



M E M O R A N D U M

TO: Governor Rick Snyder
Sen. Jim Stamas, Chair, Senate Appropriations General Gov't Subcommittee
Rep. Laura Cox, Chair, House Appropriations General Gov't Subcommittee
John Roberts, State Budget Director
Ellen Jeffries, Director, Senate Fiscal Agency
Mary Ann Cleary, Director, House Fiscal Agency

FROM: Kevin Elsenheimer
Executive Director

DATE: September 30, 2015

RE: FY 2015 Housing Production Goals Report

Section 32(14) of P.A. 346 of 1966, as amended, requires the Michigan State Housing Development Authority (MSHDA) to provide the Governor and the appropriate legislative committees with an annual housing report for housing projects financed by the Authority with bonds and notes. The following represents an assessment of FY 2015 production and the Authority's goals for FY 2016. The Authority's 2015 fiscal year ran from July 1, 2014 through June 30, 2015.

Section 32(16)(a) requires the Authority to report whether the production goals for the previous fiscal year have been met, and, if not, why. The Authority exceeded its agency wide FY 2015 production goal to finance \$180.1 million in new or rehabilitated housing, resulting in 2,454 units. By the end of the fiscal year, MSHDA had financed \$238.5 million in new/renovated housing, resulting in 3,132 units. (See [Exhibit 1.](#)) The sections below provide production data for each program financed with bonds and notes and, for those programs that missed a goal, discusses the reasons why.

In addition to its lending activity, the Authority also distributed \$30.6 million in community development grants to local governments and nonprofit organizations in FY 2015. MSHDA also administered the Low Income Housing Tax Credit program for the state, which helped to administer \$22.9 million in tax credits to create or preserve 1,931 units of affordable rental housing in 35 developments statewide. In addition, the Authority administered the federal Housing Choice Voucher Program (formerly known as Section 8), and in FY 2015, 27,648 families participated in this program.

In FY 2015, MSHDA also administered \$119.0 million in funds under the auspices of three federal stimulus packages. During the fiscal year, the Authority committed or allocated \$8.9 million from the American Recovery and Reinvestment Act of 2009, \$109.9 million from the Emergency Economic Stabilization Act of 2008, and \$124,587 from the Consolidated and Further Continuing Appropriations Act of 2015. The dollars allocated under the stimulus packages are summarized in [Exhibit 2.](#)

EXHIBIT 1 SUMMARIZES FY 2015 GOALS AND PRODUCTION AND PRESENTS ITS FY 2016 GOALS. EXHIBIT 2 SUMMARIZES MSHDA'S FEDERAL STIMULUS FUNDS.

Multifamily Loan Programs

Taxable and Tax-Exempt Direct Lending Programs

These programs represent the Authority's response to localized housing and reinvestment needs by financing rental housing. Funding comes from the issuance of taxable and tax-exempt bonds to investors, the proceeds of which are then loaned for the acquisition, construction or rehabilitation, and long term financing of affordable rental housing units. Typically, at least 40% of the units in each development must be occupied by households with low incomes, defined as less than or equal to 60% of the Area Median Income. The tax-exempt lending programs operated in FY 2015 with a fixed interest rate of 5.75%, while the Taxable Bond lending programs operated with a fixed interest rate of 7.0%. In addition, the Authority provided Preservation Fund Loans as permanent gap funding sources.

In FY 2015, the multifamily lending program financed \$63.8 million in loans, representing nine developments containing a total of 933 housing units. The program did not achieved its FY 2015 goal of making \$77.4 million in loans and producing 1,180 in units, because three proposals that had been expected to close before the end of FY 2015 did not do so.

Gap Financing Program

MSHDA's Gap Financing Program works in conjunction with the Authority's Tax-Exempt Bond Program to competitively distribute \$18 million in gap funding among applicants for multifamily loans; almost \$8 million in Preservation Funds was part of the \$63.8 million in loans mentioned above. Another \$9.1 million makes up the HOME gap funded transactions that closed in FY 2015.

Equity Bridge Loan (EBL) Program

Three transactions took advantage of the EBL program, which included loan totals of just over \$7.5 million, and are also a part of the \$63.8 million mentioned above.

Supportive Housing and Homeless Initiatives

Homeless Housing Development Programs

In FY 2015 MSHDA did not close any rental development supportive housing HOME Loans for the families that are homeless or with special needs. This program represents the Authority's investments into new construction or acquisition/rehabilitation of projects for supportive housing. Funding under this initiative comes from the HOME program and many of the developments receive Low Income Tax Credits. Units are made available to the tenants earning 30% or below of Area Median Income. Loans are structured as a three percent simple interest and are non-amortizing repayable loans.

