

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

A G E N D A

April 29, 2024 – 8:30 a.m.

735 East Michigan Avenue, Lansing, Michigan 48912

Cadillac Place, 3028 West Grand River, Room 4-602, Detroit, MI 48202

Microsoft Teams Conference Line: 248-509-0316 | Conference ID: 197 338 580#

Roll Call:

Public Comments:

Voting Issues:

Tab A Approval of Agenda

Tab B Resolution Authorizing Grants from the Michigan Housing and Community Development Fund

Closed Session:

None.

Discussion Issues:

None.



M E M O R A N D U M

TO: Authority Members

FROM: Amy Hovey, Chief Executive Officer and Executive Director *Amy Hovey*

DATE: April 29, 2024

RE: Housing and Community Development Fund—Approval of Grants Listed in Schedule A

RECOMMENDATION:

I recommend that the Michigan State Housing Development Authority (the “Authority”) adopt a resolution that authorizes the approval of grants funded by the Michigan Housing and Community Development Fund (“HCDF”) and listed in Schedule A of this Memorandum (“HCDF Grants”). If approved by the Authority, the total amount of HCDF proceeds used to fund the identified HCDF Grants will not exceed \$8,833,324.

EXECUTIVE SUMMARY:

The State Housing Development Authority Act of 1966, Public Act 346 of 1966, Part 125.1458 et seq., as amended, charges the Authority with creating and implementing the HCDF Program for the purposes of developing and coordinating public and private resources to meet the affordable housing needs of low income, very low income, and extremely low-income households and to revitalize downtown areas and adjacent neighborhoods in the State of Michigan.

Effective February 13, 2024, the Michigan Legislature appropriated to the Authority, pursuant to Public Act 4 of 2023 (“2023 PA 4”), amending Public Act 281 of 1967, at MCL 206.695(1) et. seq., beginning with the 2022-2023 state fiscal year through the 2024-2025 state fiscal year, up to \$50 million, if available, to the HCDF Program.

If approved, the HCDF Grants listed and recommended in Schedule A may be funded under the HCDF Program from the 2023 PA 4 appropriation. The HCDF Grants have been evaluated by Authority staff for compliance with HCDF Allocation Plan and requirements, which evaluations have been reviewed and approved by committees of Authority supervisory staff. The proposed HCDF Grants have been found to be acceptable for Authority approval and will be subject to the terms and conditions required for the execution of grant agreements and disbursement of HCDF Grant funds.

ADVANCING THE AUTHORITY’S MISSION:

The proposed grants will serve to address ongoing housing hardships and support Michigan's Statewide Housing Plan implementation and priorities that address housing needs of Michigan residents, and to support the Campaign to End Homelessness.

REGIONAL HOUSING PARTNERSHIPS:

The proposed HCDF Grants support the goals of the regional housing partnerships.

RESIDENT IMPACT:

None.

ISSUES, POLICY CONSIDERATIONS, AND RELATED ACTIONS:

None.

SCHEDULE A MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY HOUSING AND COMMUNITY DEVELOPMENT FUNDS (HCDF)										
#	NAME OF GRANTEE	AMOUNT OF HCDF GRANT	REGION	LOCATION FOR SCOPE OF WORK	SCOPE OF WORK	HOMEOWNER/HOMEBUYER	RENTAL	PUBLIC AMENITY	TERM OF GRANT	NOTES/ADDITIONAL INFORMATION
1	Habitat for Humanity Menominee River	\$236,000.00	Region B	Dickinson	1 New Unit 13 Occupied Rehab	14	0	0	June 01,2024 - May 31,2026	
2	Marquette County Land Bank	\$466,100.00	Region B	Marquette	4 New Units	4	0	0	June 01,2024 - May 31,2026	
4	Northwest Michigan Habitat for Humanity	\$100,000.00	Region D	Emmet	1 New Unit	1	0	0	June 01,2024 - May 31,2026	
5	Northern Homes Community Development Corporation	\$590,000.00	Region E	Otsego	5 New Units	2	3	0	June 01,2024 - May 31,2026	
6	Habitat for Humanity of Kent	\$826,000.00	Region F	Kent	7 New Units	7	0	0	June 01,2024 - May 31,2026	
7	Lakeshore Habitat for Humanity	\$885,000.00	Region F	Allegan	6 New Units, 25 Occupied Rehab	31	0	0	June 01,2024 - May 31,2026	
8	Mason County	\$236,000.00	Region F	Mason	5 Occupied Rehab	5	0	0	June 01,2024 - May 31,2026	
9	Five Cap, Inc.	\$472,000.00	Region F	Lake	20 Occuipied Rehab	20	0	0	June 01,2024 - May 31,2026	
10	Mecosta County Habitat for Humanity	\$236,000.00	Region F	Mecosta	5 Occupied Rehab	5	0	0	June 01,2024 - May 31,2026	
11	Habitat for Humanity Isabella County	\$100,000.00	Region G	Isabella	1 New Unit	1	0	0	June 01,2024 - May 31,2026	
12	City of Beaverton	\$472,000.00	Region G	Gladwin	10 Occupied Rehab	5	5	0	June 01,2024 - May 31,2026	

