
This is a summary of changes to the “Program Compliance Handbook” for MI Neighborhood 3.0:

1. Previous MIN 1.0 and 2.0 funds are not associated with MIN 3.0.
2. Applications for programs or projects in a community or service area where a previous MI Neighborhood award has not been made will be prioritized in the review process. Previous awards are identified on the [MI Neighborhood website](#).

3. Timeline Parameters:

3.0 Launch on October 6, 2025 – Applications will be sorted by Regional Housing Partnership (“RHP”) and reviewed in order of receipt. Projects are reviewed in each group until the regional housing investment target has been exhausted:

Group 1 - Application Submissions: October 6, 2025 through October 17, 2025

Staff Review will occur from October 20, 2025 through October 31, 2025. Recommended applications in this group will be presented to the Authority Board at its November 2025 meeting.

Group 2 - MSHDA Submissions: October 18, 2025 through October 31, 2025

Staff Review will occur from November 3, 2025 through November 17, 2025. Recommended applications in this group will be presented to the Authority Board at its December 2025 meeting.

Group 3 - MSHDA Submissions: November 1, 2025 through November 15, 2025

Staff Review will occur from November 18, 2025 through December 1, 2025. Recommended applications in this group will be presented to the Authority Board at its January 2026 meeting.

Group 4 - MSHDA Submissions: November 16, 2025 through November 30, 2025

Staff Review will occur from December 8, 2025 through December 19, 2025. Recommended applications in this group will be presented to the Authority Board at its February 2026 meeting.

Group 5 - MSHDA Submissions: December 1, 2025 through December 12, 2025

Staff Review will occur from December 22, 2025 through January 6, 2026. Recommended applications in this group will be presented to the Authority Board at its February 2025 meeting.

The above mentioned process will remain in effect in 2026 in a consistent manner as outlined above. Approximately six months from the launch date of MIN 3.0, an evaluation will be conducted to determine if funds remaining in one or more regional investment targets should be reallocated to a statewide pool. If this action is undertaken, MSHDA will utilize an existing pipeline of submitted eligible applications, not funded or partially funded, that were prioritized for funding based on date/time stamp on previous submission dates and identified as an alternate.

Community Development Block Grant (“CDBG”): “Letter of Intent” Round No. 3 will be launched on November 3, 2025. New LOI’s will be reviewed along with MIN 3.0 applications that may be CDBG eligible.

All submissions that are awarded will have executed grant agreements in place on or before **June 30, 2026**.

4. Application Review Overview:

All applications are evaluated for eligibility and for threshold criteria in the order in which they were received.

Applications are placed in three (3) categories:

- **Recommended for Award:** Complete, eligible and feasible application.
- **Minor Revisions:** All threshold items are met in full and accepted in their entirety. Requested revisions are tied to minor clarifications only. Applicants retain time/date stamp order but must resolve issues within seven (7) business days from modification notice in IGX or lose tentative funding reservation and place in line.
- **Major Revisions:** One or more threshold items are not met. Application is returned and must be resubmitted to be reconsidered for funding and will receive a new place in line based on date/time stamp of resubmission.

Some applications may receive an “Alternate Reserve” status for funding subject to overall funding availability.

Applications will not be reviewed once a regional investment target has been exhausted and “Alternate Reserve” applications are identified.

Successful applicants will receive notification prior to recommendation to the Authority Board for formal reservation of funding.

5. Financial:

Maximum award amount for MIN 3.0 is \$1.5 million per agency and \$1.5 million per project. An applicant may serve more than one RHP, however, the combined total award may not exceed \$1.5 million.

Eligible Housing and Community Development Fund (“HCDF”) applications have the following limits:

- \$100,000 per each newly constructed unit.
- For all new unoccupied rehabilitation for sale and/or rental properties, the maximum MIN investment is \$100,000 per unit or 50% of the total amount being invested in the property as outlined in the budget, whichever is lesser based on the sworn statement approved by MSHDA.
- \$45,000 per each occupied rental or occupied homeowner unit that is being rehabilitated.
- Developer Fee is limited to 5% of the total MIN 3.0 award or \$5,000 per MIN award, whichever is greater.