Homeless Grants

Under this category \$4.3 million in MSHDA funding was allocated for FY 2015 to match and supplement HUD's Emergency Solutions Grant (ESG) Program. The ESG program offers financial assistance to public and non-profit organizations that are responding to

the needs of homeless populations through a Continuum of Care process. ESG funds can be used for shelter operation, essential services, prevention, and rapid re-housing leasing assistance. In FY 2015, 45 ESG grants totaling \$8.7 million in federal and MSHDA funds were allocated.

Pass-Through Short-Term Bond Program

This program permits the Authority to issue limited obligation bonds on behalf of developers. Sixty percent of the units must be for renters at 60% of area median income or below. The Authority's primary responsibility is to evaluate the degree to which the borrower's credit security is sufficient to ensure repayment of the bonds. The primary function of the program is to enable the Authority to authorize the issuance of short-term bonds that would have a term not to exceed 36 months, at which time the bonds would be refinanced following the issuance of bonds through a Federal Housing Administration (FHA) insured Ginnie Mae (GNMA) mortgage. Under the Pilot Program, initially authorized in 2012, the Authority set aside \$75 million in volume cap which was required to have been allocated within 24 months from the program's inception date.

Pilot Short-Term Bond Program: During FY 2015, the remaining three applications authorized under the pilot program closed as of the end of the fiscal year. These three pilot projects were issued over \$24 million in volume cap, helping to create or preserve 446 units of affordable housing. The FY 2015 maximum amount that could have been allocated under the pilot program was \$35 million in pass-through loans. The maximum was not allocated due to a lack of applications resulting from policy changes that required a different review process. MSHDA is currently evaluating improvements to this process.

Short-Term Bond Program: The Authority extended the program in FY 2015 for a period of 12 months by making available up to \$30 million in additional volume cap. There were no significant changes made to the program from what was in place for FY 2014. The FY 2016 goal of the pass-through program is to enable \$30 million in pass-through loans to close, creating 500 housing units.

Single Family Mortgage Loan Program

This program allows the Authority to finance low and moderate-income mortgages for people meeting income and purchase price limits. The loans are fixed-rate, level payment, 30-year mortgages. Borrowers must have acceptable credit and the ability to repay the loan.

In FY 2015, this program financed 1,406 single-family units, representing a total investment of \$119.0 million. The average purchaser of an existing home was 35 years of age, with a household size of 2 and an average income of approximately \$44,368. The average loan amount was \$84,607. The Authority exceeded its FY 2015 goal of financing 1,010 single family homes.

In late 2013, MSHDA began offering a loan program designed specifically for the repeat homebuyer. The MI Next Home program allows the repeat homebuyer to purchase a home with an FHA, RD or VA mortgage while foregoing some of the more restrictive aspects of the MI First Home program. Additionally, MI Next Home customers can still use our popular Down Payment Assistance with either the FHA or RD product. As of June 30, 2015, 38 loans have been committed totaling \$4.5 million and 33 loans have been purchased for a total of \$3.9 million.

In addition to mortgage lending, the Homeownership Division provided counseling funded via general operating income. Counseling was provided in the following areas: Homebuyer Education—3,420 households; Foreclosure Prevention—951 households; Family Self-Sufficiency—112 households; Key to Own—14 households; and Specialty programs—453 households.

Federal Stimulus Funding

MSHDA expended \$124,587 in National Foreclosure Mitigation Counseling (NFMC) program funds and served 708 borrowers. The NFMC program, (sometimes called the “Neighborworks” program, as it is administered by NeighborWorks® America) is funded by the Consolidated and Further Continuing Appropriations (CFCA) Act of 2015, and uses a network of housing counselors to help families at risk of foreclosure via loss mitigation counseling.

MSHDA also administered the Help for Hardest Hit Programs. These federally-funded programs are being used to help homeowners who have a high risk of default or foreclosure and our newest program is blight elimination in five cities. MSHDA disbursed \$109.9 million for 5,669 households in FY 2015 for the Help for Hardest Hit Program and for Blight Elimination, MSHDA disbursed \$62.1 million for 4,362 units.

Michigan Mortgage Credit Certificate Program

This program, authorized by Congress in 1984, reduces the amount of federal income tax a homebuyer pays, thus giving the person more available income to qualify for a conventional mortgage and make house payments. Potential homebuyers must meet income and purchase price limits. The lender sets loan terms. The Authority has to turn in a portion of its allocated mortgage revenue bond authority to the U.S. Treasury to utilize the Mortgage Credit Certificates.

In FY 2015, the program assisted the financing of 305 single-family homes. The total investment was \$31.2 million. The average age of a MCC recipient purchasing an existing home was 32; the average family size was 2. The Authority exceeded its goal of producing 202 certificates primarily due to increased statewide marketing.

