

## Round 7 Question and Answer

1. Q: Are tribal governments classified as local units of government and eligible to apply for the MSHDA MOD and the MSHDA Neighborhood Enhancement Program?

A: Yes

2. Q: Can you clarify the 50% low/moderate income areas AMI requirement?

A:

**Eligible Neighborhoods:** A neighborhood is a defined community-based residential area where people live and share amenities/resources.

Proposals may include more than one area served by an agency; however, each area must realize a significant impact. Agency funding prioritization of areas must be provided if more than one is proposed. MSHDA reserves the right to select portions of proposals for funding based on availability and overall impact.

All proposed activities are restricted to income qualified areas (see Eligibility Guidance via website), they must also be “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” and meet criteria:

- Area boundaries are primarily residential and are at least 50% low/moderate income areas
- Census tracts/block groups that are in 120% or below area median income areas
- Households receiving direct assistance must be at or below 120% area median income

3. Q: On the instructions (page 5) it states 120% or below AMI, however the Low/Mod Eligibility Form says 50% of residents does not exceed 80% AMI. Can you clarify what the AMI limit is please?

A:

### **Neighborhood Enhancement Program (NEP) Low/Mod Eligibility Form**

Grant proceeds shall only be used in areas where at least **50%** of the residents are persons or families whose income does not exceed 80% of area median income as determined by the U.S. Department of Housing and Urban Development (“HUD”), adjusted for family size. There are three ways a community can verify eligibility as outlined below. Please fill out which method your community used and sign below. If you have any questions regarding the eligibility parameters please send an email to [youngt4@michigan.gov](mailto:youngt4@michigan.gov)

4. Q: Are all rental properties required to have a lien no matter how much is granted? Currently in Round 6, a lien IS required for any amount for a rental, but in the Round 7 instructions it just states “a five-year lien will be placed on each assisted single-family property assisted with a NEP amount equal to or exceeding \$7,500.” It does not specify rentals.

A: Yes

5. Q: The grant guidelines state that if you currently have an open NEP grant, the maximum allocation amount requested cannot exceed the original existing NEP grant award amount. Does this apply to an entity that had previously only been funded under Component A activities but would like to add a project under Component B as well during Round 7?

A: If you are a current grantee with an open NEP Round 6 grant that has a commitment balance on the date of the Round 7 submission (pre-approvals not issued for the full amount of the award minus administrative dollars) the total dollar amount that can be requested is capped at an amount up to the total dollars awarded within the Round 6 grant. If you were a previous grantee in Rounds 1-5 the maximum amount that can be requested is \$75,000.

You can add a new component if it does not exceed that maximum dollar amount that is allowed as stated above.

6. Q: How do you define an open grant? If a community's grant period is over from a prior year, is this then considered closed, and the community could then apply for a higher amount?

A: Yes, if all dollars are drawn, term has ended, and outcome reports have been submitted.

7. Q: What is the eligibility for applicants?

A: Single Family Owner Occupied

- The applicant is the owner and occupies the assisted property.
- The applicant does not own any property that is tax delinquent.
- There is current insurance coverage on the property.
- The applicant does not own any property that is subject to any citation of violation of the state and/or local codes and ordinances.
- The applicant has not been the prior owner of any property transferred to the Treasurer or to a local government as a result of tax foreclosure proceedings.
- The applicant has a household income at or below 120% of the County in which they live median income.

## Single-Family Rental/ Land Contract Properties

- The landlord has no unaddressed mortgage and/or tax delinquencies within the community
- The landlord has no unaddressed/outstanding code compliance issues within the community
- A signed and dated executed contract is in place which identifies the current occupants and the monthly occupancy provisions
- Is not subject to a foreclosure proceedings, court-ordered receivership or nuisance abatement.
- Has utilities services turned on
- Is affixed to a permanent foundation
- Occupant household is income-eligible
- All parties must sign a written participation consent form: and for all land contract properties.
- The NEP grant recipient agency must hold the land contract in their name and maintain adequate legal documents including the deed and title insurance documentation associated with ownership and occupancy at the local level.
- Copy of signed and dated executed contract between the landlord/land contract holder and occupant has been provided to your NEP Champion.

8. Q: Is a lead risk assessment needed for interior furnace replacement enhancements?

A. No, unless determined necessary.

9. Q: Is SHPO certification needed for eligible homes?

A: No

10. Q: For Detroit Non-Profit Agencies, is the letter from Katy Trudeau considered the Support letter needed from the community?

A: Yes

11. Q: What is considered a State designated target area?

A: Any area designated by a specific Entity example: Cool City. Blueprint Redevelopment community.

