

MSHDA Investing In Community Housing (MICH)

Notification of Grant Funding Opportunity for Local Agencies

MICH Phase II - July 10, 2023

Submission Deadline
August 11, 2023 at 5:00 p.m.

Funding Source:

Housing & Community Development Fund
State and Local Fiscal Recovery Funds

MSHDA is excited to announce an opportunity for local entities to access up to \$15 million in housing grant dollars to assist residents in need throughout the State of Michigan through this new initiative which will be rolled out in phases. The program is 100% grant funded and does not require a formal cash leverage in order to participate. We are seeking local agency subrecipient partnerships with municipalities, non-profit agencies, land banks, emerging developers, and stakeholder groups such as the Area on Aging and the Disability Networks. The MICH Program will utilize United States Department of the Treasury American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF) as a grant mechanism within MSHDA's Neighborhood Housing Initiatives Division (NHID). There is a very streamlined subrecipient Program Interest Submission Form to complete in order to be considered. It is expected that agencies who submit the required information will be selected based on a geographical distribution of funding and ability to prioritize and execute funding commitments. All subrecipients selected must enter into fully executed contracts associated with property addresses/sites at the local level between grant award and September 31, 2024, to obligate funding based on the program parameters and all construction work must be completed by April 30, 2026.

If after reviewing the details below, you determine that your agency is interested in partnering with MSHDA to facilitate housing assistance, please complete the information and submit it no later than **5:00 p.m. on 8/11/2023**. This is a 100% "old school" paper only submission process – no passwords and/or software programs required! Handwritten (legible – printed preferred) and/or typed submissions are acceptable. Submissions can be sent directly via e-mail to MSHDA-NHID-Research@michigan.gov or sent via regular and/or overnighted mail to MSHDA NHID. If an agency elects not to send it in an e-mail and instead to have the submission mailed then tracking information must be provided via a transmittal notification to MSHDA-NHID-Research@michigan.gov to ensure that we are aware it is forthcoming.

All questions should be submitted to the e-mail address listed above by July 24, 2023. The NHID Question and Answer session will be held via a Microsoft Teams call on July 26, 2023 from 2-3 p.m. [Click here to join the meeting](#)
Meeting ID: 265 514 429 777 Passcode: xNc4Fj Or call in (audio only) [+1 248-509-0316 Conference ID 181580015#](#). A written summary will be posted on our website on August 1, 2023.

The MICH Program is open statewide and includes the following two program activity components:

- **Component B:** Small-Scale Housing Accessibility Renovation Enhancements (SHARE)
All renovations must contain an accessibility activity, work cannot be a standalone activity i.e., roof, windows etc.
Component B consists of three types:
 - Type B1 - HOMEOWNERS (Existing Homeowner Occupied Single-Family Homes);
 - Type B2 - RENTALS (Existing Tenant Occupied Single-Family Rehabilitation of up to 3 units);
 - Type B3 - OTHER (vacant single-family structure – acquisition/ rehab for sale, and Down Payment Assistance (DPA) in Qualified Census Tract (QCT) only – Type B1 maximum = \$50,000 homeowner unit; Type B2 maximum = \$25,000 per rental unit; and Type B3 maximum = \$50,000 rehab + \$15,000 for DPA = \$65,000 per property.
- **Component C:** New Infill Construction Encouragement (NICE) – This funding is designed to facilitate housing growth and for Phase 1 must be used in conjunction with NHID's MSHDA Mod Permanent Program or be located in a QCT area.
Component C consists of two types:
 - Type C1 (MSHDA Mod) NON-RENTAL STANDALONE SINGLE- FAMILY UNITS. Type C1 maximum - \$65,000 per unit based on financial need.
 - Type C2 - New Construction - QCT Only. Funds can be used for construction, closing costs, prepaids, contingency line items pre-approved by MSHDA, and/or up to \$10,000 for DPA. Type C2 maximum - up to \$200,000 per home/single family unit.

