



MI NEIGHBORHOOD

Program Guidelines Content Requirements

Effective July 15, 2024

The fully executed Program Guidelines, Reservation Memorandum, and Grant Agreement will supersede the application in its entirety. The application will not be treated as a compliance eligible document.

Program Guidelines are a requirement for the Neighborhood Development Division's (NDD's) MI Neighborhood (MIN) Program funds. They are used by NDD subrecipients as an outline of program offerings, program and compliance requirements, eligibility requirements, selection criteria, complaint procedures, and program processes. They are intended to inform potential participants of the program's rules, expectations, and requirements.

Ultimately, Program Guidelines protect the subrecipient from claims of discrimination, favoritism, or other unfair treatment. **Program Guidelines should spell out in plain terms the substantive requirements of the program, so that if an applicant is denied, the reason is clearly supported by the written rules of the program.** Program Guidelines should also be directed at potential participants of the MI Neighborhood Program.

The information below is meant to provide guidance in the formulation of the Program Guidelines. All items might not pertain and therefore will not be included.

General Provisions

- MI Neighborhood Program Goals/Purpose/Desired Outcomes
- Program Location (Target Area with boundaries identified)
- Leveraged Resources (if applicable) – All resources need to be secured prior to grant award
- Owner Contribution (if applicable) – Must be placed in Subrecipient's escrow fund prior to project start. Lines of credit (LOCs) are not considered secure for this program (LOCs can be nullified by the time project starts)
- Fair Housing/Equal Opportunity/Non-Discrimination – Statement of the Agency's Policy, Identity of Contact Person and contact number
- Conflict of Interest provisions – No employee, board member, or paid individual associated with the entity can participate in the program (refer to Conflict of Interest Memo)
- Fraud Prevention - Specific program guideline parameters are designed to assist with developing a formal written approach to deter, detect and hopefully prevent and/or mitigate the risk of fraud
- Complaint Resolution – Review Committee, Procedures, Filing Complaints/Appeal Process, Response, Dispute Resolution, Final Recourse, Reinstatement
- Program Administration or Developer Fee
- Confidentiality
- Files and File Retention
- Monitoring Parameters
- Compliance Certification



Agency Name: _____

Grant #: _____

Date: _____

I have completed all required box selections and data entries.

In addition, I have provided the following attachments (as applicable):

Attachment A – Local Fair Housing Policy

- Fair housing contact information required to be entered

Attachment B – Local Conflict of Interest Policy

Attachment C – Local Fraud Prevention Plan

Attachment D – Local Complaint Resolution Process and items (1-5) on
page 11 required

Attachment E – Local Application and Applicant Selection Process

Other: _____



MI Neighborhood Program Guidelines

MI Neighborhood Program Goals/Purpose/Desired Outcomes - MI Neighborhood intends to promote local service area engagement and closely monitor subrecipient intake and selection practices to facilitate equitable outcomes, including economic, and racial equity. MI Neighborhood is in response to regional action plans and will provide strategic alignment with the Statewide Housing Plan. This new program supports access to three main housing activity components: rehabilitation, new unit, and/or public amenities. All items below must be completed in their entirety.

1. Program Location - Regions and site boundaries were identified in the Reservation Memorandum.

Check one of the boxes below:

Reservation Memo Correct

OR

Reservation Modifications Needed (Provide explanation in box below)

2. Leveraged Resources – All resources need to be committed prior to project starting.

Check one of the boxes below:

Reservation Memo Correct

OR

Reservation Modifications Needed (Provide explanation in box below)

3. Owner Contribution – Check one of the boxes below. Must be placed in Subrecipient’s escrow fund prior to project start. Lines of credit are not secure or acceptable. (Can be nullified by the time project starts.) MI Neighborhood funding cannot be used to cover relocation costs. Project cost overruns are the responsibility of the subrecipient.

Applicable – Specify and Describe Requirements in box below

Not Applicable

4. Fair Housing/Equal Employment Opportunity/Non-Discrimination

Agency Fair Housing Contact Name/Title: _____

Email Address: _____

Phone Number: _____

Our organization is adopting MSHDA's Fair Housing Policy below
OR

I have attached a local policy that matches MSHDA'S Minimum standard labeled **Attachment A**.

Must include a Statement of the Subrecipient’s Policy, Identity of Contact Person, and Contact Information. MSHDA will require all subrecipients, as part of the agency-specific program guidelines outlining MI Neighborhood’s procedures, to obtain data and/or be supplied data about the demographic composition of their selected area(s). Based on this data, the subrecipient agency will gain insight into which residents are historically under-served, marginalized, or adversely affected groups that can be served within their jurisdiction.

Marketing efforts must contain a documented and demonstrated methodology to notify **all** residents of the MI Neighborhood grant opportunity. If there is a population within the area that is predominantly non-English speaking, marketing materials will need to be prepared in the applicable language.



MSHDA's FAIR HOUSING POLICY STATEMENT

Equal housing opportunity for all persons, regardless of race, color, national origin, religion, age, sex, familial status, marital status, or disability, is a fundamental policy of the Michigan State Housing Development Authority. MSHDA is committed to diligence in assuring equal housing opportunity and non-discrimination to all aspects of its housing financing activities. As a state created housing financing agency, MSHDA has an ethical as well as legal imperative to work aggressively to ensure that MSHDA financed housing programs comply fully with all state, and federal fair housing laws.

If you believe you are the victim of housing discrimination you can contact the **Michigan Department of Civil Rights** at <http://www.michigan.gov/mdcr/1,1607,7-138-4953-6202--,00.html> or call their Fair Housing hotline number at **1-800-482-3604**.

If you live in a MSHDA financed development or are applying to live in a MSHDA financed development, and you believe you are the victim of housing discrimination, you can contact Geoffrey Ehnis-Clark at EhnisClarkG@michigan.gov or call him at **(517) 241-2996**.

Michigan Fair Housing agencies:

Fair Housing Center of Metropolitan Detroit

220 Bagley
Suite 1020
Detroit, MI 48226
(313) 963-1274
(313) 963-4817 fax
www.Fhcmetrodetroit.org

Fair Housing Center of Western Michigan

20 Hall Street, SE
Grand Rapids, MI 49507
(616) 451-2980
(616) 451-2657 fax
www.Fhcwm.org

Fair Housing Center of Southeastern Michigan

P.O. Box 7825
Ann Arbor, MI 48107
(724) 994-3426 or 1-877-979-FAIR
(734) 665-2974 fax
www.Fhcmichigan.org

Fair Housing Center of Southeast & Mid-Michigan (FHC)

209 East Washington, Suite 234
Jackson, MI 48903
1-877-979-FAIR (3247)
www.Fhcmichigan.org

Fair Housing Center of Southwest Michigan

410 E. Michigan Ave
Kalamazoo, MI 49007
(269) 276-9100
(269) 276-9101
www.fhcswm.org

RESOURCES:

Fair Housing Act as Amended (Title VIII)

