



Neighborhood Enhancement Program Policy
and Compliance Handbook
Effective Date: 3/1/2018

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Purpose

The Neighborhood Enhancement Program will provide MSHDA funding statewide for activities directly related to stabilization and enhancement of Michigan neighborhoods. The program's intent is to fund tangible housing-oriented activities that are: implementation ready; highly visible; impactful to the neighborhood and resident's quality of life; holistically/community focused; and where there is buy-in and demonstrated support within the neighborhood and community. The goal of this funding is to assist and then showcase Michigan neighborhood(s) where people are engaged and facilitating change.

Eligible Applicants

- Non-profit 501(c)(3) agency that meets the following criteria: operates within a Michigan neighborhood; has more than one full-time employee; is not operating the agency via their principal residence; and the agency has an operating budget exceeding \$30,000 per year.

Eligible Neighborhood Components

Activities designed to improve the quality of life of the residents of low or moderate income housing or of an area undergoing neighborhood conservation or renewal:

- Beautification
- Neighborhood Public Amenity Enhancements
- Housing Enhancements to owner-occupied single-family homes

Eligible Neighborhoods

- Area boundaries that are primarily residential
- Census tracts/block groups that have at least 51% low/mod residents
- Households receiving direct assistance must be at or below 80% area median income

Project Condition

A successful place-based project must be in an eligible area and/or result in an eligible beneficiary.

Eligible Activity Guide

MSHDA at its discretion will determine the specific activities it will fund during the pre-approval form/proposal review process. While this funding is flexible it is not for the following activities: demolition; land acquisition; downtown oriented activities such as streetscape/façade; non-housing oriented activities; gap financing for multi-family tax credit deals; match for crowdfunding; technical assistance; emergency funding; infrastructure such as streets, curbs, gutters, sidewalks, etc.; and any other activities already funded by another entity/agency including but not limited to economic development, direct business assistance, workforce training, etc. This is also not replacement funding, it cannot be re-granted and it cannot serve as a matching resource for another State and/or Federal Program.

Individual homeowner beautification requests must be reasonable – we will not pay for individual items such as mailboxes, fountains, decorative landscape lighting etc. The program’s purpose is to improve and enhance the neighborhood. All beautification items must be offered to all applicants consistently via clear program guidelines and intake/selection methodology.

Interior improvements to enclosed porch areas are not eligible unless exterior visible and tangible neighborhood results will also be made. NEP is designed to provide funding for structural enhancements tied directly to accessibility and/or safety only that positively enhance the neighborhood.

The replacement of doors and/or windows cannot be a standalone activity. NEP is designed to provide funding for comprehensive improvements to doors, windows, railings, light fixtures, paint, concrete steps, etc.

NEP does not reimburse for event food and/or event oriented items (silverware, napkins, wipes, office supplies, etc.).

Key items to pay attention to:

- Please try to submit the following in one e-mail to your Champion: *Household Income Self Certification Form, estimate of work to be done, before pictures and pre-approval request.*
- Grantee is responsible for making sure contractors are licensed and insured.
- If there is a change in the scope of work or an increase in price; prior approval is needed from your Champion.
- Keep a spreadsheet for all approved activities.

Example #1:

You do 15 homeowner rehabs, there should be a line item for each address with amounts.

Example #2:

<i>123 Apple Street:</i>	<i>Lowe's:</i>		<i>\$100</i>
		<i>Menards:</i>	<i>\$325</i>
		<i>Contractor:</i>	<i>\$400</i>

- If an activity that was approved does not move forward notify your Champion.

Program Guidelines

Program Guidelines are a requirement for HID's Neighborhood Enhancement Program funds. They are used by HID grantees as an outline of program offerings, program and compliance requirements, eligibility requirements, selection criteria, complaint procedures and program processes. They are intended to inform potential participants of the program's rules, expectations and requirements.

Ultimately, Program Guidelines protect the grantee from claims of discrimination, favoritism, or other unfair treatment. Program Guidelines should spell out in plain terms the substantive requirements of the program so that if an applicant is denied, the reason is clearly supported by the written rules of the program. Program Guidelines should also be directed at potential participants of the NEP program.

General Provisions

- Neighborhood Enhancement Program Goals/Purpose/Desired Outcomes
- Program Location (Target Area with boundaries identified)
- Leveraged Resources (if applicable) – All needed resources need to be committed prior to project start.
- Owner Contribution (if applicable) – Must be placed in Grantee's escrow fund prior to project start. Lines of credit are not secure. (Can be nullified by the time project starts.)
- Fair Housing/Equal Opportunity/Non Discrimination – Statement of Nonprofit Agency's Policy, Identity of Contact Person.
- Conflict of Interest provisions

Eligibility Requirements

Applicants

- Eligibility of Applicants – Income and Assets (Self Certification Form)
- Mortgage/Land Contract Payments including taxes and insurance current

Property

- Building Types Assisted
- Property Condition Criteria
- Architectural drawings (if applicable for design of public amenity/infrastructure only)
- Historical Property – SHPO recommendations, Local historic review (if applicable)
- Lead-Based Paint/Asbestos Compliance (if applicable)