6. Award Capacity Thresholds:

The maximum dollar amount per award is based upon an applicant’s capacity level.

- Beginner – Up to \$500,000 – no match required except rental owner contribution of 10% of the total project cost.

Criteria: 0-2 single-family homeowner rehab and/or homebuyer houses fully completed and occupied or 0-4 fully occupied rental units fully rehabilitated, built, or occupied within the past five years. Capacity documentation must reflect and be comparable to actual work activity being proposed.

- Intermediate - \$500,001 - \$1,000,000 – Requires \$1 for \$1 match after \$500,000 which must include rental owner contribution of 10%.

Criteria: 3-4 single-family homeowner rehab and/or homebuyer houses fully completed and occupied or 5 fully occupied rental units fully rehabilitated, built, or occupied within the past five years. Capacity documentation must reflect and be comparable to actual work activity being proposed.

- Advanced – \$1,000,001 - \$1,500,000 – Requires \$1 for \$1 match for the entire grant award amount which must include rental owner contribution of 10%.

Criteria: 5+ single-family homeowner rehab and/or homebuyer houses fully completed and occupied or 6+ fully occupied rental units fully rehabilitated, built, or occupied within the past five years. Capacity documentation must reflect and be comparable to actual work activity being proposed.

Note: For duplex or triplex or quad buildings simply count the total number of units within the building for appropriate capacity level.

7. Mechanics Structure of Deals/Capacity:

- For Profit Developers - If the proposed project includes a formal partnership with a lead developer 1) agreements must be executed and contain roles and responsibilities for each party ; 2) consider the entire collaboration when determining capacity levels; and 3) all owners of the project must be identified as grant subrecipients.



8. Miscellaneous:

- A grant agreement must be executed within 90 days of the reservation memo or it will be rescinded and considered not shovel ready.
- No subawards of grant funds without oversight and written roles/responsibilities contractually identified – grant must be implemented by awarded grantee.
- No former, current, or pending/applied for MSHDA funding requests including CDBG and/or LIHTC deals can receive MIN HCDF funding.
- Awards for MIN 3.0 will be for new grants only no amendments to existing grants.
- All grantees are required to demonstrate technical capacity to utilize and access the Authority's grant management systems.
- No paper checks will be issued; instead electronic payment processing through an automated clearing house process is required to transfer funds from MSHDA to the grantee.
- Housing Tax Increment Financing (TIF) must be locally approved by a Brownfield Redevelopment Authority prior to application to be included as leverage.
- Disability elements are recommended in all new units – Visitability is required – Type C units.
- Homeowners Insurance is required for all assisted homeowners – standalone fire Insurance is not sufficient. Full property insurance is required on rental properties.
- An energy audit is encouraged but are not required for all activities except rentals of 4 units or less and/or roof only projects.
- If you have multiple programs with MSHDA, you cannot use other program guidelines from other programs. You must use the program policy/guidelines in which you are approved for.
- Grant funds cannot be used for public housing projects.
- If a grantee has multiple programs with MSHDA, questions must be directed to the assigned MSHDA staff overseeing the program. Correspondence should not be applied to any grant program that the staff person consulted does not oversee.
- For Profit agencies must provide the formal ownership structure document such as deed, purchase agreement or option (dated, fully executed and in effect at time of application submission and extend at least 90 days) as well as a copy of the applicant agency's LARA articles of incorporation as part of the application submission. Consultation with MSHDA prior to award is needed if ownership and LARA agency information does not match.



- 100% conversions of mixed-use commercial buildings into 100% residential and/or projects impacting commercial space must provide a verification of existing zoning approval in order to be considered for funding.
- CDBG Rental Units definition extension: Previously must be within a downtown/corridor area. Expanded to include: rental properties located directly in an area identified within the master plan and has local support/coordination of housing efforts and be in community limits.
- Restricting MIN funding: Existing occupied rehabilitation for homeowners and/or rentals is only available for local units of government or nonprofits. Owners/Occupants cannot be the Grantee.
- Rebates must go to homeowners, as applicable, unless agreed upon in written contract.

9. Liens.

- New Units: Require Construction Mortgage and Note at grant agreement award stage.
- All Rental Units: Require ten (10) year Regulatory Agreement on property at grant agreement award stage.

