Department of the Treasury, controlled many aspects of the program. Additionally, MHFA relied on contractors to administer many aspects of the program, including to develop an application portal and process applications. MHFA also contracted with more than 30 organizations to help renters navigate the program's application process.

According to preliminary data, MHFA received more than 100,000 applications for RentHelpMN assistance between April 2021 and January 2022. Although the program is no longer accepting new applications, as of mid-2022, it was still processing some applications that it had received.

EVALUATION ISSUES

1. To what extent did MHFA accurately apply eligibility criteria?
2. To what extent did MHFA make accurate payments?
3. To what extent did MHFA process applications in an efficient manner and within a reasonable time frame?

DISCUSSION

The Legislative Audit Commission directed the Office of the Legislative Auditor to evaluate this topic in response to various concerns. For example, some landlords raised concerns about payment inaccuracies, some legislators had concerns about the quality of information they were receiving about the program from MHFA, and some other stakeholders raised concerns about significant processing delays.

To conduct this evaluation, we will use a range of research methods, such as interviewing MHFA staff and contractors and reviewing federal laws and guidance. We also plan to review a sample of cases and analyze program data. Additionally, we intend to reach out to landlords who participated in the program and to the nonprofit organizations who provided navigation services to tenants.

This evaluation is scheduled to be completed in early 2023. For additional information, contact Laura Schwartz, evaluation manager, at 651-296-1232 or laura.schwartz@state.mn.us.