Eligible Activities

- Limitations on the scope of work (i.e., Exterior Only)
- Minimum/Maximum Levels of Assistance
- Eligible/Ineligible Costs
- Minimum Requirements and Standards
- Materials – including “green” standards utilized (if applicable)

Application Process

- Notice of Available Funds
- Application Intake Process/Review
- Project Selection Process i.e. site selection: prioritization of properties

Applicant Selection

- Selection Process/Eligibility
- Required Inspections
- Checklists and Certifications
- Photographs (before and after – similar angle/location/reference)
- Scope of Work/Cost Estimates
- Non-Discrimination

Contractor/Vendor Selection

- Procurement/Small Purchase Procedures for Contractor/Vendor Solicitation
- Contractor Verification of Eligibility (State Licensing, Insurance Certifications, etc.)
- Contract Approval, Award and Notification
- Pre-Construction Meeting
- Notice to Proceed

- Contractor Performance
- Change orders
- Permits and Inspections/Notification Procedures (local and state code)
- Construction and Contractor Payment Provisions (holdback provisions – minimum 5%)
- Contract Extensions
- Damages
- Recognized Participants Clause

Repayment

- Loan Types
 - *Home-Owner Occupied Rehabilitation*: 5-year; 100% forgivable prorated yearly
 - Change in ownership/occupancy notification
 - *Rental Rehabilitation*: 5-year; 50% forgivable prorated yearly with yearly payments (see policy guidelines)
 - *Non-Residential*: 5-year; 100% forgivable prorated yearly (see policy guidelines)
- Loan Recording
- Lien Execution
- Repayment Provisions

Complaint Resolution

- Review Committee
- Procedures
 - Filing Complaints/Appeal Process
 - Response
 - Dispute Resolution
 - Final Recourse
 - Reinstatement

Program Administration

- Confidentiality
- Files

- File Retention
- Approval Authority
- Grant Agreement and Program Compliance
- No Third Party Administrators

Required Documents

The following list of documents represents file documentation MSHDA expects all grantees to maintain in their local project files. The list of required documents is generally organized in a chronological order and broken into key phases of the life cycle of a specific project. *Note: there should be a separate file set up for each component and/or project.*

- Program Guidelines for the component being utilized (submit to MSHDA for approval)
- Written Selection Procedure for Work Undertaken/Complaint Procedure
 - Applicants must be informed of the procedure when they are selected to participate or upon receipt of a written complaint.
- Basis for Costs/Procurement Process to assure cost reasonableness
- Verification of current licensing and insurance of the contractor.
- FSR Activity Pre-Approval Form (submit to MSHDA for approval)
- Self-Certification Form
- If work is being undertaken on property not owned by the non-profit, then written Owner Authorization/Approval Required
- Retain in files verification/written documentation that property being assisted is current on taxes and insurance
- Issuance of Contract with an Effective Date, Scope of Work, Completion Date and Dollar Amount
- Issuance of a written Notice to Proceed
- Change Order to the Contract is requested (submit to MSHDA for approval)
- Copy of Mortgage and Note (originals must be sent to MSHDA and only the mortgage should be recorded)
- Homeowner Certification (if applicable)
- Invoices for all work performed that identifies contractor name, description of the work performed, dates work was performed (start and end)
- Retain in files all checks issued and received for each invoice
- Completion Sign-Off/Approval by owner and Inspection Report from City prior to releasing the five-percent holdback
- Final Billing: Itemized Summary Listing All Project Costs
- After Pictures
- Final Outcome Report (submit to MSHDA)

Construction Activity Guide

- The grantee has to oversee and pre-approve all activities requested to be undertaken on a per address basis.
- The grantee must follow procurement procedures, obtain bids for all necessary work (labor and materials), and determine reasonableness prior to issuing a notice to proceed.
- A determination of licensing, insurance, lead, asbestos, and other local requirements, including but not limited to permits, must be made by the grantee.
- The selected bid must also be accepted by the homeowner.
- An approval confirmation must be formally signed and dated by the homeowner, grantee and contractor.
- Pre-approval by MSHDA must be secured prior to any work being performed and/or costs being incurred.
- A determination of required inspections and/or confirmation that all other local requirements were met must be made by the grantee.
- Completion and satisfaction with work must be formally signed and dated by the homeowner, grantee and contractor prior to request and release of funds.

Auditor's Certification

The auditing firm of _____ conducted an annual/biennial

audit of _____ for the fiscal year ended _____
(name of grantee)

as required by state and/or federal law.

This correspondence is to inform the Michigan State Housing Development Authority's Housing Initiatives Division that the following is true. Please check all that apply:

- The \$750,000 minimum threshold for combined federal expenditures was not met in the above-mentioned fiscal year. Therefore, an audit in accordance with Uniform Guidance (also referred to as 2 CFR Part 200) is not required.

Signed: _____ C.P.A.