<http://www.usdoj.gov/crt/housing/title8.htm>

Frequently asked questions about the Fair Housing Act

<http://www.usdoj.gov/crt/housing/faq.htm>

HUD's Office of Fair Housing and Equal Opportunity

<http://www.hud.gov/offices/fheo/aboutfheo/aboutfheo.cfm>

National Fair Housing Advocate

www.fairhousing.com

People with Disabilities

<http://www.hud.gov/offices/fheo/disabilities/sect504.cfm>

<http://www.hud.gov/offices/fheo/disabilities/index.cfm>

<http://www.usdoj.gov/crt/ada/adahom1.htm>



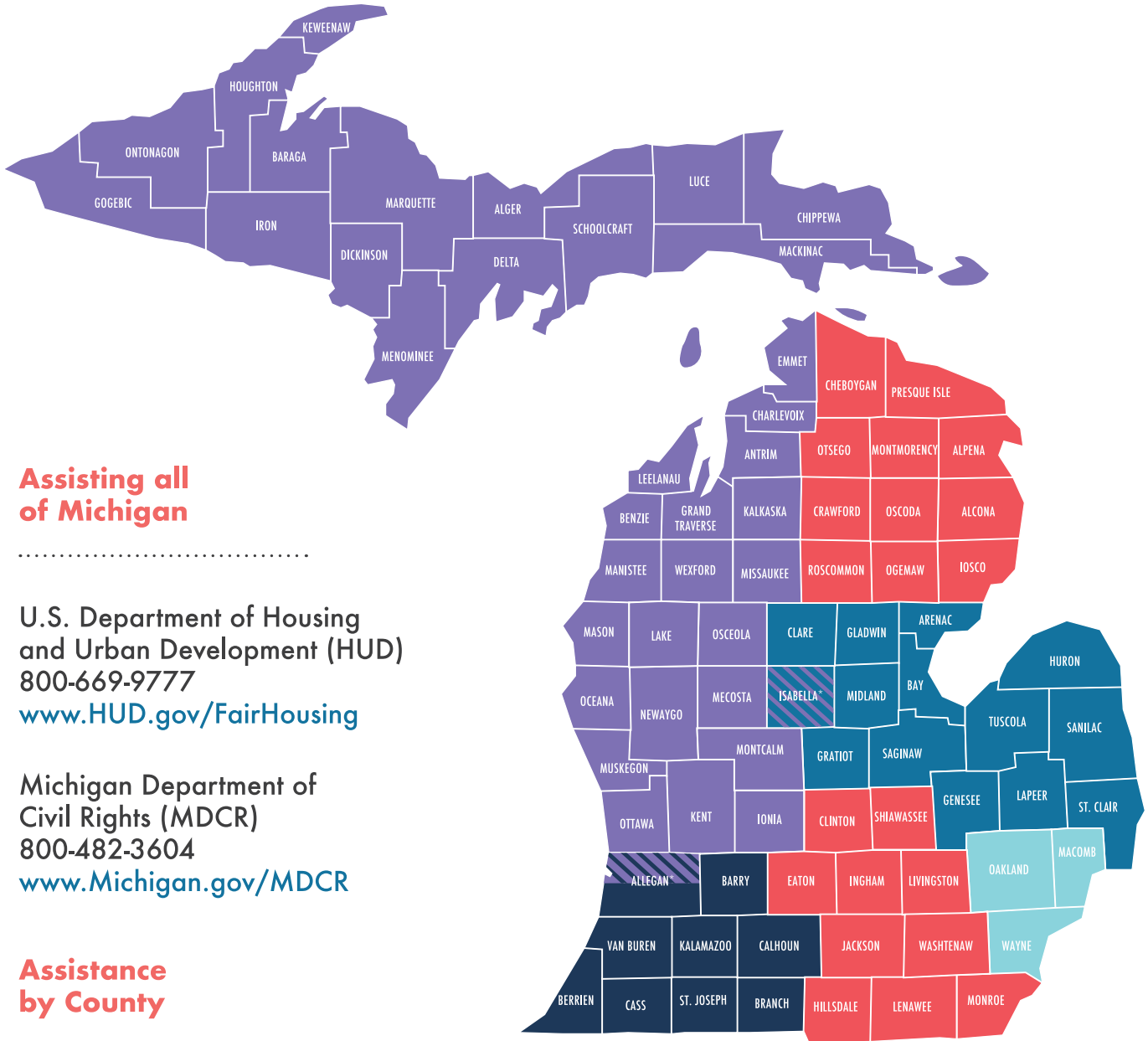
Accessibility Requirements for Buildings

<http://www.hud.gov/offices/fheo/disabilities/accessibilityR.cfm>

MSHDA's Affirmative Fair Housing Marketing plan form, for MSHDA financed developments.

http://www.michigan.gov/documents/mshda_affirmative_fair_housing_plan_form_131501_7.DOC

FAIR HOUSING RESOURCES



Assisting all of Michigan

U.S. Department of Housing and Urban Development (HUD)
800-669-9777
www.HUD.gov/FairHousing

Michigan Department of Civil Rights (MDCR)
800-482-3604
www.Michigan.gov/MDCR

Assistance by County

■ Fair Housing Center of West Michigan
20 Hall Street SE, Grand Rapids, MI 49507
616-451-2980 | 866-389-FAIR (3247)
www.FHCWM.org

■ Fair Housing Center of Eastern Michigan
436 Saginaw Street #101, Flint, MI 48502
800-322-4512
www.LSEM-FHC.org

■ Fair Housing Center of Southwest Michigan
405 W. Michigan Avenue, Kalamazoo, MI 49007
269-276-9100 | 866-637-0733
www.FHCSWM.org

■ Fair Housing Center of Southeast-Mid Michigan
P.O. Box 7825, Ann Arbor, MI 48107
877-979-FAIR (3247)
www.FHCMichigan.org

■ Fair Housing Center of Metro-Detroit
5555 Conner St. Suite 1017 Detroit, MI 48213
313-963-1274
www.FairHousingDetroit.org

*Double Coverage

5. Conflict of Interest Statement - See MSHDA’s Conflict of Interest Policy below. Subrecipient Program Guidelines must include a plan regarding conflict of interest.

I have read and will adhere to the Conflict of Interest Policy and our organization is adopting MSHDA's policy below

OR

I have attached a local policy that matches MSHDA minimum standards labeled **Attachment B**.

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

CONFLICT OF INTEREST POLICY

The following conflict of interest standards apply to all recipients of and participants in any program administered by the Michigan State Housing Development Authority (the “Authority”) using MI Neighborhood (the “MIN” Program), including, but not limited to, officers and employees of the Authority and any vendors, agents, contractors, and subcontractors working with the Authority in connection with the MIN Program.

Conflict of Interest

A conflict of interest occurs when an employee that either works on the MIN Program (i.e.: participates in the selection, award, or administration) or is receiving an award from the MIN Program (this includes both permanent or limited term and contract employees; collectively, “Employee”) or an immediate family member of the Employee has a direct, actual financial or ownership interest in a development, program or matter pending before the Authority. In such a case, the Employee or immediate family member must either withdraw from the interest that creates the conflict or remove the matter from the Authority’s consideration. Conflict of interests will be subject to the Authority’s Code of Ethics and may be reviewed by the Authority’s Ethics Committee.

A conflict of interest may also occur if friends, family members, or business associates of an Employee apply for and receive program benefits. To avoid such a conflict, the Employee must disclose any family, friend, or business associate relationship with a program applicant to the Authority’s Director of the MIN Program and/or Operations Manager and must not participate in the processing, approval, underwriting, or administration of such application for assistance, or any other related decision-making.

A conflict of interest may also occur if an Employee or an Employee’s immediate family member receives a gift, gratuity, favor, loan of money, or other thing of value from a person or organization applying to a MIN Program or otherwise doing business with the Authority. An Employee or an Employee’s immediate family member may not solicit or accept any money, gift, loan, services, goods, or other thing of value from a person or organization applying to, or doing business with, the Authority except under the following circumstances:

- a. A *de minimis* gift of \$20 or less in value.
- b. Meals or beverages paid for by a person or organization doing business with the Authority if incidental to a business meeting, seminar, training session, or other organized function that has a purpose beyond the providing of the meal or beverage.

