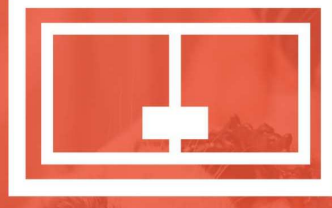


MI Neighborhood CDBG

Region B Training



MI Neighborhood Overview

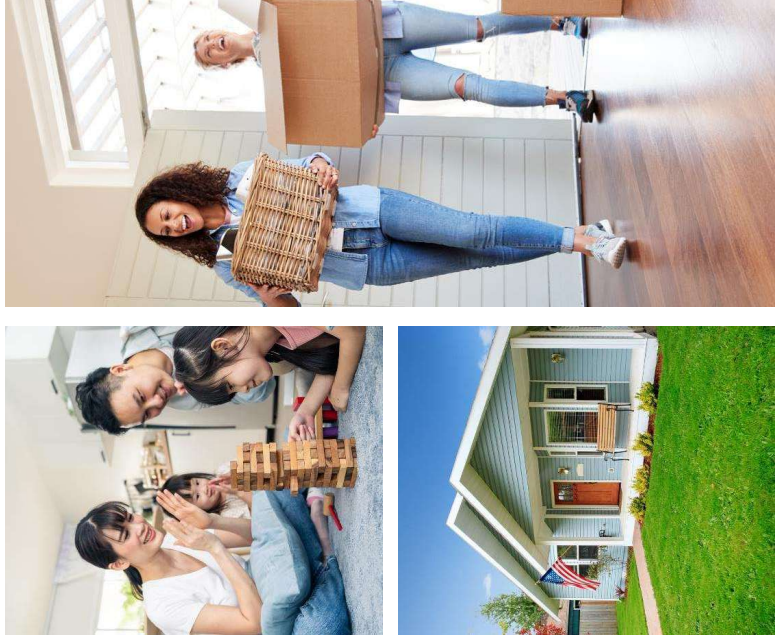


Funding Sources

- MI Neighborhood is a blend of state and federal funding made available in response to Statewide Housing Plan regional action plans.

- State Funding – Housing and Community Development Funds (HCDF)
- Federal Funding – Community Development Block Grant (CDBG)

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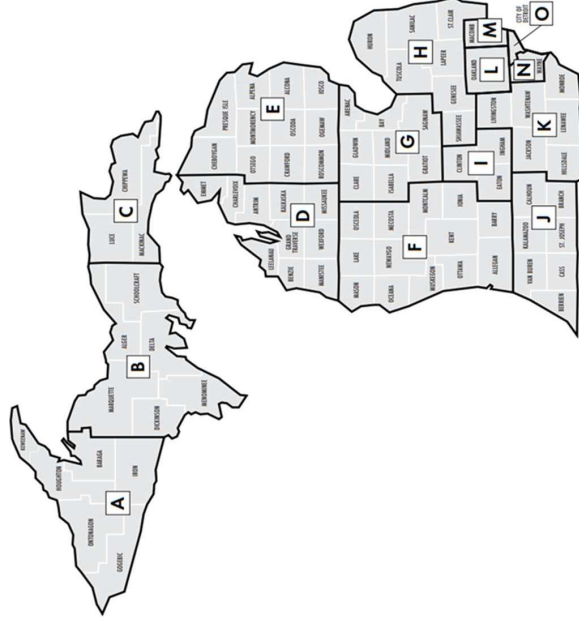
How does it work?

Purpose

- Funds activities that align with the Statewide Housing Plan
- Consolidates numerous legacy housing programs into one funding source for local governments, non-profits and developers
- Regional funding strategy

Application Process

- Applicants propose housing activities
- Federal CDBG funds are available to non-entitlement local government applicants
- Local government grantees may procure other partners to help them implement their projects, including nonprofits and developers