Date: _____

- The above-mentioned grantee did not (i.e. non-federally funded) receive and/or expend grant funds exceeding \$300,000 under the fiscal year stated above. Therefore, audited financial statements are not required to be prepared and/or submitted.

Signed: _____ Grantee

Date: _____

Please return this form via email to:

Diane Miller
Millerd48@michigan.gov
Michigan State Housing Development Authority
Housing Initiatives Division
735 East Michigan Avenue, P.O. Box 30044
Lansing, MI 48909

Revised 3/27/18

NEP Grantees Lead and Asbestos Compliance Requirements

The attached guidance will mostly pertain to NEP grantees with homeowner rehab activities. With the Neighborhood Enhancement Program there are some judgement calls that need to be made on each component and per each activity. These judgement calls would be made specifically by each grantee, who knows best what their work involves. To be clear, these are judgements about things like whether lead or asbestos-containing material are likely to be disturbed and to what degree, not judgements on whether or not these laws apply, for they do. The goal of this guidance is to make you aware of the basic tenets of the laws. The determination of the process that will be used should be incorporated into your agency's program guidelines.

If you have any questions in regards to the activity you are completing and lead and asbestos, please contact: Tracey Barnes, HID Housing Specialist, 517-241-2588 or barnesT5@michigan.gov.

Purpose

To establish MSHDA's expectations for compliance with lead and asbestos regulations for NEP-funded projects.

Background

Although NEP is not sourced from the Department of Housing and Urban Development (HUD) and therefore not subject to HUD-specific environmental review requirements¹ (e.g. 24 CFR 35, 24 CFR 58), NEP recipients and contractors are responsible for complying with all other applicable regulations, including Environmental Protection Agency (EPA) and U.S. Occupational Safety and Health Administration (OSHA) regulations that apply to lead and asbestos.

1. Lead Based Paint – EPA's Renovation, Repair and Painting (RRP) Rule

Promulgated in 2008, the RRP rule requires anyone performing renovation for compensation (contractors, landlords, tradesmen, maintenance staff, etc.) to undergo

¹ If NEP funds are blended with federal funds then these additional requirements may apply.

training on lead-safe work practices, testing, and cleaning verification and obtain EPA certification before working in pre-1978 homes, child care facilities, and schools.

All contractors working on NEP-funded projects in qualifying homes must have a current EPA RRP certification. The grantee shall request and maintain proof of RRP certification in the project file along with documentation of lead-safe work practices and cleaning verification. At least one certified renovator must be at the job site when work is being done and all individuals trained in the use of lead safe work practices, per the RRP rule.

For more information on lead-based paint how the RRP rule applies to your project, please contact the National Lead Information Center at (800) 424-5323.

2. Asbestos - National Emissions Standards for Hazardous Air Pollutants (NESHAP) & OSHA worker protection standards

Promulgated in 1973, the goal of EPA's NESHAP regulation is to minimize the release of asbestos fibers during renovation and demolition activities. Although there is a single-family, homeowner exemption clause in NESHAP, activities funded as part of a larger project, such as MSHDA/HUD grants, are not covered under this exemption. Compliance with NESHAP may require an asbestos inspection prior to renovation activities. This inspection will determine whether building components in the scope of work are Asbestos Containing Materials or ACM (material >1% asbestos) and how much ACM is present. It will also determine whether some or all of the ACM is friable or regulated and therefore may require abatement. If abatement is necessary, it must be completed by a currently licensed Asbestos Abatement Contractor.

The Occupational Safety and Health Administration (OSHA) regulates worker protection and exposures to asbestos. Within the Michigan Department of Licensing and Regulatory Affairs (LARA), the Michigan Occupational Safety and Health Administration (MIOSHA) Asbestos Program administers the federal OSHA asbestos standards. The MIOSHA Asbestos Program also accredits and licenses professionals in the asbestos industry and processes asbestos abatement project notifications which require specific procedures that differ from NESHAP notification procedures. Contractors are responsible for OSHA compliance with worker safety provisions.

Although only an inspection can determine whether a building material contains asbestos, some well-known ACM components include:

- Cement shingles
- Roofing felt, coatings, shingles and/or tiles
- Millboard
- Pipeline wrap
- Gaskets
- Boiler wrapped pipes
- Transit siding
- 9"x9" vinyl-asbestos floor tiles
- Vermiculite insulation-attics and walls
- Various plaster material at walls and ceilings
- Various mastics, glue caulks, glazing, etc.

For more information on how NESHAP or OSHA worker protection standards apply to your project, please contact the MDEQ NESHAP Program at (517) 284-6777 or the MIOSHA Asbestos Program at (517) 284-7680.

Nonprofit Guidance

Recommendation:

If you will be undertaking work on a site that is:

- a) not owned by the nonprofit based on the current recorded deed
- and**
- b) the assisted property is not owner-occupied single family structure

Then the following action steps will be required:

1. Your agency will need to develop a scope of work and timeline that is agreed to in writing by all parties;
2. Your agency will need formal written authorization and a notice to proceed from the current owner;
3. Your agency will need to obtain verification that there is current liability insurance and all taxes are current on the site prior to any work taking place; and
4. Your agency will need to obtain written sign-off/approval by the property owner, on a per invoice basis for work completed, prior to being reimbursed by MSHDA.