A conflict of interest may also occur based on the appearance of a conflict, whether or not an actual conflict exists. An Employee must treat any apparent conflict in the same manner as an actual conflict.

If you believe a conflict or potential conflict or the appearance of a conflict exists, please report in writing to the Authority’s Director of the MIN Program and/or Operations Manager, the Authority’s Director of Legal Affairs, and the United States Department of the Treasury.

Employee and Immediate Family Member Participation in MIN Programs

An Employee of the Authority or the MIN Program and/or that Employee's immediate family member may apply for assistance through a MIN Program. To avoid any actual or perceived favoritism or conflict of interest, the Employee and the Authority must observe the following principles and guidelines:

- a. The Employee and/or the Employee's immediate family member must meet all eligibility criteria required of program participants.
- b. The Employee cannot supervise or participate in the processing of their application.
- c. The Employee's direct subordinates cannot participate in the approval of the Employee's application or in any decision or recommendation regarding the Employee's participation.
- d. The Authority's Director of the MIN Program and/or Operations Manager, the Authority's Director of Legal Affairs, and the United States Department of the Treasury may require additional documentation.
- e. The Authority's Director of the MIN Program and/or Operations Manager must approve the Employee's participation in writing.

Before an Employee and/or the Employee's immediate family member applies for any MIN Program, the Employee must follow the following procedures:

1. The Employee must notify the Authority's Director of the MIN Program and/or Operations Manager and the Authority's Director of Legal Affairs of their intent to apply for assistance prior to submitting an application.
2. The Employee must follow all program application procedures. The Authority's MIN Program staff will review and process the Employee's application, with a recommendation to the Authority's Director of the MIN Program and/or Operations Manager and the Authority's Director of Legal Affairs regarding approval.

Definitions

In interpreting the foregoing provisions, the following definitions apply:

- a. “immediate family member” means an Employee’s grandparent, grandchild, parent, parent-in-law, stepparent, sibling, spouse, child, or stepchild¹
- b. “family member” means an Employee’s relative by blood, marriage, partnership or adoption, including an Employee’s spouse, partner, parent, sibling, grandparent, child, grandchild, aunt or uncle, or cousin, and step-, half- or in-law relations of the same types of family members.
- c. “friend” means an individual not related by blood, marriage, or partnership with whom an Employee enjoys a close personal relationship.
- d. “business associate” means a person associated with an Employee to achieve a common financial objective.

¹ The Authority acknowledges that the Michigan Civil Service Commissions Rule 2-8 does not include grandchild in its definition of immediate family member and the United States Department of Treasury does not include a grandparent in its definitions of immediate family member for 12 CFR 26.2 and 12 CFR 161.25. Out of an abundance of caution, the Authority recommends including both grandchild and grandparent in the definition of immediate family member.

6. Fraud – Subrecipient Program Guidelines must include a plan regarding the prevention of fraud. See MSHDA’s Fraud Prevention Policy below.

My organization is adopting the MSHDA fraud prevention plan below in its entirety.

OR

My organization has a fraud prevention plan and have attached a copy labeled **Attachment C**.

These organization specific program guideline parameters are designed to assist with developing a formal written approach to deter, detect and hopefully prevent and/or mitigate the risk of fraud occurring within this state and/or federally funded program.

- Agencies need to establish and implement an effective and engaging audit/finance process to review and inspect certain documents associated with individual beneficiary activities on an informal ongoing basis and formally on a quarterly basis.
- Agencies need to establish a code of ethics/structural overview including both formal guidelines of the specifies acceptable applicant intake criteria utilization MSHDA software and clearly defines applicant award parameters. This overview is designed to provide transparency to applicants and minimize gray areas of the review, selection and award process.
- Agencies need to adopt a formal fraud policy that identifies procedures to be followed for suspected fraud and the methodology employees should utilize to report the suspicions. Note: MSHDA has a fraud hot-line and electronic form that can be utilized.
- Agencies must ensure that affective internal controls are in place and enforced. At a minimum, two check signatures must be required and safeguards must be in place to ensure adequate oversight and separation of duties is being conducted on a regular basis. Entities that have been cited for internal control issues within the past 5 years must disclose that to MSHDA as part of the organizations/ financial review process.
- Agencies should be licensed independent body audit financial statements for the MI Neighborhood expenditures and receipts.
- Agencies must have a formal written document retention policy and records containing Personally Identifiable Information (PII) must be carefully stored in an area accessible only to necessary staff. All records must be retained until 12/31/2031, according to the MI Neighborhood written agreement requirements.
- Agencies must have whistleblower procedures in place to encourage reporting without fear of retaliation and/or establishment of an anonymous methodology of reporting concerns.

7. Complaint Resolution Process - Subrecipient must include Review Committee, Procedures, Filing Complaints/Appeal Process, Response, Dispute Resolution, a complaint resolution plan/procedure.

I am attaching agency specific procedures labeled **Attachment D**. for items 1-5 below.

AND

I am adopting the MSHDA complaint resolution plan/procedure outlined on the next page.

**MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
NEIGHBORHOOD DEVELOPMENT DIVISION
Subject: COMPLAINT PROCEDURE**

Effective Date: November 1, 2018

The purpose of this policy bulletin is to outline requirements for NDD Subrecipients to establish a client complaint procedure for consistent resolution of conflicts. Complaints may come from applicants for assistance, owners dissatisfied with work, participating contractors, or other interested parties.

A SUBRECIPIENT'S CLIENT COMPLAINT PROCEDURE MUST

- 1. Be outlined in Subrecipient's Program Guidelines.** Clients and contractors must be informed of the complaint procedure when they are selected to participate in the program or upon receipt of a written complaint.
- 2. Establish a timely response.** Ensure that a client's initial complaint is responded to by the program administrator within 15 working days of the date of the complaint.
- 3. Require that the Chief Executive Officer (CEO) or Executive Director** of the subrecipient be informed of any complaint the program administrator fails to resolve. The subrecipient (at its option) may ask the CEO to review the case and recommend a resolution.
- 4. Provide for the establishment of a review committee,** to be comprised of at least three people, which must hear all cases that cannot be successfully resolved by the program administrator (and CEO if he/she is part of the complaint procedure). It is recommended that the committee members serve a specified number of years. **The review committee should be comprised of:**
 - A person with building/construction expertise (completely separate from the contractor who is part of the complaint);
 - A local community representative; and
 - A representative of the subrecipient (but should not be administrator or staff member of housing program)

The claimant may choose to make a presentation or submit a written description (including documentation) to the committee for review.
- 5. Establish process to notify the client in writing of the review committee's decision** within 15 working days of the date of the hearing.

This policy covers the following processes:

- The subrecipient's client complaint procedure
- Referrals to Dispute Resolution Services
- MSHDA review of complaint
- Resolution determined by MSHDA

REFERRAL TO DISPUTE RESOLUTION SERVICES REQUIRED IF CONFLICT NOT SATISFACTORILY RESOLVED

Should the above listed efforts fail to resolve all outstanding issues, subrecipients must seek the services of the closest Dispute Resolution/Mediation Program. The costs, if any, for using mediation to seek resolution of the dispute are eligible administrative costs under MSHDA's Neighborhood Development Division written agreements. A list of Community Dispute Resolution Program (CDRP) Mediation Centers may be found at <http://courts.mi.gov/administration/scao/officesprograms/odr/pages/community-dispute-resolution-program.aspx> . Attached is a process map for a typical complaint procedure.

