

**35th Anniversary Issue  
Annual Report  
Financial Statement  
2001**



**MSHDA**

*Your Affordable  
Housing Partner*

**Michigan State Housing Development Authority**

# 35 Years & Building

## *Arbaugh's (Old Plaza One Building)*



The Michigan State Housing Development Authority was created by an act of the Legislature in late 1966, making the Authority 35 years old this fiscal year. The first executive director was Robert W. McClain, appointed by then-Governor George Romney. For the first three years of operation, fewer than 20 employees worked out of a suite of offices in a medical office building at the corner of West Saginaw and Logan streets in Lansing. During that time, the Authority was under the umbrella of the Department of Social Services (DSS), and in early 1971, moved with DSS to the newly constructed Commerce Center on Capitol Avenue in downtown Lansing. Nearly 40 employees occupied about half the 9th floor.

By 1976, the Authority had taken over the entire 9th floor, outgrowing the shrinking space by leaps and bounds. In May 1976, MSHDA moved to the Plaza One Building the former Arbaugh's Department Store. Initially occupying only the 4th and 5th floors, the remainder of the space belonged to DSS and the Attorney General. Discussions regarding the construction or acquisition of an exclusive MSHDA location began when the Authority's growth continued to outpace the availability of space in Plaza One. By 1996, 20 years after its last move, the Lansing office had grown to more than 200 employees and had taken over all but one of the building's six floors. In 1997, the search began in earnest for a new location.

## *Plaza One Refurbished*



## *MSHDA's New Lansing Office*



After a lengthy search, the state of Michigan and the Authority contracted with the owner of the old State of Michigan Library. The building underwent a total rehabilitation, including expansion. The restoration not only saves an historic Lansing landmark, but provides offices, parking and ample conference and work space for all 240 Lansing employees at 735 East Michigan Avenue in Lansing.

## *Where We Are Going*

For 35 years, both MSHDA's Lansing and Detroit staffs have dedicated their efforts to the mission of providing affordable housing for people throughout the state of Michigan. The variety of unique programs developed over the years by the Authority in an effort to achieve that mission is a testimony to the creativity, responsiveness, and visionary leadership and staff commitment that continually develops initiatives to provide affordable housing for families, individuals, the elderly, homeless, and disabled. From families in MSHDA-financed rental developments, to low-interest rate mortgages, to rebuilding entire communities, MSHDA will make every effort to continue as "Your Affordable Housing Partner" for many years to come.



## **Mission**

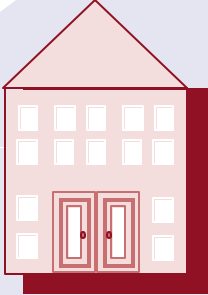
The Michigan State Housing Development Authority provides financial and technical assistance through public and private partnerships to create and preserve decent, affordable housing for low and moderate income Michigan residents.

## **Vision**

We will address changing housing needs thereby empowering individuals and communities to be self-sufficient. We will provide excellent service within a quality work environment where trust, open communication, inclusive decision making, and respect for one another are highly valued.