Exterior Paint Requirements

This program is primarily for single-family owner occupied properties. However, on a case by case basis we are willing to consider single-family rental properties if the following criteria are met:

- Exterior paint critical to extending the life cycle of the property and will benefit the neighborhood via removal of blight.
- Owner agrees to execute a lien for the full amount of assistance with ½ forgiven and the remainder repaid over 5 years in yearly installments.
- All taxes and insurance need to be current.
- They will not increase the rent for the current occupant for 12 months after assistance is provided.
- Current occupants have written and executed 12 month leases.

Homeowner Assistance Quick Finder

Eligible Applicants	
Eligible Applicants	<ul style="list-style-type: none"> • Non CDBG-entitled local units of government • Nonprofits (Neighborhood Enhancement Program - only)
Eligible Households & Properties	
Eligible Households	Targeted to households with incomes at or below 80% of Area Median Income (AMI)
Eligible Properties	Single family, condominium, mobile and manufactured homes on fee simple lots
Property Value/Cost Limits	For HOME-assisted projects, after rehab or construction the property value must not exceed HUD Single Family Value (FHA 203(b)) limits (HOME only)
Eligible Costs	
Rehabilitation Costs	The actual cost of rehabilitating housing, including: <ul style="list-style-type: none"> • Costs to meet applicable rehabilitation standards • Energy-related repairs or improvements • Improvements necessary for persons with disabilities • Abatement or reduction of lead-based paint hazards • Modest landscaping (seed/sod, mulch, trees/shrubs, perennials), up to \$1,000 not included in lien. • Replacement of a unit where rehabilitation is not feasible (HOME only)
Project Soft Costs	Reasonable and necessary costs associated with rehabilitation (limits described under administrative fees below)
Relocation Costs	Temporary relocation costs as set forth in the Uniform Relocation Act and Section 104(d) of HCDA of 1974 (<i>Permanent relocation is not permitted</i>) (HOME only)
Administrative Fees	<ul style="list-style-type: none"> • HOME - Capped at 10% admin costs and 10% project-related costs. • NEP – Capped at 10% admin costs.
Housing Quality	<ul style="list-style-type: none"> • Local codes, ordinances and standards • If no local standards, must meet Section 8 Housing Quality Standards (HQS) • Grantee must have written rehab (standard) • NEP - Grantee must meet code standards for activities undertaken. • HOME - Grantee must meet full house code standards.

Replacement Housing	Replacement housing is justified, replacement unit must meet the International Building Code (if site-built) or HUD standard (if manufactured unit) (HOME only)
Resale/Recapture Requirements	
Document Required	Note and mortgage or other approved and recorded lien instrument
Compliance Requirements	<ul style="list-style-type: none"> • Continued owner-occupancy • If sale, subject to recapture as noted below under Loan Terms
Other Requirements	
Federal Laws & Regulations	Refer to MSHDA Neighborhoods website and citations within written agreement.
Project Completion	All units must be completed within contract terms.
Parameters of MSHDA Assistance	
Loan Terms	<ul style="list-style-type: none"> • No lien is required if total NEP and HOME assistance does not exceed \$2,500 for owner occupied single family units. See NEP guidance if property is rental and/or not owned by the nonprofit agency. • Homeowners > 60% of AMI must finance a portion of the costs with non-HID funds or amortize a portion of the loan; portion of repayment increases with higher income. • NEP grantees may choose to offer forgivable loans. • HID will allow grantees to place a five-year forgivable lien on any HID assisted project of \$5,000 or less where dollar for dollar leveraging has been obtained • Due on sale or transfer, or if no longer occupied by borrower
Minimum HID Investment Per Assisted Unit	\$1,000 per HID-assisted units if HOME-funded
Maximum HID Investment Per Assisted Unit	Up to \$40,000 – inclusive of all costs related to the project, including lead based paint hazard reduction or abatement costs, and all project related soft costs if HOME-funded

For More Information: Contact MSHDA HID Staff at 517-335-2524

Procurement and Licensing Requirements

Procurement

Procurement – small purchase procedures are used to provide written documentation on how your agency will validate that the expenses made are reasonable and necessary.

A minimum of two written cost estimates that are comparable in scope are needed in order to obtain a Notice to Proceed.

The estimates can be from:

Stores – dated, activities itemized by type and cost

Contractors – can be verbal quotes on telephone if clearly documented with the date, time, parties on the call, activities itemized by type and cost

Licensing

Each grantee must ensure that if the work being performed requires a contractor or not. Refer to the Licensed Building Trades Guidance (attached) to determine if a contractor is required based on the work being performed. If it is determined that a contractor is not required then the grantee must determine that the person performing the work is knowledgeable, experienced and capable and assume responsibility and oversight of their work performance from a cost and completion perspective.