MI Neighborhood CDBG CDBG Letter of Intent Process

Letter of Intent Process (LOI) 5

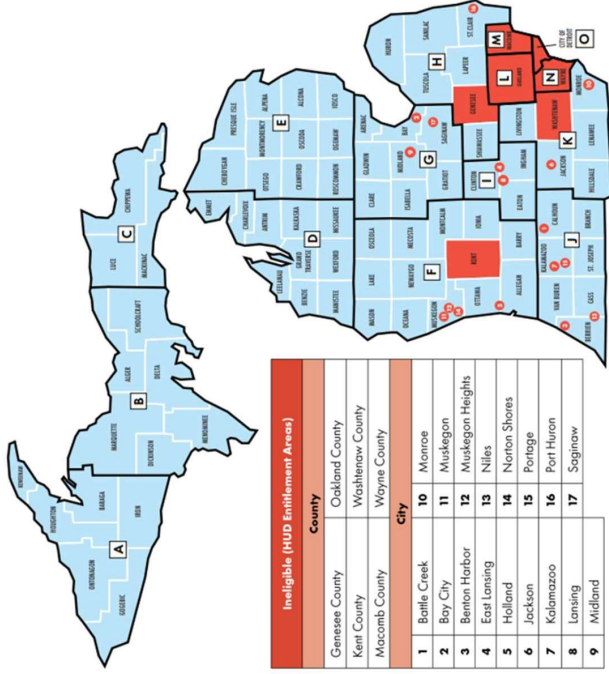
A ^{TB1}street₁ned process for eligible local governments to establish eligible projects and designate funds for their projects before completing their formal application.

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Eligibility for CDBG Funds

Map of Eligible Communities

- Only a Non-entitlement Unit of General Local Government (UGLG) is eligible to receive MI Neighborhood CDBG funds
- An UGLG is a city, county, township, village, or other general-purpose political subdivision of a state responsible for local governance and administration
- Entitlement Communities receive direct allocation from HUD



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CDBG Activities



TB1



CDBG Activities

Eligible Activities

Homeowner Rehab

Assists low-and moderate-income homeowners with needed repairs up to \$40,000

CDBG Activity: Homeowner Rehab

Eligible Properties

- • A single-family property which is zoned residential and is permanently owner-occupied by residents and their primary residence for a minimum of 12 months.
- Is current on mortgage(s) payments, if applicable.
- Has no tax delinquencies unless payment plan is in place and payments are current and is not subject to a foreclosure proceeding, court-ordered receivership, or nuisance abatement.
- • Has utilities services turned on.

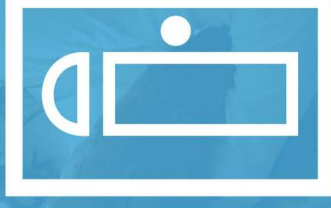
Eligible Rehabilitation

- Interior and Exterior Improvements to meet applicable rehabilitation standards and code requirements.

Required Documentation

- • Proof of fee simple ownership back to Warranty Deed.
- Income verification required at time of application.
- Initial housing inspection to demonstrate rehabilitation need(s).
- Must use mortgage and note template provided by MSHDA.

Planning and Program Design



Benefits for Local Governments

Demonstrates Responsiveness

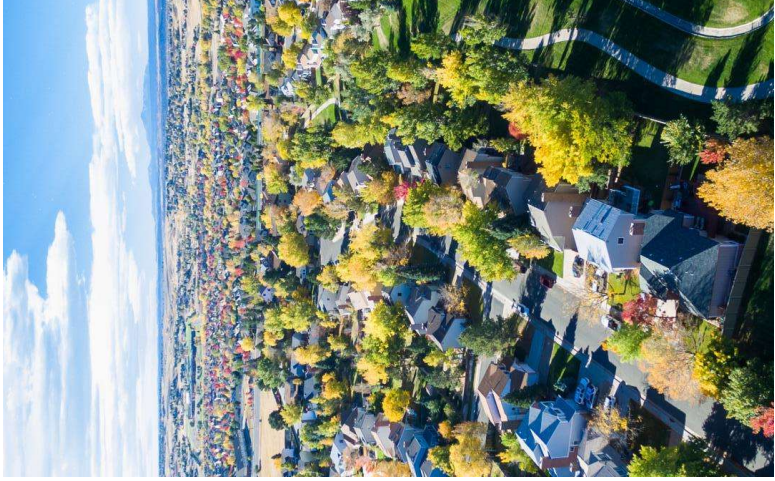
Shows commitment to helping community members in crisis

Cost Avoidance

Helps local families avoid the escalating costs associated with deferring maintenance

Energy Efficiency

Results in efficiencies that reduce ongoing expenses for cost-burdened households