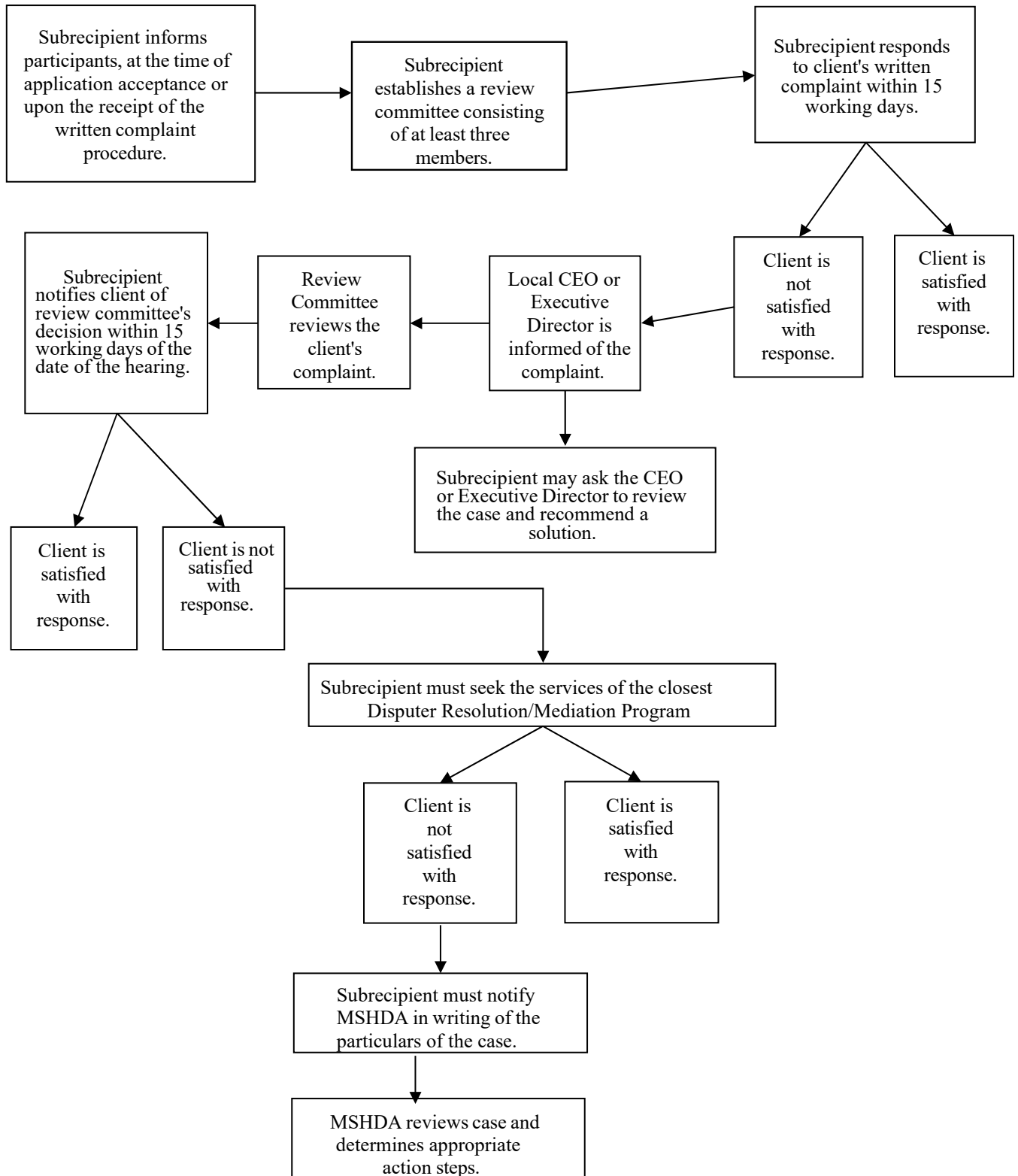
MSHDA will review complaints only after the above process is complete and the dispute is still unresolved.

In the event that MSHDA is contacted directly by a complainant, they will be referred to the subrecipient for implementation of policy procedures. After all previously outlined steps have failed to resolve the complaint, the subrecipient may contact MSHDA in writing, detailing the complaint and verifying its compliance with the above listed steps.

NOTE: All liability to third parties, loss or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the subrecipient in the performance of its NDD funded written grant agreement shall be the responsibility of the subrecipient, and not the responsibility of the Authority, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the subrecipient, any subcontractor, anyone directly or indirectly employed by the subrecipient, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the subrecipient or its employees by statute or court decisions.

If you have questions, contact your Champion.

CLIENT COMPLAINT PROCEDURE



8. Eligible Requirements

Applicants

- Eligibility of Applicants – Household Income Self-Certification Form and Supporting materials must be received and approved by the grantee.

Household Income Limits

We will strictly use 2024 income guidelines as outlined in MSHDA approved grant agreement exhibit.
OR

We will use annually adjusted income guidelines for 2024, 2025 and 2026 activities.

Minimum/Maximum Levels of Assistance – Insert amounts below

Minimum Assistance Amount Per Property: \$ _____

Maximum Assistance Amount Per Property: \$ _____

9. Historical Property – Local Historic Review

All historic structures activities must be historically sensitive and local historic authorization must be secured prior to activity taking place.

Applicable

Not Applicable - No local Historic Review will be required.

Local historic review and approval is required prior to disbursement of funds.

10. Lead-Based Paint/Asbestos Compliance

Environmental Related Treatments and Standards – The following environmental rehabilitation component standards shall be part of a holistic rehabilitation activity. **No stand-alone environmental activities are allowed.**

Lead Paint: EPA’s Lead Renovation, Repair and Painting Rule (RRP Rule) requires that firms performing renovation, repair and painting projects that disturb lead-based paint in homes built prior to 1978 have their firm certified by EPA. When lead painted surfaces are disturbed during a MI Neighborhood rehabilitation activity, sub-recipients must use certified renovators who are trained by EPA-approved training providers and follow lead-safe work practices.

Applicable

Not Applicable

Asbestos: Only EPA asbestos certified specialist, workers along with a supervisor can carry out asbestos abatement tasks. Asbestos activities must be associated with an approved rehabilitation activity.

Applicable

Not Applicable

11. Application Process and Applicant Selection - The application process must be free, fair and open to all area residents that fully meet qualifications outlined within the MI Neighborhood program materials.

Activity Parameters

Please define eligible activities in the box(es) below. Select one or more of bolded options below and complete the corresponding sections as applicable.

Rehab

New Unit (Includes Unoccupied Rehab for Resale)

Public Amenity

Section 1 Rehab Activities

Part A

Reservation Memo description sufficient

OR

Reservation Memo not sufficient - additional details below

Consult Construction Standards on MSHDA website for more details.

Part B

Attach the Application and Applicant Selection Process Narrative **and** Include the Following:

Subrecipients will be required to provide a list of all assisted households and collect property address specific information.

Description: Local process that will be used for beneficiary selection. Identify ALL local parameters and include all bulleted items below:

- Application Intake Process/Review.
- Project Selection Process /Inspections, i.e., site selection, prioritization of properties, etc. Photographs are required before and after with similar angle/location/reference and contain the address.
- Selection Process/Eligibility/Lottery Process (encompassing all eligible community members).
- Applicant Prioritization Selection Process: Subrecipients must identify how applicants are sorted into each category: Income level; zip code preferences; activity need; demographics/ long-time resident; owner occupied vs non owner occupied; activity tied to weatherization/ deferral item.
- Applicant data will be reported each quarter, and a formal analysis will be undertaken at MSHDA to ensure that fair and equitable distribution of the resources is actively undertaken.
- From the selected applicant pool, if a method other than lottery/random sample selection is undertaken, the assisted households must fall within 50% of the composite neighborhood demographics and resemble neighborhood resident population to ensure equitable distribution of funds.