If a property owner is identified to complete the work (and meets the criteria for approval) then all purchases including supplies and equipment must be purchased and completed by the grantee on their behalf based on the procurement process outlined above.

Licensed Building Trades

http://www.michigan.gov/lara/0,4601,7-154-72600_72602_72731_72862-365057--_00.html

You should be aware that all contractors offering to do work which totals \$600 or more in labor and materials must be licensed by the Department of Licensing and Regulatory Affairs. A Residential Builders license allows a contractor to build a complete residential structure and to do maintenance & alteration (remodeling) work on a residential structure. A Maintenance & Alteration license indicates that the holder has met requirements for one or more of the following trades:

- basement waterproofing
- carpentry
- concrete
- excavation
- house wrecking
- insulation
- masonry
- painting and decorating
- roofing
- screen and storm sash
- gutters
- siding
- swimming pools
- tile and marble

The trades for which a maintenance & alteration contractor is qualified to practice are listed on the license.

The holders' state license must be displayed in the place of business and all contractors and their salespersons must carry a pocket card which you should ask to see. If they cannot show you a license, check the department's License Information database or call the Licensing Division at 517-373-8068.

Generally, we suggest you look at the definition of a Residential Builder and the list of specialty trades for a Residential Maintenance & Alteration Contractor to see what is definitely required to be licensed. You may wish to review Article 24 of the Occupational Code and read sections 339.2401, 339.2403, and 339.2404. However, over the years some specific services have been removed from the licensing law or rules.

http://is0.gaslightmedia.com/cheboygancounty/_ORIGINAL_/fs77-1457708217-14666.pdf

Activity License Requirements

Required

- New Construction/Remodeling of homes, apartment buildings, condominiums, townhouses, etc.
- Carpentry
- Concrete
- Excavation
- Insulation Work Required Masonry
- Painting & Decorating
- Siding
- Roofing
- Screen & Storm Sash
- Gutters
- Tile & Marble
- House Wrecking
- Swimming Pools
- Replacement windows/doors /garage doors
- Laying wood floors
- Basement Waterproofing

Not Required

- Drywall
- Fences
- Awnings
- Sewer and septic, water lines, sprinklers
- Pavers without mortar
- Asphalt paving
- House moving
- Carpeting and vinyl floors (not wood)
- Plaster and Lath

Pre-approval Request Form

TO: Champion Name _____
Approval Date _____

FROM: Contact Agency Name _____
Contact Name _____

DATE: _____
Grant # _____

RE: Pre-approval Request
 Update/Revision to Previous Request

NEP Activity Category Requested:

#1 Beautification	\$ _____
#2 Neighborhood Public Amenity	\$ _____
#3 Housing Enhancement	
Single-Family Owner-Occupied	\$ _____
Rental Occupied	\$ _____
(MSHDA pre-approval date: _____)	
Administration	\$ _____
Total Requested	\$ _____

1. Activity Description/Specific Location (Breakdown each Address – attach additional pages if necessary):

2. Provide a description of the procurement method used to determine cost reasonableness (Attach a minimum of two quotes):

3. Have the specs/work orders been approved by all parties? Yes or No
(If No, Explain):

4. Are all of the proposed activities being completed by licensed and insured contractors?
 Yes or No (If No, Explain):

5. Has the self-certification eligibility form been completed by all homeowners?
 Yes or No or N/A (If No, Explain):

Notice to Proceed

TO: **Grantee Name** _____
 Grant Number _____

FROM: **MSHDA Housing Initiatives**

DATE: _____

RE: **Pre-Approval Request Dated:** _____

As of today, you are approved to expend up to \$ _____

for _____ (beautification, public amenity, infrastructure) component

for properties that are:

- a) being assisted below \$2,500 each therefore no liens are required or homeowners have executed liens for the total amount of assistance being provided;
- b) current on their taxes and insurance;
- c) have fully executed self-certification forms and/or owner certifications; and
- d) meet the terms of the applicant selection process outlined in the program guidelines.

Note: All cost reasonable procurement documentation should be retained in the project files for submission with the FSR request and invoices.

If you have any questions, please direct them to your HID Champion.

Grantees Lien Requirements (Homeowner Repairs >\$2,500)

The attached guidance will mostly pertain to NEP grantees with homeowner rehab activities that exceed \$2,500 on a specific address. The \$2,500 is comprised of all material and labor costs and/or the total NEP investment whichever is greater for a specific address.

- MSHDA liens will be required for all assisted single-family properties that receive over \$2,500 in NEP funds and will be in the format of a 5 year 100% forgivable lien with 20% forgiveness prorated yearly.
- For all assisted rental properties (MSHDA pre-approved), regardless of the dollar amount of assistance, MSHDA liens will be required and will be in the format of a 5 year 50% forgivable lien with 50% repayment required in yearly installments.

Please find attached the mortgage and note for the homeowner repair component for projects over \$2,500. Both documents are protected fillable WORD documents. These documents will need to be filled out and signed by the homeowner(s). Once signed, the mortgage only, will then need to be sent to the County Register of Deeds office for recording.