All assisted properties must be in either a Qualified Census Tract (QCT) with a total combined household income at or below one hundred eighty-five percent (185%) U.S. Federal Poverty Guidelines (FPG) or 60% AMI whichever is lesser. Award Preference will be given to agencies serving one hundred percent (100%) either in Tier 1 (a QCT only) and then to agencies serving Tier 1 and/or Tier 2. In addition to income eligibility, the household must have experienced a pandemic hardship of either a financial hardship based on a loss of household income and/or increased expenses since 3/3/21 (refer to term sheet for details). Note a self-attestation of hardship is required.

Recipients must identify which Tier of Eligibility they will be targeting funding below to access funding:

➤ **Tier 1:**

Property must be located in a Qualified Census Tract (refer to link for QCT specific areas -https://www.huduser.gov/portal/sadda/sadda_qct.html) - additional income verification and pandemic hardship is required.

QCT Area: Property must be occupied or sold to a household at or below 185% FPG or the household must be at or below 60% Area Median Income (based on County data generated by the U.S. Department of Housing and Urban Development) or the household must be receiving and/or eligible to receive one or more of the following assistance items:

- *Temporary Assistance for Needy Families (TANF)
- *Free and Reduced-Price Lunch (NSLP) and/or School Breakfast (SBP) Programs
- *Supplemental Security Income (SSI)
- *Infants, and Children (WIC), Section 8 Vouchers
- *Head Start and/or Early Head Start
- *Supplemental Nutrition Assistance Program (SNAP)
- *Medicare Part D Low-Income Subsidies
- *Special Supplemental Nutrition Program for Women
- * Low-Income Home Energy Assistance Program (LIHEAP)
- *Pell Grants

LOW INCOME							
185% FPG by household size							
1	2	3	4	5	6	7	8
23828	32227	40626	49025	57424	65823	74222	82621

➤ **Tier 2: Eligibility Restrictions:**

Non-QCT Area: Property must be occupied or sold to a household at or below 185% FPG and the household must have a pandemic hardship.

The maximum amount per award is up to \$800,000. Program funding availability and maximum assistance amounts per property are as follows:

Component B: Small-Scale Housing Accessibility Renovation Enhancements (SHARE)

Total Funds Made Available Statewide - Competitive Funding Round – up to \$50,000 per property. **All renovations must contain an accessibility activity and cannot be a standalone activity i.e., roof, windows etc.**

Component B Types:

Type B1 - HOMEOWNERS (Existing Homeowner Occupied Single-Family Homes)

Type B2 - TENANTS (Existing Tenant Occupied Single-Family Rehabilitation of up to 3 units)

Type B3 – OTHER (Existing vacant single-family structure – acquisition/rehab for sale, and DPA in QCT only)

Component C: New Infill Construction Encouragement (NICE) Program

Total Funds Made Available Statewide - Competitive Funding Round

New Infill Construction Encouragement (NICE) Component C Types:

TYPE C1 – NON-RENTAL STANDALONE SINGLE-FAMILY UNITS (MSHDA Mod)

and TYPE C3- NEW CONSTRUCTION OF AFFORDABLE UNITS (max sales price \$224,500) - STANDALONE SINGLE-FAMILY HOMES UP TO 3 UNITS - Maximum of \$200,000 per unit up to ½ of total units constructed.

Example: 8-unit development consists of four (4) being the maximum assisted units @ \$200,000 max per rental unit =s a maximum of up to \$800,000 per development. **Proposals exceeding 8 total units will not be evaluated.

MICH cannot be mixed with other MSHDA financing resources without MSHDA pre-approval but can be leveraged with local, state and/or federal funds. For Type C1, construction requirement is modular and/or modified construction technology based (example: panelized) and visit-ability is required on at least 50% of new assisted units.

For all Type C3, New Construction Developments, the assisted unit(s) composite requirement is: 50% accessible units with the remaining assisted unit(s) 50% visitable.

