



December 16, 2020

PUBLIC COMMENT PERIOD FOR A SUBSTANTIAL AMENDMENT TO THE MICHIGAN NEIGHBORHOOD STABILIZATION PROGRAM'S (NSP) DISTRIBUTION AND IMPLEMENTATION PLAN. THIS STATE OF MICHIGAN'S NSP PROGRAM INCOME AMENDMENT IS TIED SPECIFICALLY TO THE ALLOCATION OF UP TO \$4 MILLION DOLLARS TO BE USED TO ADDRESS MICHIGAN'S HOUSING NEEDS.

Prior to modifying the annual distribution and implementation plan associated with the NSP funding from the Housing and Urban Development (HUD) Office of Community Planning and Development, Michigan is required to conduct a formal citizen participation comment period to inform the public of the proposed change and solicit feedback to ensure that all concerns directly related to the proposed modifications are addressed. The Michigan State Housing Development Authority (MSHDA) is responsible for soliciting comments from the public regarding the use and implementation of the funding.

The comment period will commence on December 17, 2020 and end on December 23, 2020 and will focus on the amendment parameters as outlined below.

Introduction

As part of the federal government economic recovery initiatives, Michigan received resources to provide "disaster relief" for our cities - large and small - and their neighborhoods. Congress created the Neighborhood Stabilization Program to help cities, counties and states deal with community problems that are the result of the mortgage foreclosure crisis in the nation.

Generally, the money must be used to buy, fix up, and resell or demolition of foreclosed and abandoned homes. As long as the funds are used for this redevelopment, MSHDA governs how to use the funds and what specific redevelopment activities to undertake in Michigan.

NSP Program Income Distribution and Implementation Plan

- The program income funds will be primarily targeted toward neighborhoods identified by the 12 participating cities and 8 land banks. These neighborhoods were selected for their strategic importance to their cities, including their proximity to jobs, commercial services, public transportation, and local neighborhood anchors. The objective is to position these neighborhoods to compete for private investment in housing and jobs in the decade ahead-to begin rebuilding our urban residential and neighborhood infrastructure.
- The program income funds will be awarded via a MSHDA direct administrative funding process to any of the following: a local unit of government, land bank, non-profit (501c3) agency and/or a neighborworks affiliate entity.
- The funding will be to allocated to facilitate local public and private partnerships, leverage additional non-federal funding and pilot unique and innovative projects.
- HUD has provided greater program flexibility since initial award and therefore the Neighborhood Stabilization Program Income dollars will be modified to follow U.S. Department of Housing and Urban Development's Community Development Block Grant rules and regulations instead of HOME. This will enable MSHDA to utilize the funding in a more flexible and strategic housing-oriented manner.

All interested parties are invited to submit written comments directly related to the proposed amendment to the current Michigan Neighborhood Stabilization Program Plan. Information gathered during the written comment period will be used to substantiate a formal amendment.

Individuals and organizations may submit comments to the attention of Tonya Young, State Consolidated Plan Coordinator via e-mail to hidmailbox@michigan.gov or by mail to 735 East Michigan Avenue, P.O. Box 30044, Lansing, MI 48909. **Written comments must be received and/or postmarked no later than December 23, 2020.**

Additional NSP information may be downloaded free of charge from the MSHDA website at www.michigan.gov/mshda.