# ***Production***

## ***FY 2000 – 2001***



### ***Rental***

*(Number of Housing Units Produced/Dollar Amounts)*

#### **SECTION 8 VOUCHERS**

**14,150 Units/\$60,772,350**

#### **LOW INCOME HOUSING TAX CREDIT**

**6,322 Units/\$25,443,312**

#### **TAX EXEMPT BONDS (DIRECT LENDING)**

**727 Units/\$52,737,140**

#### **PASS THROUGH**

**501 Units/\$23,485,000**

#### **SPECIAL HOUSING**

**129 Units/\$16,079,531**

## ***Home Improvement***

*(Number of Housing Units Produced or Grants Awarded/Dollar Amounts)*

#### **PROPERTY IMPROVEMENT (OWNER OCCUPIED)**

**360 Units/\$3,673,017**

#### **PROPERTY IMPROVEMENT (NONOWNER OCCUPIED)**

**19 Units/\$333,912**

#### **REPLACEMENT HOUSING PROGRAM**

**11 Units/\$797,259**

#### **COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG)**

**41 Grants/\$11,239,050**



# ***Production***

## ***FY 2000 – 2001***

*(Continued)*



### ***Home Purchase***

*(Number of Housing Units Produced/Dollar Amounts)*

#### **MICHIGAN MORTGAGE CREDIT CERTIFICATES (MCC)**

**1,510 Units-Certificates/\$99,535,673**

#### **SINGLE FAMILY**

**1,652 Units-Loans/\$106,778,193**

#### **DOWN PAYMENT ASSISTANCE (DPA)**

**543 Units-Loans/\$2,231,515**

## ***Community Development***

*(Number of Awards Granted/Dollar Amounts)*

#### **HOMELESS**

**180 Grants/\$6,516,000**

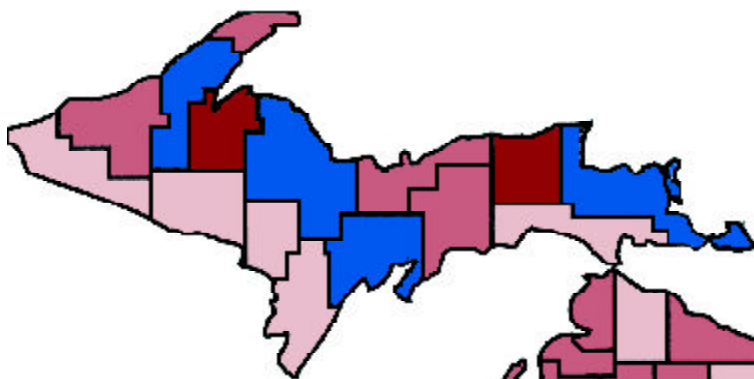
#### **HOUSING RESOURCE FUND**

**113 Grants/\$22,397,845**

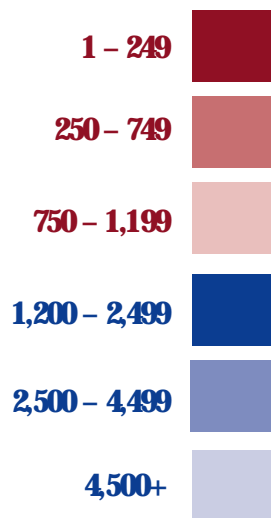
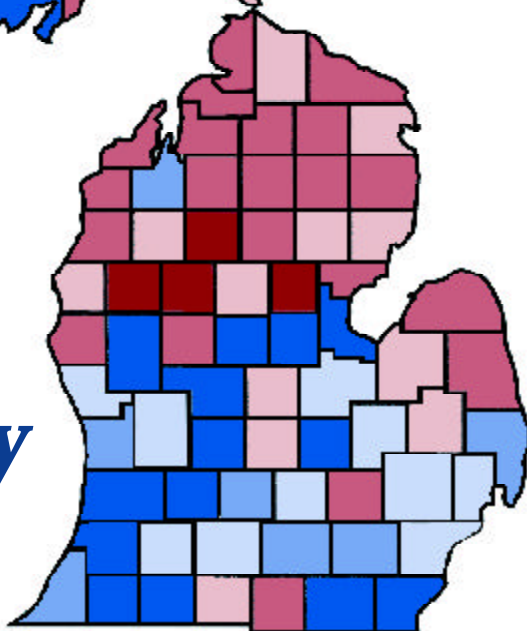


# Facts & Figures

## FY 2000 – 2001



### Activity by County



## Average Household Incomes

### Homebuyers & Homeowners

<b>SINGLE FAMILY</b>
\$29,493 ( <i>Homebuyers</i> )
<b>MICHIGAN MORTGAGE</b>
\$27,360 ( <i>Homebuyers</i> )
<b>DOWN PAYMENT ASSISTANCE</b>
\$24,200 ( <i>Homebuyers</i> )
<b>PROPERTY IMPROVEMENT</b>
\$24,238 ( <i>Homeowners</i> )
<b>HOUSING RESOURCE FUND (HOME \$)</b>
\$18,699 ( <i>Homebuyers/Community Development</i> )
<b>CDBG</b>
\$15,164 ( <i>Homeowners/Community Development</i> )

### Renters

<b>SECTION 8 MULTIFAMILY</b>
\$9,264
<b>SECTION 8</b>
\$10,102
<b>MI HOME</b>
\$12,715
<b>LOW INCOME HOUSING TAX CREDIT</b>
\$14,207
<b>SECTION 236</b>
\$14,497
<b>DIRECT LENDING ASSISTED</b>
\$19,295



