

<https://www.youtube.com/watch?v=veHqJSC-9Lo>

Welcome To The
Michigan State Housing Development
Authority's
Neighborhood Enhancement Program
Overview

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MSHDA

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY



NEP was developed by a Team of 5 in 2016 since then the Division has doubled

Homeownership: Home Improvement and Rehabilitation

- ▶ Owner-occupied Single-family Homes

PROMISE CONCEPT:

- ❖ Potential Catalyst for Change
- ❖ Realistic
- ❖ Opportunity to Improve the Area
- ❖ Makes a Difference to the Neighborhood
- ❖ Immediate Physical/Psychological Impact
- ❖ Safe or Safer Area Post-Grant
- ❖ Engage Neighbors

How was it created?

- ▶ Reorg took place in January 2016 and 27 staff were transferred along with all CDBG funding - NSP1, 2 and 3 were wrapping up - SF HOME moved to MF
- ▶ Remaining staff were aligned together and formed the Housing Initiatives Division (HID)
- ▶ The decision was made to focus on neighborhoods outside of downtowns; housing and assisting the Nonprofit Agencies.
- ▶ Team discussed/designed NEP program to create a funding opportunity to meet need.
- ▶ Leadership provided initial funding (MSHDA general operating - bond revenue)
- ▶ Some adjustments have been made based on Team consensus --- overall initial intent remains

ELIGIBLE COMPONENTS has evolved over the rounds - currently:

- ▶ HOUSING ENHANCEMENTS - At least 50% of the request must be for Housing.
- ▶ NEIGHBORHOOD/PUBLIC AMENITY ENHANCEMENTS

Lessons Learned:

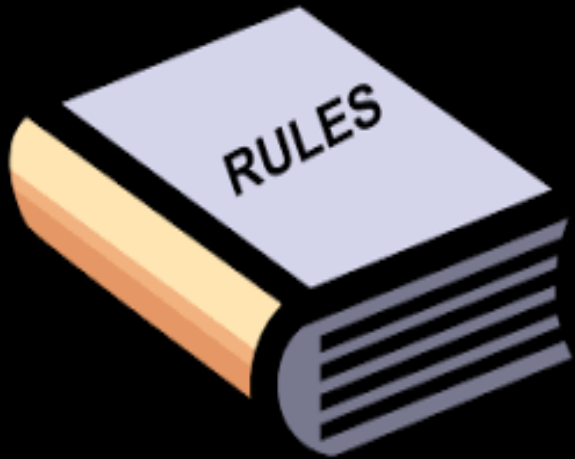
What may seem like inconsequential design decisions can actually matter a lot ... and significantly influence funding awards

Examples: Timing; Maximum \$ amount per community;
Requiring Time Consuming/Complicated Submission Process

i.e. Streamlined Components - ROUNDS 1 & 2 had 5 components - some confusion regarding which one to select

Flexible Program with some key Ineligible Activities:

While this funding is flexible, 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.



NEP Submissions

NEP Round	# of Applicants	Awarded	Denied
1	37	11	26
2	20	10	10
3	20	15	5
4	38	21	17

Overall 50% Award Rate

99% Grants Completed Post-Award

Timing Matters - 1 Year Term

Round #	Announcement Date	Submission Deadline	Term Begin Date	Term End Date	# App
1	2/6/17	3/15/17	7/1/17	12/31/17	37
2	11/1/17	12/20/17	6/1/18	12/31/18	20
3	10/31/18	1/25/19	5/1/19	12/31/19	20
4	3/21/19	4/23/19	6/1/19	12/31/19	38

Trends: Received more applications in Spring than in Fall.
Length of time for application submissions did not seem to matter.

Initial Document Preparation and Announcement Timing Impacts Program



- ▶ Construction Season - Bids/Obtaining Contractors
Beneficial to start earlier in the year to allow for at least 2 seasons.
- ▶ Try to stay away from applicant busy times i.e. tax season, holidays, etc.
- ▶ As an agency, try to allocate/secure funding as early as possible to enable additional time to announce/check presentations, meet system requirements in order to award, and to seek, obtain and receive approvals to expend funds locally.