Subrecipients will be required to prioritize applicants through a written selection process as outlined in the box below or labeled as **Attachment E**.



Part C

Property Condition Criteria - Prioritizing property condition criteria within the selection process.

Utilizing MSHDA criteria below.

AND

Additional requirements and program preferences and priorities in the box below.

Additional requirements, preferences, and priorities	Not Applicable
Applicable, described below	

Owner Criteria and Eligibility

Owner

Non-Owner

Owner criteria based on local parameters regarding selection and eligibility.

Owner-Occupied Units

Owner-Occupied Single-Family Rehabilitation Site

Guidance Eligible Owners: Must meet the following criteria:

- Homeowner must currently own and occupy the property as their primary residence.
- Homeowner households must meet the MI Neighborhood Income Eligibility Requirements.
- Homeowners must provide verification of occupancy of the home for a minimum of twelve months from the date of the MI Neighborhood application submission.
- All properties must be current in their taxes or be current in a repayment plan.
- All properties must be insured or provide written verification of insurability post-rehab from an insurance company/agent.
- For properties owned by a trust, a Certificate of Trust is required. This must confirm that the applicant is the trustee and has the requisite authority to approve participation in the MI Neighborhood program. If the Certificate of Trust does not provide the appropriate verification, a Certificate of Trustee Authority will also be required.

Non-Owner-Occupied Rental Units

Single-Family Rental Rehabilitation/Non-Owner-Occupied Site Ownership Guidance

MI Neighborhood Funding is limited to a rental owner only receiving one award per funding year.

Eligible rental occupied properties must meet the following criteria:

- Tenant must occupy the property as their primary residence.
- Tenant households must meet the MI Neighborhood Income Eligibility Requirements.
- For non-owner-occupied units the landlord must provide proof of ownership for twelve months and provide a six-month occupancy history.
- All properties must be current in their taxes or be current in a repayment plan.
- All properties must be insured or provide written verification of insurability post-rehab from an insurance company/agent.
- Rental properties must be occupied by tenants with a written lease stating that rent rates will not be increased post-rehab for a minimum of twelve months.
- 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.
- Occupant household is income-eligible.
- All parties must sign a written participation consent form.

Additional Property Criteria

- Repairs are restricted to permanent activities and defined as those necessary when a lack of repair or replacement threatens the safety of occupants and if not addressed will cause structural damage to the home.
- The assisted property must be currently occupied and not red tagged; or defined as inhabitable based on local code.
- This program is not designed to address mold, animal infestations, or other immediate threats to the health and safety of residents. If an emergency need is identified during the construction phase, and funds are earmarked within the existing grant budget, change orders exceeding ten percent (10%) require MSHDA pre-authorization.
- MSHDA construction standards must be followed (refer to website)
- Not subject to a foreclosure or forfeiture proceedings, court-ordered receivership or nuisance abatement.
- Utilities services turned on and operable or in situations where utilities are shut off but operable once safety issues are addressed –with MSHDA pre-approval prior to contract execution.
- Affixed to a permanent foundation.

Section 2

New Unit (Includes Unoccupied Rehab Units for Resale)

Reservation Memo description sufficient

OR

Reservation Memo not sufficient - additional details below

The following documents are required:

- Proforma
- Sworn Statement (Part 1 and 2)
- Timeline
- Marketing strategy and buyer selection parameters must include the statement “The Subrecipient Agency and MSHDA are committed to providing meaningful access.”

Describe Marketing Strategy:

Section 3

Public Amenity

Reservation Memo description sufficient

OR

Reservation Memo not sufficient - additional details below

The following documents are required:

- Reservation Memo and proof of ownership.
- Property must be free and open to the public during normal business hours.
- The Subrecipient Agency and MSHDA are committed to providing meaningful access.

Ownership for Non-Owner-Occupied Properties: Public Amenity

If you will be undertaking work on a site that is:

- a) not owned by the subrecipient based on the current recorded deed and
- b) the assisted property is not an owner-occupied single-family structure.

Then the following action steps will be required by your agency:

1. Develop a scope of work and timeline that is agreed to in writing by all parties.
2. Obtain formal written authorization and a Notice to Proceed from the current owner.
3. A Landlord Written Participation and Certification Agreement will be required.
4. Obtain verification that there is current liability insurance, and all taxes are current and/or a current payment plan/agreement is in place for the site prior to any work taking place.

12. Contractor/Vendor Selection

- Description: Local process that will be undertaken for **each** bullet below. Attach additional documentation as needed.
 - Procurement/Small Purchase Procedures for Contractor/Vendor Solicitation (a minimum of two weeks notice to respond is required)
 - Contractor Verification of Eligibility (State Licensing, Insurance Certifications, etc.)
 - Contract Approval, Award, and Notification
 - Pre-Construction Meeting (if applicable)
 - Contractor Notice to Proceed
 - Contractor Performance
 - Scope of Work Descriptions and Cost Estimates must be documented. A minimum of two quotes is required unless there is more than a 25% difference between them, in which case a third quote is required and/or it will be reviewed by MSHDA's Construction Manager.
 - Change Orders (Subrecipients will be required to update the Sworn Statement and Change Orders cannot exceed 10% post contract execution without prior approval from MSHDA)
 - Permits and Inspections/Notification Procedures (Federal and State Code)
 - Construction and Contractor Payment Provisions
 - Contract Extensions
 - Damages caused by Contractors and/or Subcontractors.

MI Neighborhood Awards: Refer to program implementation for benchmarks outlining Timeliness Guidelines below. Failure to perform in a timely manner will result in sanctions resulting in recapturing 25% of awarded funds incrementally if a subrecipient agency has not demonstrated activity through meeting minimum benchmark dates as outlined. A flat amount of 25% of awarded funding will be taken back each benchmark month, unless at least 25% progress is demonstrated. The calculation of the percentage will be the total and/or initial award only if multiple phases of funding were awarded until the new funding amount via amendment occurs. All timelines are tied to the grant execution date.

TIMELINESS IMPLEMENTATION PROGRESS CHART GUIDELINES:

Benchmark (months)	Requirement Description	Percentage of Project Completed
6	Formal Site Control or All Addresses Selected	25%
12	Contract(s) Executed for All Construction	50%
18	Construction Must be Underway	75%
24	All Construction/Project Activities 100% Complete and Submitted in IGX	100%

NO EXTENSIONS WILL BE APPROVED PAST 24 MONTHS

13. Lien Requirements - For MSHDA Assisted Units

1. MSHDA liens will be required for all single-family homeowner owned rehabilitation activity properties that receive \$10,000 or above in MI Neighborhood funds and will be in the format of a 5-year 100% forgivable lien.

For all assisted new units/rental/land contract/land trust properties (MSHDA Pre-Approved), regardless of the dollar amount of assistance, MSHDA liens will be required and will be in the format of a 5-year 100% forgivable lien.

2. New Unit and Rental requirements include:

- 5-year MI Neighborhood Regulatory Agreement.