Preserves Housing Stock

Reduces the loss of housing due to deferred maintenance

Integrated Housing Strategies

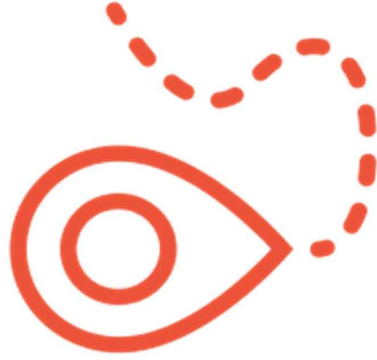
Pairs well with other housing strategies to improve neighborhoods

Wealth Building

Ensures low-income families can participate in wealth-building opportunities as housing markets heat up

Planning and Program Design

Targeting Resources



➤ **Define your geography:** Resources can be offered community-wide or targeted to a specific neighborhood. Avoid overlap with other MI Neighborhood grantees

➤ **Community-wide** is best in low density areas or when the highest priority is on addressing household needs

➤ **Neighborhood or area targeting** is best when trying to have a larger impact, especially in areas that are more densely populated

➤ **Align with your regional housing plan.** Site the specific goals in the regional housing partnership plan that your program will support

➤ **Use geographic data to identify housing needs:** consider housing cost burden, age of housing, code violations and tax delinquency which highlight areas with cost struggles and deferred maintenance

Promoting Resources

Notify the Public

- **Public hearing:** Early in the process, grantees will hold a public hearing to gather public comments.
- **Applications** must be announced and made available to the general public
- **Prioritization:** Most grantees use a first-come, first-served basis. Other options include first-qualified, first-served, scoring based on need, and an application window with a lottery
- **A press release** can be issued upon a successful award

MSHDA Tools

- Public notice template
- Editable application



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Assemble Staff



- > **Authorized Official:** Approves program guidelines, submits reports and financial draws
- > **Program Manager:** Creates program guidelines using template, compiles reports, reviews and approves payment of invoice. Provides financial insight prepares lens and financial draws
- > **Intake Specialist:** Processes applications, determines household eligibility, verifies income
- > **Construction Specialist:** Performs property inspections, writes specifications. Prepares cost estimates, solicits contractor bids, supervises construction



Planning and Program Design

Hire Program Partners

Third Party Administrator (TPA)

- Can be hired to fulfill most responsibilities but for those of the Authorized Official
- Must be procured, usually through a Request for Proposal(RFP) or small purchase process- minimum two bids required
- Can be an experienced consultant or a local housing non-profit

MSHDA Tools

- Policy Manual Ch. 13 "TPA's & Developers"
- Grant Management Plan Template

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Planning and Program Design

Partners (Continued)

Environmental Consultants

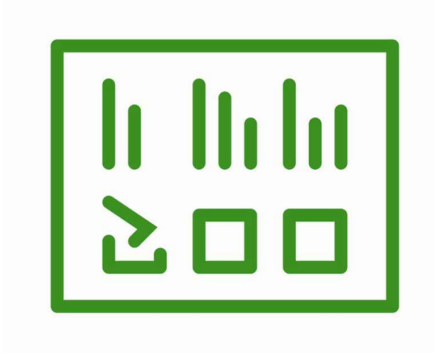
- Can conduct parts or all the required environmental review
- MSHDA provides a list of pre-vetted consultants

Construction Contractors

- A variety of contractors are typically needed unless the program is limited to similar types of repairs
- Must have RRP or Lead Abatement Certification when disturbing painted surfaces in homes built before 1978
- Must be licensed and insured

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Checklists, Tools & Templates



- > **MSHDA CDBG Policy Manual:** Review online by subject area and download forms, templates, etc. as you need them. Available at www.Michigan.gov/MSHDACDBG **There will be an updated manual October 2026**
- > **Construction Management Forms:** model documents for all aspects of managing the construction process including inspection forms, bid tabulations, waivers, change orders, etc.
- > **Homeowner Project Workbook:** includes a comprehensive checklist for completing each project—with reference materials for each step
- > **Training Resources:** Webinars available online on key topics; monthly grantee training; peer sharing
- > **MSHDA Champion:** every grantee is assigned a MSHDA support staff upon award