Allocations/Staffing Needs Incrementally Increased

Round #	Awarded Amount	# of Grants Awarded	# Staff	Maximum # of Grants Administered by Champion
1 (2017) & 2 (2018)	\$675,000	21	3.5	6
3 & 4 (2019)	\$1,416,403	36	4.5*	12
5 (2020)	\$2,000,000	TBD	6.5	TBD

*Added a Secretary “On Loan” between Rounds 2 and 3

*Utilize Governor’s Intern Program - PT Unpaid Position

For Round 5: Secured a FT Paid Student Assistant Position

How do we make this work?

- ▶ Staffing retention rate is high
- ▶ No overlapping grant terms
- ▶ Reward high performers with additional funding
- ▶ Consistent Messaging - minimize one-off decision making
- ▶ Streamline Paperwork/Processes both internally and externally
- ▶ Continuous Discussion on where everyone should be in the process
 - All Grantee Conference Calls - Roll Call/Manage Expected Behavior

Not Large Scale “NSP Like” - Farwell Building Downtown Detroit

Full page photo

1/1



Small Scale Single-Family “Property-Based” Incremental Change Program



**Accessibility
Improvements**

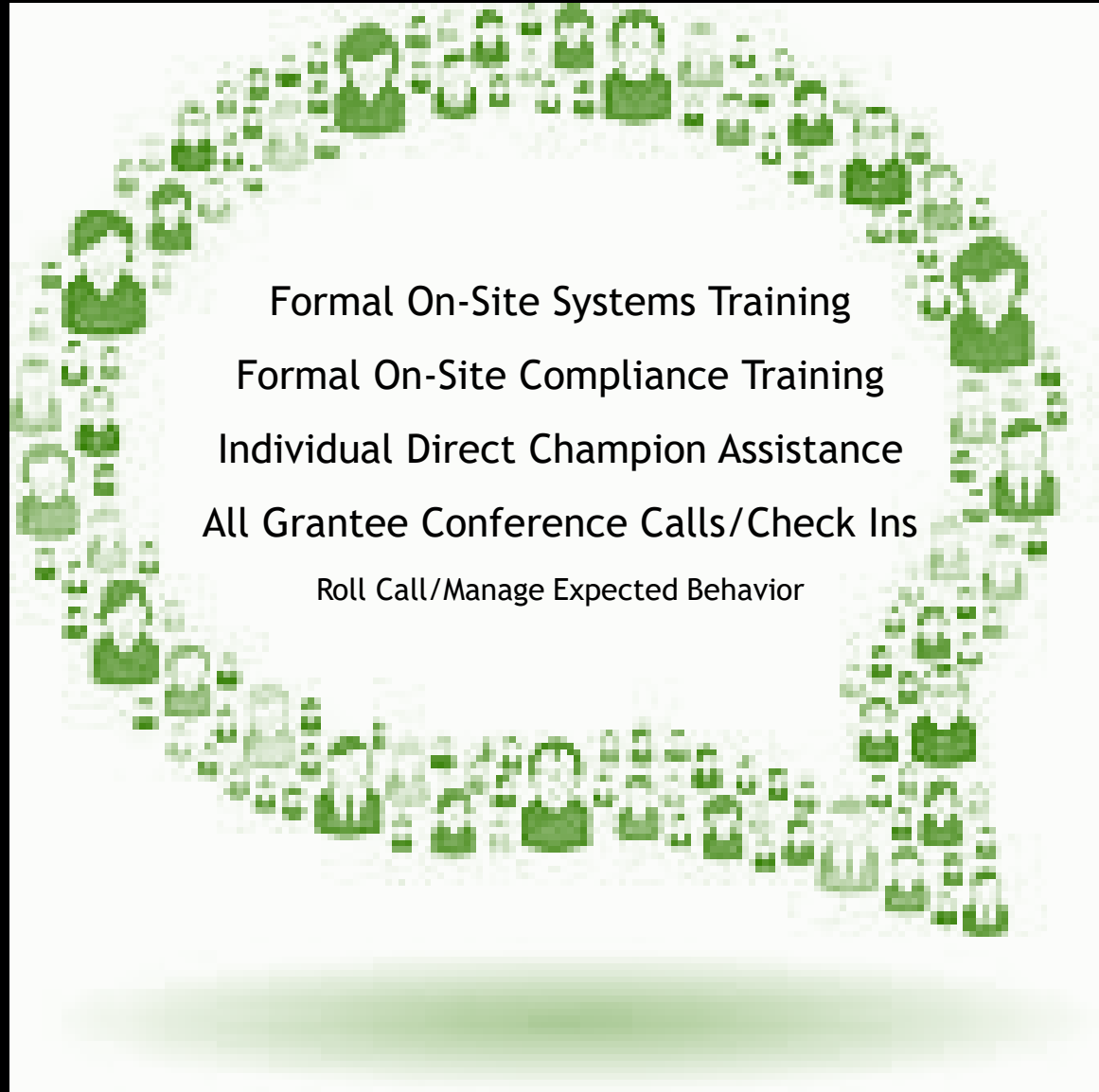




1 Year Funding Timeline - Procedure:

- ▶ RFP/Letter of Interest Submissions
- ▶ Team Review
- ▶ Funding Reserved
- ▶ Access Computer System - Complete System Entries
- ▶ Grant Agreement
- ▶ Pre-Approval Form (Grantee)
- ▶ Notice to Proceed (Champion)
- ▶ FSR/Payment Requests/Approvals
- ▶ Final Outcome Report
- ▶ Closeout

Communication is VIP



Formal On-Site Systems Training

Formal On-Site Compliance Training

Individual Direct Champion Assistance

All Grantee Conference Calls/Check Ins

Roll Call/Manage Expected Behavior

Paper Reduction Phase

The grants management system and the hidmailbox@michigan.gov are critical pieces which impact the ability of an office to shift away from paper.



We have a written compliance manual and require each grantee to provide written program guidelines

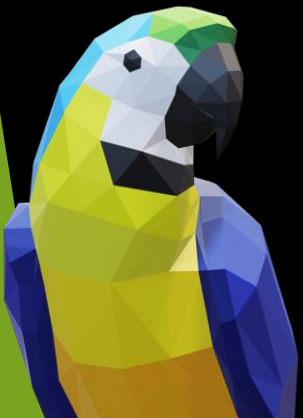
Ready!
Set!!
Go!!!
Program



Outcome - Catalyst for Change....

This program serves as a catalyst
to secure other program funding
to improve the neighborhood.

Projects like these fostered neighbors
working together to make a
difference.



Outcome - Retain Homeowners ...

Quality of Life Indicators include:

- 1) Increased safety
- 2) Increased functionality of the home
- 3) Increased Home Values

[All reports are posted on our website](#)

Outcome Reports



Outcome - Retain Homeowners ...