You will also be required to have the homeowner(s) sign the attached Homeowner Certification document. This document is fillable as well.

Please make a copy of all of these documents for your file. The original recorded mortgage, original signed note, and the original signed Homeowner Certification for should be returned to your NEP Champion.

For consistency purposes, all NEP liens should contain the name of **Tracey Barnes** and all documents will initially be forwarded to the Housing Initiatives Division for intake and mortgage log entry.

FSR Required Request Form

NOTE: For each FSR submitted, list each activity address/description. Attach receipt(s) identifying what is eligible for MSHDA reimbursement. Cross off items not reimbursable by MSHDA. Be sure the amount on this spreadsheet equals the amount you are asking on your FSR.

NEP ROUND 2

GRANTEE NAME:

GRANT #:

FSR #:

REQUESTED AMOUNT:

Address/description	Beautification	Public amenity	Housing Enhancement
Ex. 123 North St.			\$2,000.00
456 South Ave.		\$500.00	
Partnership Park - playground equipment, sand	\$300.00		
TOTAL NON-ADMIN			
	\$300.00	\$500.00	\$2,000.00
ADMIN	\$280.00		

**If Admin is being requested, attach a completed NEP Program Administration Report.*

Program Administration Report

Grantee:
Grant #
Name:
Title:

FSR #
Report Period:
To:

Date	Task Description	Hours	Pay Rate	Total
TOTAL			#'s	\$

Employee Signature

Date

Agency Authorized Official Signature

Date

Approval and Request for Contractor Payment

SUBMISSION #:

DATE:

Name of Owner:

Property Address: **address, city, state zip**

Name of Contractor:

Total Contract Amount: \$

Amount Being Approved for Payment: \$

Description of Work Performed:

Notes, Corrections:

Workmanship: Acceptable Unacceptable

Grantee Approval: I hereby certify that I have reviewed the work completed and find it acceptable as described in the Contract Work Specifications. At this time, the Contractor has completed _____% of the project and may may not be paid \$_____.

Date: _____

Grantee Signature

Request for Contractor Payment

I hereby express approval of the work performed and hereby agree the specified work has been performed to satisfaction by above Contractor. Further, I authorize the above payment in an amount of \$_____ as the _____ draw on this project.

Date: _____

Signature of Owner

Date: _____

Signature of Owner

Final Outcome Report

Date: Today's date

The Final Outcome Report must be submitted at the same time as the Final FSR by the Grantee.

Grant #:	
Grant Begin Date:	Grant End Date:
Grantee:	
Contact:	Phone:
Email Address:	Fax:

Questionnaire

Project Results Summary	<i>(SAMPLE RESPONSE) As a result of the NEP in Smithvale neighborhood, property values will increase.</i>
What indicators were used to measure results?	<i>(SAMPLE RESPONSE) Home sale prices in the neighborhood.</i>
How were the indicators measured?	<i>(SAMPLE RESPONSE) Compared the average sale price at the start of the NEP to the average price at the end of 2-1/2 years.</i>

<p>What were the findings of the measurements including baseline data?</p>	<p><i>(SAMPLE RESPONSE) Average sales price in the beginning was \$61,000; at the end was \$67,000.</i></p>
<p>What Lessons were Learned?</p>	<p><i>(SAMPLE RESPONSE) Not only have the sales prices increased, the time on the market has decreased. The homes we built had waiting lists as we built them; and other properties in the neighborhood are selling more quickly.</i></p>

Upload **before and after photos** of projects/units undertaken with this grant (which have not been previously submitted). You have the option of copying and pasting pictures into this document or uploading them.

Instructions:

1. **PLEASE SUBMIT THIS DOCUMENT IN WORD FORMAT – PDF’S WILL NOT BE ACCEPTABLE**
2. Rename photo files with grant #, component/activity and **Before** or **After** (i.e., *HDF-2017-0123-NEP, Park Improvement, Before*) prior to submitting.

Photos copied and pasted into this template **OR** Photos uploaded in .jpeg format
Browse

Homeowner and Contractor Contract (Sample)

THIS CONTRACT, dated month day, year between **PROPERTY OWNER NAME** hereinafter referred to as "Homeowner") and **CONTRACTOR NAME** hereinafter referred to as "Contractor"), sets forth the terms and conditions for work to be performed on the premises located at:

Street Address: address , city , County of county , Michigan zip code

FOR PURPOSES of this Contract, **GRANTEE NAME** (hereinafter referred to as "Administrator") shall assume the role of intermediary between the Homeowner and the Contractor in order to provide assistance in completing the work to be performed under the Contract.

ARTICLE I

THE SPECIFICATION entitled "Bid Specifications for Home Improvement Project #_____, are hereby incorporated into this Contract and made a part hereof (hereinafter referred to as "Work Specifications") for the purpose of setting forth the work to be performed under this Contract. All work specifications must be pre-approved by the administrator via a written notice to proceed.