# ***Financial Report***

## ***FY 2000 – 2001***

**Financial Statements and Required  
Supplementary Information for the Years  
Ended June 30, 2001 and 2000, Supplemental  
Data for the Year Ended June 30, 2001, and  
Independent Auditors' Report**

# ***Legal & Financial Services***

## **UNDERWRITERS**

### **Senior Managers**

*Bear, Stearns & Company, Inc.  
Goldman, Sachs & Company  
Lehman Brothers  
Merrill Lynch & Company*

### **Co-Managers**

*Banc One Capital Markets Inc.  
M. R. Beal & Company  
Comerica Securities  
A. G. Edwards & Sons, Inc.  
NatCity Investments, Inc.  
UBS Paine Webber Inc.  
Salomon Smith Barney  
Raymond James  
Fifth Third  
Loop Capitol*

## **BOND COUNSEL**

*Miller, Canfield, Paddock, & Stone, P.L.C.  
Robert E. Gilbert, Esq.  
John O. Renken, Esq.*

*Dickinson Wright PLLC  
Terence M. Donnelly, Esq.  
Rhonda D. Welburn, Esq.*

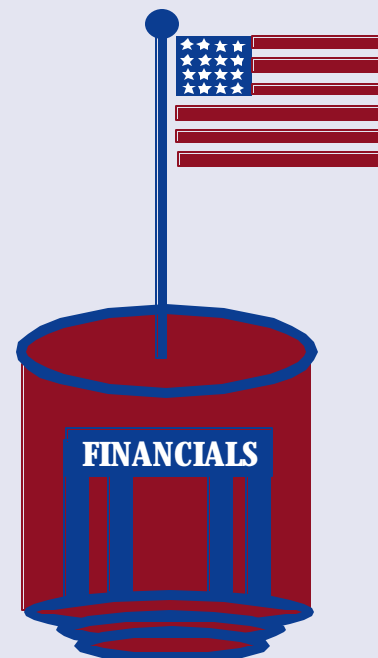
*Lewis & Munday, A Professional Corporation  
Karen Kendrick Brown, Esq.  
G. Allen Bass, Esq.*

## **OFFICE OF THE ATTORNEY GENERAL, COUNSEL**

*Terrence P. Grady, Esq.  
Assistant Attorney General  
Ronald H. Farnum, Esq.  
Assistant Attorney General  
Diane Galbraith, Esq.  
Assistant Attorney General*

## **INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT**

*Deloitte & Touche LLP*



# ***Authority Members***

The Authority meets once a month, generally alternating between the Lansing and Detroit offices. The members provide policy direction to the MSHDA staff, authorize bond issues, approve development loan commitments, and evaluate programs.

Four of the members are appointed by the Governor, with confirmation by the state Senate, for terms of four years. The remaining members are the State Treasurer and directors of the Michigan Department of Consumer and Industry Services and Michigan Family Independence Agency.



**GILBERT B. SILVERMAN, CHAIRPERSON**

*Holtzman & Silverman Construction & Realty, Ltd.*



**COLLEEN PERO, VICE CHAIRPERSON**



**HERMAN W. COLEMAN**

*H. W. Coleman & Associates, Inc.*



**RICHARD T. MILLER**

*Coldwell Banker Alliance Group*



**DOUGLAS E. HOWARD**

*Director, Michigan Family Independence Agency*



**DOUGLAS B. ROBERTS**

*State Treasurer, Michigan Department of Treasury*



**KATHLEEN M. WILBUR**

*Director, Michigan Department of Consumer & Industry Services*

**Not Printed at Taxpayer Expense**

**CENTRAL OFFICE**

**735 East Michigan Avenue  
P. O. Box 30044  
Lansing Michigan 48909  
Telephone: (517) 373-8370  
FAX: (517) 335-4797**

**DETROIT OFFICE**

**Nineteenth Floor  
State of Michigan Plaza  
1200 Sixth Street  
Detroit, Michigan 48226  
Telephone: (313) 256-2860  
FAX: (313) 256-2899**

**(Look for New  
Address in 2002)**



**Web Site Address:  
[www.mshda.org](http://www.mshda.org)**



**Michigan State Housing Development Authority**  
*Your Affordable Housing Partner*



**Equal Opportunity Lender**



**(TTY) 800-382-4568**

