

**Neighborhood Housing Initiatives Division's
Neighborhood Enhancement Program (NEP)
Rural Community/Urban Neighborhood/Direct Funded
Round Seven Submission Guidance**

Submission Request – Deadline is Wednesday, December 8, 2021

Up to Two Million Dollar Grant Opportunity Announced September 30, 2021

MSHDA is pleased to announce that the NEP program will provide up to Two Million Dollars in MSHDA funding statewide for activities directly tied to stabilization and enhancement of Michigan's rural communities and urban neighborhoods "hereinafter referred to as an area". The program's intent is to fund tangible housing-oriented activities that are: implementation ready; highly visible; impactful to the area and resident's quality of life; and where there is buy-in and demonstrated support within the area and where people are engaged and facilitating change. The funding is designed for innovative, neighborhood housing-oriented activities that benefit area residents. Selection of awards will be made based on population, geographical distribution, area need and proposed use of the NEP funds. Respondents must be able to mobilize quickly to meet the immediate action response that is desired.

Submission Instructions:

If after reviewing the program details your community is eligible and interested, Complete the application questions electronically via the fillable form located at: [NEP Application Form Round 7](#) and click submit. A sample of the application question can be found here [NEP Round 7 Sample Application Questions](#). Once the application is submitted electronically, you will receive an email with a link to access MSHDA SharePoint site where you can upload the required nine attachments outlined below:

1. Leverage Funds

For identified leveraged funds above please attach supporting documentation.

2. Labeled Maps

The proposal is for multiple projects on scattered sites within the assisted area(s). A street-level map proposed assisted area(s) with the boundaries clearly identified is attached. **AND/OR** The proposal is for a single project; a street-level map of the neighborhood of the project site is attached, with the site clearly identified.

3. Work Plan Timeframes

Provide a work plan (either enter plan details into the text box in application form or upload a file) that includes the following:

- An overview of the Agency's operations schedule and current staffing (include employment type, FT, PT, paid/volunteer, etc.)
- An overview of the Agency's and Staff Experience/Capacity/Qualifications
- An overview of how Agency staffing will implement the proposed activities

- A proposed implementation timeline (Estimated start date is May 1, 2022, and the Completion date December 31, 2022)
- A description of what previous community and neighborhood work experience the Agency and identified staff have
- A description of what previous grant management administration/oversight experience the agency and identified staff have.
- The name/title of the main grant administrator for this project proposal and a list of other 2022 projects anticipated to be administered simultaneously.

4. Pictorial Overview

Attach a Pictorial Overview of Project. Photographs must be clearly labeled. Videos are also acceptable

5. Letters of Support

Provide dated and signed support letter(s) from the applicant and a support letter from the community.

Provide acknowledgement letter(s) from the Local Government Director of Planning or the Chief Elected Local Government Official or the Chief Administrative Officer or the Community and Economic Development Director of the assisted area(s) verifying that this initiative has local community and neighborhood support.

Note: Detroit Non-Profit Agencies must contact Katy Trudeau via e-mail trudeauk@detroitmi.gov to secure a letter of support. Her letter is required as part of the NEP eligibility parameters.

6. Sworn Financial Statement

(Provide a sworn statement dated, signed, and on letterhead from a Financial Representative, CPA, Accountant and/or Auditor certifying that your agency is either governmentally exempt or not delinquent in relation to any local, county, state or federal taxing jurisdiction property, income, or business taxes.)

7. [Program Parameters Acknowledgement Form](#)

Please open the form via the hyper link above - read and sign the form

8. 501C3 Certificate

Upload 501C3 certification form to confirm eligibility

9. [Low/mod Eligibility Form](#)

Please open the form via the hyper link above – Fill out which method your community is using and sign the form

EVALUATION CRITERIA:

MSHDA reserves the right to reject any 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.

