35th Anniversary Issue
Annual Report
Financial Statement
2001

Your Affordable Housing Partner

Michigan State Housing Development Authority
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.

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.

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**

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

**Renters**

- **SECTION 8 MULTIFAMILY**
  - $9,264
- **SECTION 8**
  - $10,102
- **MI HOME**
  - $12,715
- **LOW INCOME HOUSING TAX CREDIT**
  - $14,207
- **SECTION 236**
  - $14,497
- **DIRECT LENDING ASSISTED**
  - $19,295
## 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
- NatCity Investments, Inc.
- UBS Paine Webber Inc.
- Salomon Smith Barney
- Raymond James
- Fifth Third
- Loop Capitol

### 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

### 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.

### INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT

- Deloitte & Touche LLP

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**FINANCIALS**
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

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