Community Police Officer reported fewer crimes committed along the targeted street directly correlating to NEP improvements

Perhaps a chain reaction of events has created a safer neighborhood with less crime. Neighbors were feeling more comfortable spending time outdoors, which in turn created more eyes on the street, which meant less opportunity for potential crimes to be committed.

Homeowner Participation Engagement Survey:

Ratings:



1. Overall, how would you rate the experience out of 5 stars (5 is the best rating and 0 is the worst)

5 out of 5 – MSHDA and the Champions were always quick to help and reply to any questions.

2. Suggestions on how the process could it be improved?

No suggestions – information was clear and if there were any issues MSHDA/Champions addressed them immediately.

3. How would you describe the overall benefit/impact of this grant on your household and neighborhood?

5 out of 5: as a result of this grant ACC was able to remove a burned out house which served as a major eye sore and safety risk to the surrounding community. In its place we were able to install a brand new play scape, picnic tables, benches and green space. This space benefits the clients and community in the 7 mile area. The picnic tables will be utilized for ACC's Meet Up and Eat Up program and the play area will provide educational and developmental enrichment for all of those who use it. ACC looks forward to continuing to add to this space with future community gardens and activities. The neighborhood now has a clean and healthy gathering space. Thank you for your support!

Homeowner Participation Engagement Survey:

Ratings:



1. Overall, how would you rate the experience out of 5 stars (5 is the best rating and 0 is the worst)

My experience was very positive - extremely grateful for the opportunity to positively impact the neighborhood through NEP funds. Tonya + Diane are wonderful to work with.

2. Suggestions on how the process could be improved?

It would be helpful to keep all forms online during the grant process. It would also be very helpful to have fillable forms online.

3. How would you describe the overall benefit/impact of this grant on your household and neighborhood?

The impact has been tremendous. It has greatly increased neighborhood/community connectedness and paved the way for a new exciting creative-placemaking project, Eastside Voices.

Thank you!