If multiple, equally qualified submissions are received, preference will be given to entities that submit organized and complete submissions demonstrating that communities which are qualified, experienced, financially solvent, locally and neighborhood supported, which outline housing-oriented impactful activity proposals and methodology that is reasonable and can be completed within **2022**.

MSHDA has the right to select entities for further consideration of funding at their own discretion based on the proposals submitted, regional distribution, and any criteria determined relevant including but not limited to conference calls and/or site visits. The timeline for making an award determination and notifying all respondents is anticipated to be no later than **January 31, 2022**.

All submissions are considered public information and are subject to discover under the Freedom of Information Act (FOIA).

This submission is not a binding agreement and the notice of selection under this submission does not guarantee project funding. Upon final approval from MSHDA, each selected entity must complete a Partnership Profile which covers the financial viability and capacity of the agency. Upon successful submission of an application, a written agreement will be executed between the selected agency and MSHDA which will at that time 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

ELIGIBLE AGENCIES:

****Note: If you are not one of the two listed below you are not eligible for this program.***

A Qualified Non-Profit Agencies are defined as entities that are currently actively servicing a neighborhood; have at least one full time equivalent employee(s), is not operating the agency via their principal residence; and has an operating budget exceeding \$30,000 per year. (Must attach 501c3 certificate to be eligible)

A Qualified Local Unit of Government is Defined as entities that are not direct recipients of U.S. Department of Housing and Urban Development federal funds exceeding \$500,000 total allocations combined per CDBG and/or HOME program. **For purposes of this program please select this option if you are a Land Bank.*

Component Type(s)/Eligible Activities:

Note: The list below of eligible activities is not inclusive as we are looking for community leaders to identify innovative activities to address their neighborhood's specific needs. MSHDA, at its discretion, will determine the specific activities it will fund during the review process. We highly encourage creativity based on actual neighborhood need. MSHDA encourages submissions from eligible entities that have a neighborhood need for housing and potentially neighborhood/public amenity enhancements.

Component A – Housing Enhancements/Exterior Rehabilitation - Required:

A minimum of 50% of the request must be from Component A

Housing Enhancements Component A is available for assisting owner-occupied single-family homes, with a portion of the assistance (limited to 50% of Component A) that can be utilized for assisting occupied single-family rental homes with exterior rehabilitation and/or

agency held land contract homes. All properties must have certified household occupants meeting income restrictions.

Note: A maximum of up to 50% of the funding budgeted for Component A may be set aside for rental rehab and/or agency held land contract properties that are currently occupied and single-family properties.

Component A is for Eligible Exterior Only Activities. These activities may include: single family owner occupied exterior rehabilitation/repair – accessibility improvements to driveways, porches, stairs, railings, windows, exterior painting/siding; windows, doors, etc. Interior activities are allowed only under Component C below.

Component B – Public Amenity Enhancements - Optional:

Neighborhood/Public Amenity Enhancements (maximum of 50% of total request).

Eligible Activities include improvements benefitting the entire area not located on private property but located on publicly owned property.

Examples: park improvements such as pavilions, basketball courts, playgrounds, walking paths, dog parks, entranceway signage/lighting, orchards, community spaces/gardens.

Component C – Housing Enhancements/Interior Rehabilitation - Optional:

Housing Enhancement - Interior Only (maximum of 25% of total request).

Eligible Activities include Interior improvements tied directly to code violations related to health and safety needs. The activities are limited to the following: water heaters, furnaces/boilers, electrical, and plumbing.

All Component C activities must take place in single-family owner-occupied properties.

Ineligible Activities:

While this funding is flexible, Round 6 funding is not for the following activities: housing activities already being funded by MSHDA to other entities; rock the block events; demolition; rubbish removal; stand-alone down payment assistance; 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; public infrastructure such as streets, curbs, sidewalks, street lights and any activities within the public right of way; 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. This funding cannot be re-granted and/or serve as a matching resource for another State and/or Federal Program.