3. Rental requirements include (in addition to the above):

- Landlord Written Participation & Certification Agreement. (See Handbook.)
- Mortgage and Note signed. (See Handbook.) On the mortgage, the landlord's address needs to be identified on pg. 1 (mailing address of Landlord), and on Exhibit A, Legal Description the rental house address (where the work was done) needs to be listed.

4. Homeowner requirements include:
 - The Mortgage and Note for rehabilitation projects that are \$10,000 or above can be found on the website. These fillable PDF documents are to be completed by the grantee. The completed forms must be approved by an MI Neighborhood Champion before homeowner signature. After the forms have been approved, the grantee will provide the forms to the homeowner(s) for signature. Once signed, the Mortgage only, will be sent by the grantee, to the County Register of Deeds office for recording.
 - The homeowner(s) must also sign the attached Homeowner Certification document.
5. Please make copies of all documents for your files. The original recorded mortgage, original signed note, and the original signed Homeowner Certification should be uploaded into IGX. **The Mortgage and Note must be signed before any expenses will be approved.** For consistency purposes, all MIN liens should contain the name of the MIN Champion and all documents should be forwarded to the Neighborhood Development Division for intake and mortgage log entry.
6. Construction Lien – All new units funded with MI Neighborhood will have a future advance construction mortgage and note placed on the property at time of construction contract execution and discharged upon sale.
7. **All Properties must carry property insurance from the date the notice to proceed is issued from the grantee to the contractor.**
8. The amount of assistance is comprised of all material and labor costs and/or the total MI Neighborhood investment, whichever is greater for a specific address.

For MSHDA Units – Local Restrictions

Applicable - Describe Requirements Below

Not Applicable

Description: (Must Include Local Level Leveraged Funds Lien Provisions, Execution, Recording, and Pay-off Requests/Procedure)

Non-MSHDA Units

Applicable - Describe Requirements Below

Not Applicable

Lien Requirements (if applicable and for non-MSHDA funds only)

- Lien requirements applied to MI Neighborhood funds. If a subrecipient chooses to allow liens on non-MI Neighborhood funds, this must be outlined in their guidelines and the following documentation is required:
 - Lien Provisions
 - Lien Execution
 - Lien Recording
 - Pay-off Requests/Procedures
 - Construction lien - All new units funded with MI Neighborhood

Description: (Must Include Local Level Leveraged Funds Lien Provisions, Execution, Recording, and Pay-off Requests/Procedure)

14. Program Administration or Developer Fee

Applicable - Describe Requirements Below

Not Applicable – Describe Local Leveraged Resources for Administrative Expenses In the Box Below

Activity must bring the assisted component up to federal, state, or local code conditions, whichever is stricter.

Administration Planning and Administration can be up to eighteen percent (18%) of the grant award. Documented and itemized program planning and administration tracking is required. The Program Administration Report Form within this handbook is required for payment.

- **No generic descriptions will be allowed.**
- **Expenses entered must match what you are requesting.**
- **Date ranges are not allowed.**
- **Must be signed by the employee and the Authorized Official. If the employee is the Authorized Official, then a signature on the second line is acceptable with a “see below” statement on the first line. (Note: This is only allowed if the employee and the Authorized Official are the same person.)**
- **No indirect cost rates, unsupported expenditures, and/or flat fees/percentages are eligible for reimbursement. Reach out to your Champion if you have any questions.**

Administrative expenses are tied to the project budget and grant agreement. No changes can be made after grant agreement is signed. The administrative project budget in the grant agreement cannot exceed 18% of the total grant.

- **A Deferred Developer Fee is capped at 18% of the Total MSHDA award and is not disbursed until unit completion and formal closing is complete to an eligible household, and a profit exceeding \$50,000 is not demonstrated on the final proforma, based on the final, fully executed closing disclosure document.**

Cost overruns and/or overall budgeting issues beyond the grant award amount are the responsibility of the subrecipient and cannot be covered by MSHDA.

Provide a plan below:

Administrative Plan:

Developer Fee Plan:

- Program Administration Report (Admin Tracking Form) – Must be fully completed, signed, and dated to receive reimbursement. A fillable version of the form is available on MSHDA Website.

15. Maintaining Confidentiality of Files, Records, PII Security actions, etc.

Describe Agency Specific Confidentiality Procedures Below:

16. Files and File Retention - Records and Financial Statements must be retained until **December 31, 2031 and recipients must provide or make available the records and financial statements upon request within three business days.**

Agency will Utilize the Organization File Retention Policy, as Outlined Below:

17. Monitoring

- Monitoring of files at the local level will not occur until after the first draw and prior to closeout.
- Additional on-site monitoring may be required if drastic deficiencies/issues are found during file monitoring visit(s).
- Notification will be provided to MSHDA regarding any applicable audit documentation related to the grant number within 30 days of receipt.

I certify to utilize the MI Neighborhood Program Policy and Compliance Handbook for compliance and understand that all Subrecipient Program Guidelines are subject to MSHDA approval based on the signature below.

I certify and acknowledge that all items identified above will be carried out in a compliant manner.

Subrecipient Printed Name

Emily Doerr

Subrecipient's Signature

8/15/24

Date

MSHDA Approval:

MSHDA NDD Director

Date

Based on the MSHDA approval above and a fully executed grant agreement your agency now has been issued a notice to proceed.

Note: If any modifications and/or deviations are necessary, a formal amendment through the IGX grant system is required and is subject to MSHDA pre-approval. The amendment must be fully executed in IGX to be valid. If activities are undertaken outside of the approved guidelines then no reimbursement of MIN funds can occur and/or repayment deemed necessary.



Customer Complaint/Grievance Policy & Procedure

The Disability Network (TDN) is a Center for Independent Living whose services are covered by Michigan Disability Right (MDR). If a customer is dissatisfied with the service of a TDN employee, it is suggested they:

1. Speak directly with the staff person regarding the issue. If not satisfied, they may
2. Speak with the staff member's team leader. Within 10 business days of receiving the complaint, the Program Manager will respond to the complaint. If still not satisfied, they may
3. Speak with the President/CEO. The President/CEO will address the matter within 5 business days. If still not satisfied, they may
4. Take their issue to TDN Board of Directors. If still not satisfied, they may
5. Take their issue to the client assistance program at Michigan Disability Right (MDR). The customer also has the option to go directly to MDR if dissatisfied with a TDN employee's service and skip steps 1-4. MDR is the final decision.

If you have concerns about the services you have received from The Disability Network, please follow these steps:

- 1. Discuss the situation with the staff member you are seeing.**
- 2. Discuss the situation with the staff member's supervisor.**
- 3. Discuss the situation with the President/CEO, Luke Zelley, by calling (810)-742-1800 Ext. 319**
- 4. Discuss the situation with TDN's Board, which meets quarterly. Call reception desk at 810-742-1800 for date and time.**

You may also contact the client assistance program at Michigan Disability Right (MDR) which assists people who are seeking or receiving services from Centers for Independent Living (TDN). You will be provided with a MDR brochure or you **can call MDR at 1-800-288-5923** (voice and TTY) or visit their website <https://www.drnich.org/>



MICH Program Application Process

All applications are processed on a first-come-first-served basis. Application requests can be made via phone, email, or in person. Once an application has been requested, the following will occur:

- Application packet will be mailed or emailed to the applicant. The packet will include the application form, the list of required supporting documentation, necessary attestations/releases, and program information.
- Once completed application packet is received, The Disability Network staff will facilitate necessary verifications to ensure program eligibility (proper documentation, photographs of apartment, income requirements, demographic requirements of neighborhood).
- Once applicant is approved, a work order will be created for the home modifications team and property will be added to the work list.