If multiple, equally qualified applications are received, preference will be given to entities based on regional distribution of funding, and to submissions that are organized and complete. A minimum of thirty percent (30%) of the funding will be targeted towards rural areas with five percent (5%) of the funding being targeted towards the Upper Peninsula. If determined necessary, MSHDA may elect to hold a conference call and/or Teams Meeting Conference with any agency to obtain further information and details regarding submitted materials.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY (MSHDA)
NEIGHBORHOOD HOUSING INITIATIVES DIVISION (NHID)
STATEWIDE MSHDA INVESTING IN COMMUNITY HOUSING (MICH)
PROGRAM INTEREST SUBMISSION FORM

Submission Deadline is 5:00 p.m. on August 11, 2023

APPLICANT AGENCY INFORMATION: Name:	Phone:
Address:	Counties Anticipated To Be Served:
City, State:	Zip: _____ Housing Partnerships Regions: _____ (refer to Terms Sheet Map)
Main Contact:	Email:
MSHDA Org # if available. _____ ___ New NHID Grantee ___ Existing NHID Grantee	Federal ID/Unique Entity Identification # if available.

Applicant Agency Type and brief description:

(Enter agency type i.e., Non-profit Org.; Government Entity, Lead Agency, Other- refer to Terms Sheet for Eligible Subrecipient Structures)
 The Terms Sheet can be found on the MSHDA website.

Note: Only agencies can apply – No individual submissions will be accepted.

Attach narrative responses labeled 1 through 5 to this submission:

1. Describe how your agency is currently tied to housing or why you are expanding your mission to include housing.
2. Describe which component(s) your agency is interested in administering (including component letter and type number) at the local level and what existing needs would be met by implementing them and provide details regarding the defined area(s) of need. Note: submissions may include multiple areas served by the agency – however each area must realize a significant impact. Agency prioritization of areas must be included if more than one area is proposed. MSHDA reserves the right to select portions of proposals for funding based on availability and overall impact. In addition to the narrative text, attach a map outlining the area(s) which activities will be focused including the criteria used for selection of the components and funding amounts include project number of assisted properties. Example: X Agency is applying for X component (B or C) to serve area(s) X as identified in the attached map. Selection of the component to undertake activity X will meet an area need by addressing X which is prioritized based on X. The accessibility activities undertaken will consist of X and if new construction include the Total # of Visitable Units and the Total # of Accessible Units being created. For Component C - completion of the attached forms is also required.
3. Attach letters of support from your agency and/or any partner organizations in the proposed area. Include any partnership letters that outline the total dollar amount leveraged and identify the sources of the leveraged funding.
4. Provide a brief overview describing the agency's staffing composite and describe applicable administrative capacity and grants management experience. What makes your agency unique and poised for successful implementation of the selected component programs?
5. Provide a brief overview describing your targeted assistance strategy per requested component(s) and state whether you intend to limit assistance to Tier 1 - Qualified Census Tract areas and/or Tier 2 - households at or below 185%. Also identify what percentage of your award would be targeted to Tier 1 areas or Tier 2 areas. Example. For Component X the targeting strategy will be to restrict funding to 100% Tier 1 area(s) or to utilize up to ____% for Tier 1 area(s) and ____% for Tier 2 area(s). This determination was based on X.

Complete the following information and provide all applicable leveraging commitment letters:

Component(s) Requested: (Check Boxes for all that apply) – Minimum \$25,000 per component and Maximum \$125,000 per component – Total MSHDA Funding Requests can range from \$25,000 up to \$800,000.