For additional guidance on eligible activities please submit a question to the hidmailbox@michigan.gov

Funding Parameters:

Maximum Allocation is within a funding range of \$25,000 - \$75,000 and should be primarily determined based on area population and need and entity type/capacity. If you currently have an open NEP grant, the maximum allocation amount requested cannot exceed the original existing NEP grant award amount.

Minimum Allocation = \$25,000 per agency.

Multiple activities and/or areas can be combined to reach this minimum threshold.

Planning and Administration - up to 10 percent of the grant award

Documented and itemized program planning and administration tracking required.

Cost Overruns are the responsibility of the grantee and cannot be covered by MSHDA.

We do not require leverage to participate, and we do not require leverage to come directly from the homeowners. Note: If the community chooses to identify leverage, all leverage identified must be committed/secured.

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

Eligible Occupied Property Criteria: A single-family property which is zoned residential that: a) has no unaddressed mortgage and/or tax delinquencies; b) is not subject to a foreclosure proceedings, court-ordered receivership, or nuisance abatement; c) has utilities services turned on; d) is permanently occupied by homeowners that identify the assisted address as their primary residence; and e) is affixed to a permanent foundation.

Eligible Rental/Land Contract Occupied Property Criteria: Rental/Land Contract single-family properties that a) the landlord has no unaddressed mortgage and/or tax delinquencies within the community; b) the landlord has no unaddressed/outstanding code compliance issues within the community; c) a signed contract is in place which identifies the current occupants and the monthly occupancy provisions; d) is not subject to a foreclosure proceedings, court-ordered receivership or nuisance abatement; e) has utilities services turned on and e) is affixed to a permanent

foundation; f) occupant household is income-eligible; g) all parties must sign a written participation consent form; and h) 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.

Activity Eligibility Guidance

- No specific sites/addresses need to be pre-identified for homeowner activities.
- Specific sites/assisted homeowners are selected post award via a formal local written application process that is held within the past 90 days – no carryover wait lists from previous non-NEP programs/applications allowed. Note: Homeownership activities are restricted to households that meet the program’s eligibility criteria.
- A five-year lien will be placed on each assisted single-family property assisted with a NEP amount equal to or exceeding \$7,500.
- All activities undertaken must enable that individual MSHDA funded component to be brought up to HQS and/or local code based on whichever one is stricter when applicable.

What if I have questions?

All questions related to the NEP Program should be directed in writing to HIDmailbox@michigan.gov with a Subject Line Reference entitled, “NEP 6 Question” no later than **Monday, October 18, 2021 at noon.**

In addition, MSHDA will hold a Q & A conference call and go over all submitted questions and responses on **Wednesday, October 20, 2021** from 1:30 – 2:30 p.m. EST. The Conference Call Number is 877.402.9753, Access Code 3292085. Questions and Answers will be posted in writing on the MSHDA website www.michigan.gov/mshda under Neighborhoods following the conference call.

Once I Apply What is Next?

All Submissions will be evaluated based on the following criteria: Eligibility, Timing Feasibility, Local Support, potential selected component(s), need/impact on the proposed area(s), geographical distribution, and capacity. A conference call and/or site visit may be warranted. Funding reservation amounts are contingent on actual responses received and scoring outcomes which may be adjusted by MSHDA at its discretion.

It is anticipated that decisions will be made on or before **January 31, 2022.** Once selected, an agency will move towards the next step in the award process and a Neighborhood Enhancement Team Champion will be designated to assist with the preparation and completion of an electronic partnership profile **February 2022** and grant administration/activity implementation.

Tentatively Save The Date for upcoming training sessions for all selected entities which will be held remotely via Microsoft Teams on **Wednesday, February 9, 2022 from 9 a.m. – 2 p.m.** This event is designed for you and your agency staff to virtually meet your Champion, receive Matt 2.0 system access training, and receive an NEP compliance overview session.

An executed grant agreement must be in place prior to **May 2022.** The effective date to begin activities is anticipated to be after **May 1, 2022,** with a completion date of **December 31, 2022.**