ARTICLE II

IN CONSIDERATION of the work performed by the Contractor according to the Work Specifications, the Contractor shall receive a payment in full the sum of dollar amount spelled out , (\$ numeric amount) , Dollars, which may be paid at the Contractor's option, as follows:

Option 1: A sum equal to 100% of the total Contract amount paid upon completion and approval of the work.

Option 2: A sum equal to _____ % of the total Contract amount at one-half Completion and, _____ % of the total contract amount at three quarter completion and, at completion and final approval of work by the home owner, an additional _____ %.

ARTICLE III

THE WORK to be performed under this Contract shall begin within _____ days from the date of the "Proceed to Work Order" issued by Homeowner. The work shall be completed within _____ days from the start of the work, unless the Contractor can show just cause for the delay of completion and obtains an extension of time in writing and signed by the Homeowner and approved by the Administrator.

ARTICLE IV

IF THE CONTRACTOR fails to complete the work within the specified time, the Administrator (with the consent of and on behalf of the Homeowner) will send the Contractor a letter by Certified Mail requesting completion of the work within a reasonable number of days from the date of the letter. If the Contractor fails to complete the work within the time stipulated, the Homeowner will hire another contractor to complete the work. The second contractor will be paid first. The first Contractor will only be entitled to the difference between the balance of the Contract amount and what is paid to the second contractor, if any, providing that the first and second contractors performed acceptable work.

ARTICLE V

THE CONTRACTOR will provide all materials, equipment and labor necessary to perform the work stated in the Work Specifications. All work performed under this Contract will be completed in a good and reasonably workmanlike manner in strict adherence to the Work Specifications. "Workmanlike" will include reasonable aesthetic standards. Any work performed by the Contractor which is not stated in the Work Specifications and Work Change Orders authorized by the Administrator will not be paid under this Contract.

ARTICLE VI

THE CONTRACTOR will keep the premises clean, orderly, and safe during the course of the work. It is understood that the premises are to be occupied by the Homeowner during the performance of the work. The Contractor will be responsible for removing the debris from the work site at the completion of the work. Unless otherwise stipulated in the Work Specifications, materials and equipment which are to be removed and replaced as part of the Work Specifications shall become the property of the Contractor. The

Contractor shall not use or cause to be used any hazardous materials, such as lead-based paint, in the performance of the work.

ARTICLE VII

IT IS THE CONTRACTOR'S responsibility to obtain any required work permits and arrange for subsequent inspections through the County or City or Township or other Code Departments when applicable. The Contractor will comply with all applicable local codes and ordinances whether or not specifically stated in the Work Specifications and will comply with all applicable State and Federal Codes and Laws, including all applicable licensure laws.

ARTICLE VIII

THE CONTRACTOR will be required to perform any related work covered by the "Work Change Orders" issued by the Administrator and approved by the Homeowner. The Contract amount and completion date will be adjusted accordingly to allow time and agreeable compensation for the additional work performance.

ARTICLE IX

THE CONTRACTOR shall furnish evidence of Comprehensive Public Liability Insurance coverage protecting the Homeowner in the event of bodily injury including death for not less than \$300,000. and in the event of property damage arising out of the work performed by the Contractor or subcontractors, of \$100,000. Contractor will further furnish evidence of all other coverage required by Michigan Statutes, including but not limited to Workman's Compensation Insurance, before the start of the work to be performed under this Contract. A statement of Sole Proprietorship must be furnished in cases where Contractor is exempt from Workman's Compensation coverage.

ARTICLE X

THE CONTRACTOR may not assign this Contract to any other Contractor without the express consent of both the Homeowner and the Administrator.

ARTICLE XI

UPON COMPLETION OF THE WORK, the premises will be inspected by the Administrator's Housing Inspector to ascertain if the work stated in the Work Specifications has been completed satisfactorily in the opinion of the Administrator. The Homeowner will be also required to give written approval of the work performed even if the Housing Inspector ascertains that the work has been completed satisfactorily. If it is determined by either, that the work has not been completed satisfactorily or not in

accordance with the Work Specifications, the Administrator will, by written notice to the Contractor, advise the Contractor to complete and/or correct the unsatisfactorily work within ten days from the date of receipt of the written notification by the Administrator.

ARTICLE XII

THE CONTRACTOR expressly and impliedly warrants against any faulty materials or workmanship. The Contractor expressly guarantees and agrees to remedy any defects in the work and to pay for any damage to other work resulting therefrom which shall appear within a period of 18 months from the date of final acceptance of the work unless a longer period is specified in writing by agreement of the parties. The Contractor will provide a signed statement of "Contractor's Release of Liens and Claims" upon completion of the work from Contractor and any subcontractors, or material men. The Contractor will furnish the Homeowner with all manufacturers and supplier's written guarantees and warranties covering the materials and equipment furnished in the performance of the work under this Contract.

ARTICLE XIII

THE HOMEOWNER may not perform any of the work stated in the Work Specifications nor interfere in any way with the work being performed by the Contractor. Homeowner may not remove or alter any of the materials to be used in the performance of work. If the Homeowner is not satisfied with the work being done or the materials being used, the Homeowner will contact the Administrator in writing.