Media Opportunities

<https://www.corpmagazine.com/featured/detroits-woodbridge-neighborhood-is-looking-for-office-retail-redevelopment/>

<https://www.jeffersoneast.org/jei-blog/2019/8/12/jei-awarded-mshda-neighborhood-enhancement-program-nep-grant>

https://www.argus-press.com/news/community/durand/article_ffcebf18-d106-11e9-8391-97d2fdf0f9af.html

<https://www.radioresultsnetwork.com/2019/07/29/state-issues-37-new-community-stabilization-grants/>

City of Durand receives \$20,000 grant from state



CITY OF DURAND OFFICIALS on Thursday accept an oversize check for \$20,000 from the Michigan State Housing Development Authority. The funds will help city residents improve their properties. From left: Durand City Manager Colleen O'Toole, Clerk/Treasurer Lisa David, Mayor Deb Doyle and MSHDA Housing Specialist Angela Shipp.

Argus-Press Photo/Sally York

By SALLY YORK
Argus-Press Staff Writer

this will help.”

Examples of acceptable projects for MSHDA's Neighborhood Enhancement Program (NEP) are



► Before



https://www.youtube.com/watch?v=hr2J_8wYH9U&feature=youtu.be

Bay City, Michigan



HDF-2017-5836-NEP, 521 N. Grant St.,
Porch Repairs BEFORE



HDF-2017-5836-NEP, 521 N. Grant St.,
Porch Repairs AFTER



HDF-2017-5836-NEP, 521 N. Grant St.,
Porch Repairs BEFORE



HDF-2017-5836-NEP, 521 N. Grant St.,
Porch Repairs AFTER

Detroit





BEFORE

AFTER

"Global Detroit's work is very positive! Not only did the pathway beautify my home, it has attracted the attention of my neighbors and we've received compliments for the job well done. We need programs like this that improve the neighborhood, this is the only way to attract more residents and improve security." - **Hani Al-Shaikh**, MSHDA Neighborhood Enhancement Program recipient.

**NEP Round 5 is
currently Live!!!**

\$2 Million MSHDA NEP Round Five funding statewide for activities directly tied to stabilization and enhancement of Michigan's neighborhoods.

Up to \$1,000,000 reserved for rural communities.

Up to \$400,000 is reserved for MSHDA Mod areas.

Up to \$600,000 is reserved for other applicants.

Eligible Funding Amounts - Takes same amount of administration burden to implement a \$10,000 grant vs. \$50,000

Funding amount caps/“up to” amounts are determined based on agency type and population:

\$30,000 for applicants that are 0-49,999 in population and not HUD direct allocation recipients

\$40,000 Direct Funded MSHDA Mod Areas

\$50,000 for non-profit applicants serving communities 50,000+ in population

Applicants can either be:

Category A: Qualified nonprofit 501(c)(3) agency which is currently actively servicing a neighborhood; has at least one full-time employee; is not operating the agency via their principal residence; and has an operating budget exceeding \$30,000 per year

OR

Category B: Divided into two groups:

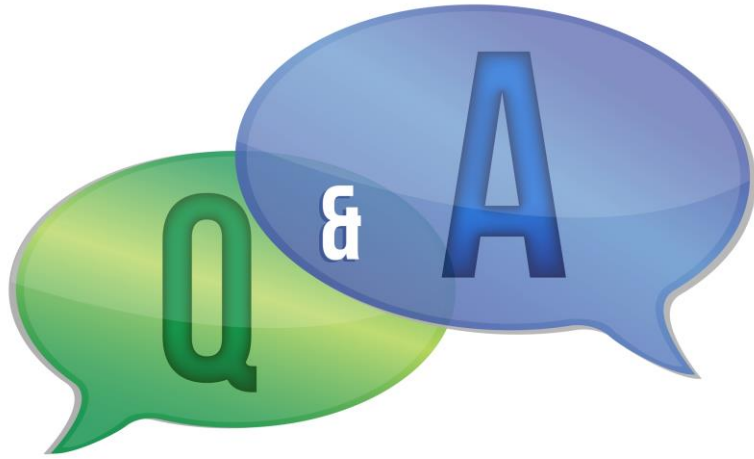
1. rural local units of government with a population of less than 5,000
2. local units of government with a population of less than 50,000 that are not direct recipients of U.S. Department of Housing and Urban Development with combined federal funds exceeding \$350,000 per CDBG and/or HOME program per year.