☐ B. Small-Scale Home Accessibility/Visit-ability Retrofitting Enhancements (SHARE)

TYPE B1: HOMEOWNER (occupied) \$ _____ TYPE B2: RENTAL (occupied) \$ _____

TYPE B3: HOMEOWNER (vacant structure - acquisition/rehab for sale, and DPA in QCT only) - \$65,000 per unit
\$ _____

☐ C. New Infill Construction Encouragement (NICE) Program

TYPE C1: NON-RENTAL STANDALONE SINGLE-FAMILY UNITS \$ _____ Associated MSHDA Mod project

TYPE C3: NEW CONSTRUCTION SINGLE-FAMILY - QCT Area Only.

OF TOTAL UNITS BEING CONSTRUCTED _____ # OF TOTAL UNITS MSHDA FUNDED: _____

TOTAL MSHDA COMPONENT(S) FUNDING REQUESTED: \$ _____

TOTAL MSHDA ADMINISTRATION FUNDING REQUESTED: \$ _____

MSHDA Administration funding request maximum amount cannot exceed 10% of the MSHDA Component Funding requested amount. All administration is reimbursed based on documented and itemized program planning and administration.

Check each item and certify below that the submitting agency read the terms sheet/program parameters:

- ☐ I understand that all activities undertaken must be brought up to federal/state/local code based on whichever one is stricter when applicable.
- ☐ I understand that no liens will be imposed on the properties assisted.
- ☐ I understand that no specific sites/addresses need to be pre-identified prior to agency submission.
- ☐ I understand that all activities must be completed, invoiced and all expenditures completed and processed with the MSHDA grants management system no later than April 30, 2026.
- ☐ I understand that this is not replacement funding, it cannot be re-granted and/or sub-awarded and it cannot serve as a matching resource for another State and/or Federal Program.
- ☐ I understand that MSHDA reserves the right to reject any and all submissions, or parts thereof, or to waive any informality or defect in any submission if it is in the best interest of MSHDA and the State of Michigan. All submissions shall become the property of MSHDA. All submissions are considered public information and are subject to discovery under the Freedom of Information Act (FOIA). This submission is not a binding agreement and the notice of selection under this Notification does not guarantee project funding. No project costs may be incurred prior to formal written authorization from MSHDA. MSHDA is not liable for any costs incurred prior to execution of a grant agreement.
- ☐ I understand that all applicants are required to be in compliance and good standing with MSHDA and all other State and Federal Agencies.
- ☐ I certify that the applicant agency is not delinquent in relation to any local, county, state or federal taxing jurisdiction property, income or business taxes and/or exempt based on being a local unit of government.
- ☐ I understand that there are Diversity, Equity, and Inclusion program guidelines required.

Signature:

Electronic Digital Signature or Actual Signature Required

Printed Name:

Phone:

Printed Title:

E-Mail:

Submission Deadline of 5:00 p.m. on August 11, 2023. Submissions can be sent electronically to MSHDA-NHID-Research@michigan.gov or via regular mail to MSHDA NHID, P.O. Box 30044, Lansing, MI 48909 or if sending via overnight mail send to MSHDA NHID, 735 East Michigan Avenue, Lansing, MI 48912

Please Provide the Following for Component C Only:

Executive Summary: A narrative description of the project which includes type of project; leverage funding sources and/or local financial support, bedroom mix; local, federal, or state subsidies.

Scope of Work: Submit a detailed description of the planned scope of work including sidewalks, landscaping, garages or outbuildings, façade drawing and floorplans. Include a visual layout of the various buildings on the proposed site(s); include names of local streets in or near the site(s).

Trade Payment Breakdown: Trade Payment Breakdown (See Attachment B) detailing the projected construction costs by trade line item, sources and uses.

Construction Schedule: Submit a detailed month-by-month schedule of the construction period (See Attachment A).

Site Control: Documentation signed by all applicable parties, in the form of a warranty deed, exclusive option to purchase, which evidences the ability to maintain site control. Documentation must clearly identify the location of the property (i.e., property address, full legal description or plat map identifying street names) and clearly identify the property.