ARTICLE XIV

THE HOMEOWNER shall supply the Contractor, at no cost, the use of existing utilities such as light, heat, power, and water necessary to the performance and completion of the work. The Homeowner will provide the Contractor access to the property during the hours of 7:00 a.m. and 6:00 p.m., Monday through Saturday, or as otherwise mutually agreed between, Homeowner and Contractor.

ARTICLE XV

THE ADMINISTRATOR is held harmless by the Homeowner and Contractor as to any and all damages, injuries or losses, claims or cause of action. It is expressly understood by and between the parties that the Administrator does not guarantee the performance of and/or completion of work performed or to be performed pursuant to this Contract, nor does the Administrator warrant either impliedly or expressly the work, products, materials or services provided by this Contract. The Administrator will not be responsible for any oral or written agreements, in addition to the original contracted work as stated in the

Work Specifications, between Contractor and Homeowner. This Contract constitutes the entire agreement between the parties and cannot be in any way altered, modified, or rescinded, except by its own terms or by written agreement of all the parties hereto.

ARTICLE XVI

Payment shall be made directly to the Contractor by the administrator with the consent of and on behalf of the homeowner.

ARTICLE XVII

IN THE EVENT a dispute arises hereunder between Contractor and Homeowner, the parties hereby agree: That if an impasse is reached between the parties during the construction phase of the project, the Administrator will be contacted and act as intermediary of the dispute; once project completion and disbursement of funds has occurred, Homeowner accepts responsibility for obtaining relief through appropriate channels such as the Michigan Department of Licensing and Regulation.

ARTICLE XVIII

DURING THE PERFORMANCE, of any contract under the Housing Program, the Contractor hereby agrees that the Contractor will not discriminate against any employee or applicant for employment because of Race, Color, Religion, Sex, or National Origin. The Contractor will take affirmative action to ensure that applicants are employed, and treated during employment without regard to their Race, Color, Religion, Sex, or National Origin. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to their Race, Color, Religion, Sex, or National Origin. The Contractor shall further comply with all State or Federal laws regarding Disabilities, Age, or other Civil Right Statutes.

ARTICLE XIX

THE HOMEOWNER AND THE CONTRACTOR agree they have read and understood the terms of this Contract. In the event the Contractor has demonstrated non-compliance with any of the above clauses or those attached to the Contract, the Contract may be canceled, terminated or suspended, in whole or part, and the Contractor may be declared INELIGIBLE for future work by this program.

IN WITNESS WHEREOF, the parties hereto have executed this Contract this date
day of month, year.

WITNESS:

witness name

HOMEOWNER(S):

homeowner name

homeowner name

CONTRACTOR:

witness name

contractor name and title

DBA Name: _____

FEIN # _____

ADMINISTRATOR:

Name

Contact #

**HOUSING INITIATIVES DIVISION
NEIGHBORHOOD ENHANCEMENT PROGRAM
HOMEOWNER CERTIFICATION**

Eligible Owner(s) / Principal Occupant(s): Name
Co-Owner(s) / Non-Occupant(s): Name

Persons receiving rehabilitation assistance must read and sign below to certify their understanding and acceptance of the following:

1. The Loan (mortgage and note) is a lien against your property. The Owner(s) shall execute amended mortgage and note should the amount of assistance change after the original lien documents are executed.
2. The Loan bears no interest.
3. The Loan is NOT a grant or gift.
4. All or a portion of the Loan may be due and payable, pursuant to the terms of the Note, upon the sale, transfer or conveyance of the property and/or upon the death of Eligible Owner and/or when the property is no longer the Eligible Owner's principal place of residence.
5. The following requirements remain in effect until the funds are repaid or forgiven per the terms of the Note.
 - The Eligible Owner must occupy the property as their principal place of residence.
 - No portion of the property may be rented.
 - The property may not be used for any illegal activity.
 - The construction contract is between the Owner(s) and contractor. The Owner(s) should direct any problems with the work of the contractor to the contractor and resolving such problems is the sole responsibility of the contractor.
 - The Homeowner insurance policy must list MSHDA (per Mortgage and Note) as a loss payee.
 - The property must be insured at all times.
 - The Owner(s) must keep real estate taxes paid at all times.
 - The Owner(s) must keep all mortgage payments (if any) up to date and paid on time.
 - The Owner(s) must keep the home in reasonably good repair.
 - The Owner(s) must keep all debris to a minimum to reduce fire, health and safety hazards.
 - The Owner(s) must keep Grantee Name informed as to any changes in the above.

I/We, being the owner(s) of the property located at Address hereby certify my/our understanding and acceptance of the above-written Homeowner Rehabilitation Program requirements.

HOMEOWNER(S)

Date: _____
Print Name _____

Date: _____
Print Name _____

GRANTEE NAME

Date: _____
Program Administrator Name and Title _____

**IF YOU HAVE ANY QUESTIONS REGARDING THE CONTENTS OF
THIS HANDBOOK PLEASE CONTACT YOUR HOUSING INITIATIVES
DIVISION NEP CHAMPION**