OR

Category C: MSHDA MOD recipient with an executed Grant Agreement prior to 12/5/19

We have a separate generic mailbox for questions/submissions

hidmailbox@michigan.gov



- ▶ Each funding round we have a Q & A window and a Q & A Conference Call
- ▶ All Q & A responses are posted on our website

What's Required???? Four Steps...

- ▶ Complete a one-page Cover Form
- ▶ Prepare a Letter of Interest and Pictures (more info on next slide)
- ▶ Provide a Community Support Letter
- ▶ 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.

Letter of Interest Threshold Requirements:

- ▶ Narrative Summary Item #1:

 - Activity components being requested/how the funds are anticipated to be used

 - Neighborhood being selected (include name and boundaries)

 - Staff capacity for implementation

- ▶ Narrative Item #2:

 - Neighborhood engagement activities/efforts that are currently and/or anticipated to occur within the proposed neighborhood boundaries

 - Identification of proposed area(s) within local and/or state designated investment/incentive target area

- ▶ Item #3:

 - Pictorial Overview of Project

 - Neighborhood description/Map

 - Photographs must be clearly labeled. Videos are also acceptable.

Funding Requirements

- ▶ The minimum program allocation is \$10,000 per agency. Multiple activities of smaller amounts can be combined to reach this minimum threshold.
- ▶ Up to 10 percent of the grant award may be used for documented and itemized program planning and administration.
- ▶ All cost overruns are the responsibility of the grantee and cannot be covered by MSHDA.
- ▶ Grant has a 10% holdback provision until final outcome report is received.

- ▶ The funding is designed for impactful, innovative, neighborhood housing-oriented activities that benefit area residents.
- ▶ Selection of awards will be made based on population, geographical distribution, neighborhood need and proposed use of the NEP funds.

Activity Components: Each submission must include a housing component activity that consists of a minimum of 50% of the request.

Round 5 Activity Component A:

Component A - Housing Enhancements (Minimum of 50% of total request)

- single family owner occupied exterior rehabilitation/repair - Examples: accessibility improvements to driveways, porches, stairs, railings, windows, exterior painting/siding; windows, doors, etc.

Of the funding requested for Component A, up to a maximum of 50% can be utilized for interior improvements tied directly to red-tagged currently non-code compliant items (permanently affixed to the house) which unless addressed might make the house inhabitable and/or address accessibility needs. Each interior improvement must be pre-approved by your champion prior to incurring any costs. Non-essential items such as air conditioners will not be approved.

Housing Enhancement dollars will be released proportionately
i.e. 2% - exterior and 2% - interior (stand-alone).

- ▶ 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.
- ▶ Neighborhood Definition: A defined community-based residential area where people live and share amenities/resources.
- ▶ A lien will be placed on each assisted single-family property assisted with an NEP amount equal to or exceeding \$7,500.
- ▶ We do not require leverage to participate and we do not require leverage to come directly from the homeowners. When applying all leverage identified must be committed/secured.
- ▶ Homeownership activities are restricted to households that are at or below 120% AMI; that are current on taxes or in good standing via an approved repayment plan' that are current on their insurance and/or with proposed activities will be able to secure insurance; and is willing to have an energy audit conducted.

Assisted Households:

- ▶ All units rehabilitated with Grant funds shall be occupied by persons or families whose income does not exceed 120% AMI adjusted for family size.

Methodology: Household Income Self Certification Form - Grant Agreement

https://www.michigan.gov/documents/mshda/NEP_Self_Certification_Form_EX_B_2019_651742_7.pdf

Round 5 Activity Component B:

Component B - Neighborhood/Public Amenity Enhancements

(Maximum of 50% of total request) - improvements benefitting the entire neighborhood 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, etc.

Component	Funding Requested:		\$50,000
A	\$25,000		SF Homeowner Rehab
	Exterior \$20,000	Interior \$5,000	
B	\$5,000		Park Improvements
Admin	\$0		
Total Request	\$30,000		

How Can You Learn More?????

- ▶ Visit our website at:
[MSHDA/Neighborhoods/Neighborhood Enhancement](#)
- ▶ [Send your inquiry to the hidmailbox@michigan.gov](mailto:hidmailbox@michigan.gov)