SCHEDULE A MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY HOUSING AND COMMUNITY DEVELOPMENT FUNDS (HCDF)										
#	NAME OF GRANTEE	AMOUNT OF HCDF GRANT	REGION	LOCATION FOR SCOPE OF WORK	SCOPE OF WORK	HOMEOWNER/HOMEBUYER	RENTAL	PUBLIC AMENITY	TERM OF GRANT	NOTES/ADDITIONAL INFORMATION
13	City of Owosso	\$395,300.00	Region H	Shiawassee	8 Occupied Rehab, 1 Public Amenity	8	0	1	June 01,2024 - May 31,2026	
15	City of Portage	\$442,500.00	Region J	Kalamazoo	25 Occupied Rehab	25	0	0	June 01,2024 - May 31,2026	
16	Village of Cassopolis	\$383,500.00	Region J	Cass	10 Occupied Rehab	10	0	0	June 01,2024 - May 31,2026	
17	Village of Marcellus	\$469,217.00	Region J	Cass	10 Occupied Rehab, 1 Public Amenity	5	5	1	June 01,2024 - May 31,2026	
18	Valley Vision Construction and Development LLC	\$236,000.00	Region J	Kalamazoo	2 New Units	2	0	0	June 01,2024 - May 31,2026	
20	City of Adrian	\$472,000.00	Region K	Lenawee	20 Occupied Rehab	20	0	0	June 01,2024 - May 31,2026	
21	Habitat for Humanity of Lenawee	\$236,000.00	Region K	Lenawee	20 Occupied Rehab	20	0	0	June 01,2024 - May 31,2026	
22	Habitat for Humanity of Oakland County	\$472,000.00	Region L	Oakland	4 New Units	4	0	0	June 01,2024 - May 31,2026	
23	Cook Property Management, LLC	\$236,000.00	Region N	Wayne	2 New Units	2	0	0	June 01,2024 - May 31,2026	
24	The Heat and Warmth (THAW)	\$471,707.00	Region O	Wayne	15 Occupied Rehab	15	0	0	June 01,2024 - May 31,2026	
25	KMA Contracting, LLC	\$200,000.00	Region O	Wayne	5 Unoccupied Rehab	5	0	0	June 01,2024 - May 31,2026	

SCHEDULE A										
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY										
HOUSING AND COMMUNITY DEVELOPMENT FUNDS (HCDF)										
#	NAME OF GRANTEE	AMOUNT OF HCDF GRANT	REGION	LOCATION FOR SCOPE OF WORK	SCOPE OF WORK	HOMEOWNER/HOMEBUYER	RENTAL	PUBLIC AMENITY	TERM OF GRANT	NOTES/ADDITIONAL INFORMATION
26	TRIBE Development Partners	\$200,000.00	Region O	Wayne	6 New Units	0	6	0	June 01,2024 - May 31,2026	
	TOTAL(S):	\$8,833,324.00				211	19	2		

DRAFT

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

**RESOLUTION AUTHORIZING GRANTS FROM THE MICHIGAN HOUSING AND
COMMUNITY DEVELOPMENT FUND**

April 29, 2024

WHEREAS, Section 58a of Public Act 346 of 1966, as amended (the "Act") creates and establishes the Michigan housing and community development fund (the "HCDF Fund") under the jurisdiction and control of the Michigan State Housing Development Authority (the "Authority"); and

WHEREAS, Section 58b(3) of the Act provides that the Authority may use the monies held in the HCDF Fund to make loans or grants to eligible applicants as defined in Section 58(2)(d), in any amounts as the Authority determines, to finance the acquisition, construction, rehabilitation, or preservation of housing for low income, very low income and extremely low income households; and

WHEREAS, Authority staff and the Chief Executive Officer and Executive Director have reviewed the grant proposals listed in Schedule A ("HCDF Grant(s)") and recommend that the Authority adopt a resolution authorizing the funding of grants listed in Schedule A with HCDF Fund proceeds as described in the accompanying memorandum; and

WHEREAS, the Authority concurs in the recommendation.

NOW, THEREFORE, Be It Resolved by the Michigan State Housing Development Authority as follows:

1. That the Authority hereby determines that:
 - b. the HCDF Grants shall be expended for one or more of the activities outlined in the Authority's Act and permitted under Rule 125.190 of the Authority's General Rules; and
 - c. in the event that housing units are created or improved with grant proceeds, at least twenty percent (20%) of the units in the housing project to be acquired, constructed, rehabilitated or preserved with HCDF Grant funds are set aside for Low Income Households, as defined by the Act and Rule 191 of the Authority's General Rules.
2. That the HCDF Grants be and hereby are authorized, to be used for the purposes and in the amounts set forth in the accompanying memorandum, subject to the conditions contained therein and to the execution of a Grant Agreement between the Authority and the grantees listed in Schedule A that shall include the following:
 - a. a provision pursuant to which the owner and manager agree not to evict a tenant without just cause, as defined in MCL 125.694a;

- b. a provision providing for the recapture or de-obligation of some or all of the HCDF Grant for any the reasons specified in Rule 125.196(4) of the Authority's General Rules; and
 - c. performance metrics and reporting requirements a required by HCDF guidelines.
- 3. That, if an advance or any portion of any HCDF Grant is not used for the intended purpose due to conditions that make it impossible to use as stated herein, or if the grantee fails to use all or any portion of the HCDF Grant, any unused HCDF Grant proceeds that have been disbursed will be returned to the Authority immediately. All HCDF Grant proceeds that have not been used for approved Grant purposes within two (2) years of the date of this Resolution will be recaptured by the Authority and returned to the Authority's HCDF Fund.
- 5. That the Chief Executive Officer and Executive Director, the Chief Financial Officer, the Director of Finance, the Chief Legal Affairs Officer, the Director of In-House Legal Services, or any person duly appointed and acting in that capacity (each an Authorized Officer) is authorized to modify the terms of the Grant or take such action as, in the discretion of the Authorized Officer, may be necessary to assure the administration of the Grant is in compliance with the Consolidated Act, the Act and the General Rules of the Authority, and to effectuate the proposals set forth in the accompanying memorandum. To ensure the efficient use of grant funds, an Authorized Officer is authorized to substitute an HCDF grant with a grant from an alternate, duly authorized funding source.