Zoning Documents: Documentation from the appropriate local municipality on official letterhead, identifying the address of the project, the property's current zoning designation and an explanation of if the project is permitted under the zoning ordinance. If the project is not currently properly zoned, what, if any, steps are in process to obtain proper zoning for the proposed development.

Single Family Environmental Study: Phase I ESA or Phase 2 if applicable performed by an Environmental Professional. Non-scope” items such as FEMA floodplain evaluation and wetland identification.

FYI - Proposed Housing Concept Design and Visit-Ability Demographics

At minimum, 50% of any grant award/project shall meet type C or visitable units. Type C units are applicable to newly built single-family homes and duplexes. The intent of the type C is planning for persons with mobility impairments to visit the home and/or occupants to age-in-place.

The following 6 items are required for all NHID single family new construction projects.

1. At least one zero-step entrance approached by an accessible route on a firm surface no steeper than 1:12, proceeding from a driveway or public sidewalk.
2. 32 inches or more of clear passage space through interior doors, including bathrooms.
3. At least a half bathroom on the main floor.
4. Reinforcement in bathroom walls and showers for future grab bars.
5. Accessible placement of electrical and heating controls.
6. Use of lever door handles.

Signature

Printed Name

Date

MICH-Attachment A

New Construction Single-Family Housing Development Budget

Project Name:

Developer:

Address:

Number of Units _____ MICH _____ NON-MICH _____ VISITABLE _____ Accessible _____

Uses

Construction Costs:

Modular Unit-base unit, taxes & delivery	\$ -
General Contractor (profit, overhead, gen conditions) Stick or Panelized	\$ -
Construction Contingency 10%	\$ -
Construction Period Interest	\$ -
Site Work- Excavation & Infrastructure	\$ -
Building Concrete- walls, floors and sidewalks	\$ -
Roofing & Siding	\$ -
Carpentry	\$ -
Insulation	\$ -
Doors/Windows & Hardware	\$ -
Drywall, Painting	\$ -
Electrical	\$ -
HVAC	\$ -
Flooring	\$ -
Accessory Buildings- garage or shed	\$ -
Plumbing & Domestic Hot Water	\$ -
Appliances, Garbage Disposal	\$ -
Water Well and Septic or Municipality Distribution	\$ -
Building Permit, License & Tap & Other Fees	\$ -
Architect and Engineering Costs (A&E)	\$ -
Environmental: (Site-Specific Review) Phase 1	\$ -
Environmental Review (Federal)	\$ -
Property Survey	\$ -
Legal Fees	\$ -
Loan Commitment Fee	\$ -
Title Search & Title Insurance and Recording Costs	\$ -
Pre-Post Appraisal	\$ -
Builder's Risk and/or Casualty Insurance	\$ -
Construction Loan Interest & Taxes	\$ -
Total Construction:	\$ -

Sources

MSHDA-MICH	\$ -
Owner/Investor Equity	\$ -
Bank	\$ -
Local Community Investment	\$ -
Other	\$ -
Other	\$ -
Other	\$ -

Total Development Sources:

\$ -

Development Gap- Sources/Uses

\$ -

NOTE: The total development sources/uses must match reservation memo total project cost.

MICH-Attachment B

EXAMPLE

CONSTRUCTION TIMELINE

Modular _____

Modified Technology _____

Traditional Stick Built _____

Completed by	Task	Benchmark	Completion Date
Grantee	Grant Agreement Executed	Month 1	
Grantee	Site Selected	Month 3	
MSHDA	Site Approved	Month 3	
Grantee	Unit Selected	Month 6	
MSHDA	Unit Approved	Month 6	
Grantee	Construction Period Started	Month 7	
Manufacturer	Construction Period Complete	Month 14	
MSHDA	On-Site Inspection Completed	Month 17	
Grantee	Unit On-Site Finishing Completed	Month 18	
Grantee	Unit Listed	Month 19	
Grantee	Unit Sold*	Month 24	
Grantee	100% Disbursement of Funds/Final Reports	Month 25	