



Community Development Advocates of Detroit

April 29, 2016

Ms. Michele Wildman
Chief Housing Investment Officer
Michigan State Housing Development Authority
735 E. Michigan Avenue
Lansing, Michigan 48909

RE: Public Comments submission related to QAP Draft released April 21.

Dear Ms. Wildman,

On behalf of its members, Community Development Advocates of Detroit (CDAD) submits these comments in response to the recently released QAP Draft. CDAD is the membership organization for community development organizations (CDO's) and neighborhood improvement groups across the city of Detroit. Historically, our CDO members have been nonprofit developers providing affordable housing in Detroit neighborhoods. Through the support of Detroit LISC, we have convened an affordable housing work group comprised of the collective expertise of our members, CDFI's, private developers, and community stakeholders to look at how to best preserve affordable housing in Detroit.

As a membership organization for community development organizations in Detroit, our comments today support the work of our members and reinforce the comments of our state and local partners: CEDAM, LISC, and the City of Detroit.

As we stated in our letter April 19, 2016, we believe the recommendations offered by the city of Detroit are necessary changes to benefit the city:

1. Facilitating the revitalization of urban cores; and modifying cost containment scoring criteria. Our members were particularly concerned with how to preserve LIHTC housing units after year fifteen and the impact on neighborhoods and families if Detroit loses its existing affordable housing units.
2. As a large urban area, we support the city's position to *prioritize housing investments in the QAP by including them in the definition of preservation*. Our surplus of planned affordable housing units, illustrates an opportunity to create a beneficial strategy to address the needs of Detroit.

Walk Score

As our other partners, LISC and CEDAM, have stated we disagree with the use of Walk Score due to its inconsistencies and difficulties in verifying amenities while discounting the value of amenities deemed important by the community. We recommend that MSHDA look closer at how Walk Score works in the context of a city like Detroit.

Additionally, we are pleased that Walk Score has been eliminated as a criteria for the central cities development designation, but we would ask MSHDA to look closer to determine if the existing criteria would also be detrimental to a city like Detroit. For example, a central city designation is considered where, *20 or more contiguous buildings have been planned, zoned, or used for commercial purposes for 50 or more years; a building will only be counted as being contiguous if it is included in a grouping of at least four building that are directly contiguous to each other.*" Detroit is a large urban area with multiple commercial areas; however, many of these commercial areas have lacked investment and have been out of commission for decades. Therefore, many areas across the city could not receive this designation.

Preservation

Additionally, we have partnered with Detroit LISC to convene a table of our members who have existing LIHTC projects that have reached their 15th year to discuss how to preserve these properties as affordable. LISC has submitted comments through its CDFI coalition and we support their recommendations that MSHDA identify an efficient process to determine when to use the 9% or 4% financing; and to waive the gap financing program application requirement for developments under 49 units.

Thank you for the opportunity to comment on the 2017-2018 QAP. CDAD is committed to supporting its members in their efforts to improve quality of life and revitalize Detroit neighborhoods. We hope that the suggested revisions by stakeholders and advocates are considered and make the QAP a benefit to Detroit and all cities across the state.

Sincerely,



Sarida Scott

Executive Director

Community Development Advocates of Detroit