Incomplete applications will remain open for 30 days after receipt by TDN and applicants will be advised of the required steps to achieve completeness. Failure to bring incomplete application to completeness within the 30-day period will require a new application to be submitted.

There will be no prioritization based on income, zip code, activity need, or demographics. The program will strictly be first come first serve.

A. Procurement

1. Compliance

The Subrecipient shall comply with current city policy concerning the purchase of equipment and shall maintain inventory records of all non-expendable personal property as defined by such policy as may be procured with funds provided herein. All program assets (unexpended program income, property, equipment, etc.) shall revert to the City upon termination of this contract.

2. Federal Procurement Standards

The Subrecipient shall procure materials in accordance with standards as outlined in 2 CFR Part 200 Subpart D, §200.317 - § 200.326.

3. Women/Minority-owned Business Enterprises (W/MBE)

The Subrecipient will afford minority and women-owned business enterprises the maximum practicable opportunity to participate in the performance of this contract. The term minority and female business enterprise means a business at least fifty-one (51) percent owned and controlled by minority group members or women. For the purpose of this definition, minority group members are Afro-Americans, Spanish-speaking, Spanish surnamed or Spanish-heritage Americans, Asian-Americans, and American Indians. The Subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

4. Notifications

The Subrecipient will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract, a notice advising the labor union or worker's representative of the Subrecipient's commitments hereunder, and shall post copies of the notice in conspicuous places.

5. Equal Employment Opportunity/Affirmative Action (EEO/AA) Statement

The Subrecipient will, in all solicitations or advertisements for employees placed by or on behalf of the Subrecipient, state that it is a Federally Regulated Equal Employment Opportunity or Affirmative Action employer.

The applicant hereby agrees that it will incorporate or cause to be incorporated into any contract for construction work, or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the Federal Government or borrowed on the credit of the Federal Government pursuant to a grant, contract, loan, insurance, or guarantee, or undertaken pursuant to any Federal program involving such grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:

Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.

(3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

(4) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.

(6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive

Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.

(8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings

The Subrecipient shall comply with Executive Order 11246 of September 24, 1965, entitled Equal Employment Opportunity, as amended by Executive Order 11375 of October 13, 1967, and as supplemented by regulations at 41 CFR 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor and take affirmative action in hiring, training, and promoting minority group persons and women to bring about reasonably representative integration of their employees. For purposes of this Agreement, a "minority group person" includes one of the following:

- a. Black (all persons having origins in any of the Black African racial groups not of Hispanic origin)
- b. Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central and South American, or other Spanish Culture or origin, regardless of race)
- c. Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands)
- d. American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation of community identification).

The equal opportunity clause published at 41 CFR 60-1.4(b) is required to be included in, and is a part of, all nonexempt federally assisted construction contracts and subcontracts.

In addition to the clauses described above, all Federal contracting officers, all applicants and all nonconstruction contractors, as applicable, shall include the specifications set forth in this section in all Federal and federally assisted construction contracts in excess of \$10,000.

The Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (outlined at Executive Order 11246 and included in the CITY's Standard Operating Procedures) is required to be included in all nonexempt Federal and federally assisted construction contracts in excess of \$10,000.

The Subrecipient further agrees to review or examine with the City relevant employment data and other information pertaining to its hiring practices.

6. Subcontract Provisions

The City of Flint is required to follow the Federally Regulated Affirmative Action Compliance Program. The Subrecipient will include the provisions of Paragraphs VII A, Civil Rights, and B, Affirmative Action, in every subcontract or purchase order, specifically or by reference, so that such provisions will be binding upon each Subrecipient or vendor.

7. Bid Opening Procedures

a. Bids shall be submitted sealed to the Subrecipient and shall be identified as a sealed bid on the envelope.

b. Opening of bids shall be done in public at the time and place stated (at the City of Flint, Division of Community and Economic Development – **PLEASE REFER TO STANDARD OPERATING PROCEDURES FOR BID PROCESS**).

c. A tabulation of all bids received must be made available for public inspection. A copy of the bid opening and tabulation form must be sent to the Program Monitor for approval before formal awarding of bid.

d. The Subrecipient shall submit a copy of its purchasing policies and procedures annually to the City.

B. Contractor Verification

Subrecipient warrants and certifies that Subrecipient and/or any of its principals are properly certified and licensed to perform the duties required by this contract in accord with laws, rules, and regulations, and is not presently debarred, suspended, proposed for debarment or declared ineligible for the award of federal contracts by any Federal agency. Contract may not continue to or be compensated for any work performed during any time period where the debarment, suspension or ineligibility described above exists or may arise in the course of Subrecipient contractual relationship with the City.

Debarment and Suspension (Executive Orders 12549 and 12689)—A contract award (see 2 CFR 180.220) must not be made to parties listed on the government-wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. The Assistance Listings may be found at the following link, <https://sam.gov/content/assistance-listings>.

Failure to comply with this section constitutes a material breach of this Contract. Should it be determined that the Subrecipient performed work under this contract while in non-compliance with this provision, Subrecipient agrees to reimburse the City for any costs that the City must repay to any and all entities.

All permits, inspections, and notification procedures will follow state and federal code.

C. Insurance/Worker’s Compensation

The Subrecipient shall not commence work under this contract until he has procured and provided evidence of the insurance required under this section. All coverage shall be obtained from insurance companies licensed and authorized to do business in the State of Michigan unless otherwise approved by the City’s Risk Manager. Policies shall be reviewed by the City’s Risk Manager for completeness and limits of coverage. All coverage shall be

with insurance carriers acceptable to the City of Flint. The Subrecipient shall maintain the following insurance coverage for the duration of the contract.

(1) Commercial General Liability coverage of not less than one million dollars

(\$1,000,000) combined single limit with the City of Flint, and including all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and their board members, employees and volunteers, named as an "Additional Insured". This coverage shall be written on an ISO occurrence basis form and shall include Bodily Injury, Personal Injury, Property Damage, Contractual Liability, Products and Completed Operations, Independent Contractors; Broad Form Commercial General Liability Endorsement, (XCU) Exclusions deleted and a per contract aggregate coverage. This coverage shall be primary to the Additional Insured, and not contributing with any other insurance or similar protection available to the Additional Insured, whether said other available coverage be primary, contributing, or excess.

(2) Workers' Compensation Insurance in accordance with Michigan statutory requirements including Employers Liability coverage.

(3) Commercial Automobile Insurance in the amount of not less than \$1,000,000 combined single limit per accident with the City of Flint and including all elected and including all elected and appointed officials, all employees and volunteers, all boards, commissions and/or authorities and their board members, employees and volunteers, named as an Additional Insured. This coverage shall be written on ISO business Auto forms covering Automobile Liability, code "any auto".

(4) Professional Liability - Errors and Omissions. All projects involving the use of Architects, civil engineers, landscape design specialists and other professional services must provide the City of Flint with evidence of Professional Liability coverage in an amount not less than one million dollars (\$1,000,000). Evidence of this coverage must be provided for a minimum of three years after project completion.

Any deductibles or self-insured retention must be declared to and approved by the City. In addition, the total dollar value of all claims paid out on the policy shall be declared. At the

option of the city, either the insurer shall reduce or eliminate such deductibles or self-insured retention with respect to the City, its officials, employees, agents and volunteers; or the Subrecipient shall procure a bond guaranteeing payment of losses and related investigation, claim administration and defense expense.

The Subrecipient shall furnish the City with two certificates of insurance for all coverage requested and with original endorsements for those policies requiring the Additional Insured status. All certificates of insurance must provide the City of Flint with not less than 30 days advanced written notice in the event of cancellation, non-payment of premium, non-renewal or any material change in policy coverage. In addition, the wording “Endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” must be removed from the standard ACORD cancellation statement. These certificates must identify the City of Flint, Risk Management Division as the “Certificate Holder.” The Subrecipient must provide, upon request, certified copies of all insurance policies. If any of the above policies are due to expire during the term of this contract, the Subrecipient shall deliver renewal certificates and copies of the new policies to the City of Flint at least ten days prior to the expiration date.

The Subrecipient shall ensure that all Subcontractors utilized obtain and maintain all insurance coverage required by this provision.

D. Contract Approval

No subcontract work, if permitted by the City, shall be started prior to the written approval to the Subrecipient by the City. The City reserves the right to accept or reject any subcontractor.

The Subrecipient shall insure that all subcontracts included in the performance of this agreement shall be awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to the City along with documentation concerning the selection process.

E. Notice to Proceed

Subrecipient's services shall commence immediately upon receipt of the notice to proceed and shall be carried out forthwith and without reasonable delay.

F. Standards of Performance

The Subrecipient agrees to exercise independent judgment and to perform its duties under this contract in accordance with sound professional practices. The CITY is relying upon the professional reputation, experience, certification and ability of the Subrecipient. The Subrecipient agrees that all of the obligations required by them under this Contract shall be performed by them or by others employed by them and working under their direction and control. The continued effectiveness of this contract during its term or any renewal term shall be contingent, upon the Subrecipient maintaining his certification in accordance with the requirements of the state law.

G. Scope of Work

Scope of Work Descriptions and Cost Estimates must be documented. Refer to City of Flint Purchasing Ordinance in regards to minimum quotes.

H. Change Orders and Contract Extensions

(Subrecipients will be required to update the Sworn Statement and Change Orders cannot exceed 10% post contract execution without prior approval from MSHDA). Contract extensions will be considered and offered only if the City of Flint finds it suitable.

I. Liability for Damages and Disallowing Costs

Notwithstanding any term or condition of this Agreement to the contrary, the Subrecipient shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Agreement by the Subrecipient, or any disallowed cost; and the City shall have the right to demand of the Subrecipient the return of any Agreement funds used for such disallowed costs, and the Subrecipient agrees to comply with such demand.

General management, oversight and coordination of program including:

Proposal Development

- **Prepare a Budget:**
 - Create a detailed budget that includes direct costs, ensuring it aligns with grant guidelines.

Submission Process

- **Complete Required Forms:**
 - Fill out all necessary budget forms and any supplementary documents.

Grant Management and Implementation

- **Create a Grant File:**
 - Maintain a digital file with all grant-related documents, including the application, award letter, reports, and correspondence.
- **Set Up Financial Tracking:**
 - Establish a separate accounting code or system to track grant expenditures.
 - Establish proper funding codes for time tracking and payroll reports.
- **Implement the Project:**
 - Execute the project according to the approved proposal, timeline, and budget.
- **Monitor Progress:**
 - Regularly assess project progress and performance against objectives and deliverables.
 - Complete budget amendments as needed.

Reporting and Compliance

- **Prepare Progress Reports:**
 - Compile and submit financial progress reports (FSRs) to the grantor as required.
- **Ensure Compliance:**
 - Adhere to all grant conditions and regulations, including financial reporting and audit requirements.

Final Reporting

- **Submit Final Report:**
 - Provide a comprehensive final report summarizing the project's outcomes, impact, and financial expenditures.
- **Reconcile Finances:**
 - Ensure all financial transactions are accounted for and that funds have been expended appropriately.

Post-Grant Evaluation

- **Archive Grant Documentation:**
 - Retain all grant-related documents according to the organization's records retention policy.

Documentation and Record-Keeping

1. Records to be maintained:

The Subrecipient shall maintain all records required by the federal regulations specified in 2 CFR 200 Subpart D, and that are pertinent to the activities to be funded under this Agreement. Such records shall include but not be limited to:

- A. Records providing a full description of each activity undertaken;
- B. Records demonstrating that each activity undertaken meets one of the National Objectives of the CDBG program;
- C. Records required to determine the eligibility of activities;
- D. Records required to document the acquisition, improvement, use of disposition of real property acquired or improved with CDBG assistance;
- E. Records documenting compliance with the fair housing and equal opportunity components of the CDBG program;
- F. Financial records as required by 2 CFR 200; and
- G. Other records necessary to document compliance with Subpart K of 24 CFR 570, where applicable.

2. Access to Records

The Subrecipient shall grant access to the City of Flint, HUD, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records which are directly pertinent to this contract, for the purpose of making audit, examination, excerpts, and transcriptions. Failure of a Subrecipient to cooperate during a HUD monitoring review may result in suspension or termination of existing, and potentially, future, contracts.

3. Retention

The Subrecipient shall retain all records pertinent to expenditures incurred under this contract for a period of seven (7) years after the termination of all activities funded under this agreement, or after the resolution of all Federal audit findings, whichever ever occurs later. Records for non-expendable property acquired with funds under this contract shall be retained for seven (7) years after final disposition of such property. Records for any displaced person must be kept for seven (7) years after final payment.

4. Client Data

The Subrecipient shall maintain data demonstrating applicant/participant eligibility. Such data shall include, but not be limited to applicant name, address, income level, or other basis for determining eligibility. Such information shall be made available to the City for review, in the format and frequency determined by the City.

5. Property Records/Management

The Subrecipient shall maintain real property inventory records which clearly identify properties purchased, improved, or sold. Properties retained shall continue to meet eligibility criteria and shall conform with the "changes in use" restrictions specified in 2 CFR Part 200 Subpart D, as applicable.

- a. The City retains title to all non-expendable personal property acquired with Agreement funds or transferred by the City to the Subrecipient for use in carrying out Agreement activities.
- b. The Subrecipient agrees to establish and maintain a property management system whenever it purchases, with Agreement funds (either in whole or in part), tangible personal property having a useful life of one year or more and an acquisition cost of \$500 or more per unit. Such a system shall also include items transferred by the City to the Subrecipient for use in carrying out Agreement activities.
- c. The Subrecipient shall maintain a record of each item included in the property management system that shall include the following:
 1. A description of the property
 2. Manufacturer's model and serial numbers, Federal stock number, national stock number, City identification number, or other identification number
 3. Source of the property, including grant or other agreement number
 4. Whether title is vested in the Subrecipient, the City, or the Federal Government
 5. Acquisition date (or date received if the properties as furnished by the Federal Government or by the City) and unit acquisition cost
 6. Location, use and condition of the property and the date the information was reported
 7. Ultimate disposition data, including date of disposal and sales price or the method used to determine current fair market value where a recipient compensates the Federal sponsoring agency or the City for its share
 8. Percentage (at the end of the budget year) of Federal or City participation in the cost of the item

- d. The Subrecipient shall conduct an annual physical inventory of items in the property management system and shall reconcile that to the property record.

- e. At the City's convenience, a determination shall be made by the City regarding the disposition of each of the property items.

- f. The Subrecipient's property management system shall include safeguards to prevent loss, damage or theft of the property. Any loss, damage, or theft of nonexpendable property shall be investigated by the Subrecipient and fully documented and reported to the City.

- g. The Subrecipient agrees to implement adequate maintenance procedures to keep the property in good condition.

- h. The Subrecipient agrees that it will not cause or allow the property to become encumbered in any manner, sold, or otherwise disposed of without written consent of the City.