Property Improvement Loan Program

This program helps preserve older, existing housing by offering loans to homeowners that meet income limits. In FY 2015, this program made 42 loans, totaling \$477,166. Of these loans, 59.3% were made to borrowers over 55 years of age. Approximately 59.5% of the loans went to improve homes that were 40 years of age or older.

The Authority missed its FY 2015 goal of providing at least 62 PIP loans totaling \$650,000 due to weakness in the housing market; many homeowners were “upside down” on their mortgages and therefore could not qualify for a PIP loan. Many who did qualify chose alternate lenders who offered lower interest rates.

Social and Economic Benefits

Section 32(16)(b)(c)(d)(e) and (f) requires the Authority to report on the social and economic benefits of MSHDA’s housing projects to the immediate neighborhoods and the cities in which they have been constructed, the extent of direct and indirect displacement of lower income persons, and the extent of additional reinvestment activities attributable to the Authority’s financing of these projects.

The obvious short-term benefits are the increased availability of quality, affordable housing for low and moderate income people, increased construction contracts and sales for builders and realtors, and increased Community Reinvestment Act production for local lenders. Further, the multifamily developments financed by the Authority employ people who receive salaries and expend dollars for vendor services.

Developments also provide common space designed to enhance the community. Within these spaces many developments allow local senior citizen groups to provide meal service, medical examinations, and classes of various kinds. In other developments, there are police mini-stations, food cooperatives, book exchanges, craft shows, neighborhood watch programs, senior pal programs, and youth work programs.

The Authority requires, as part of the underwriting process, that relocation planning be performed and implemented in any situation where a MSHDA loan would result in the displacement of lower income people. As a matter of policy, the Authority avoids approval of loans where such displacement cannot be adequately addressed.

Demographic Information

Section 32(16)(g) requires the Authority to report on the age, race, family size, and average income of the tenants in housing projects.

Information on the demographics of program beneficiaries is contained throughout the report. Demographic information for the Single Family, Michigan Mortgage Credit Certificate, and PIP Programs are found in [Exhibit 3](#), [Exhibit 4](#), and [Exhibit 5](#), and information for the Housing Choice Voucher program is found in the text of the "[Housing Choice Voucher Program](#)" section.

The following estimates provide an indication of the demographics of tenants in existing multifamily developments that had received tax credits as of August, 2015: 53.2% of tenants who reported their race were white, and 46.8% were non-white. The average age of the Head of Household was 52 years, the average family size was 1.8 persons, and the average income was \$16,837.

ADDITIONAL DEMOGRAPHIC INFORMATION IS DETAILED IN [EXHIBIT 3](#) (SINGLE FAMILY LOANS), [EXHIBIT 4](#) (MICHIGAN MORTGAGE CREDIT CERTIFICATE) AND [EXHIBIT 5](#) (PIP PROGRAM).

Construction Jobs Created, Wages and Taxes Paid

Section 32(16)(h) requires the Authority to estimate economic impact of its multifamily lending development projects, including the number of construction jobs created, wages paid, and taxes and payments in lieu of taxes paid.

In FY 2015, Authority-financed housing resulted in approximately 1,175 jobs, caused approximately \$36.7 million in wages to be paid, and resulted in approximately \$12.8 million in federal and state taxes being collected. Approximately seven MSHDA-financed properties received payments in lieu of taxes in FY 2015.

[EXHIBIT 6](#) ESTIMATES THE NUMBER OF CONSTRUCTION JOBS CREATED, WAGES PAID, AND FEDERAL AND STATE TAXES PAID IN FY 2014.

Grants Made to Local Units of Government and Non-Profit Organizations

MSHDA makes grants to local units of government and non-profit housing organizations for the prevention of homelessness and community development. In FY 2015, 129 grants were made to local units of government and non-profit housing and service providers, for a total grant expenditure of \$30.6 million.

EXHIBIT 7 DETAILS THE GRANTS MADE TO LOCAL UNITS OF GOVERNMENT AND NON-PROFIT HOUSING AND SERVICE PROVIDERS.

Mobile Home Parks, Non-Profit Housing Projects, and Cooperative Programs

Section 32(16)(i) requires the Authority to report on the progress in developing mobile home parks and mobile home condominium projects, constructing or rehabilitating consumer housing cooperative projects, and in financing construction or rehabilitation of non-profit housing projects.

In FY 2015, no mobile home parks were financed under the Michigan Mortgage Credit Certificate Program or Single Family Program. No consumer housing cooperative projects were financed under Authority programs in FY 2015.

In FY 2015, the Authority financed 908 units of housing in non-profit housing projects, investing a total of \$14.2 million in these projects. In addition, MSHDA granted \$300,000 in pre-development loans to 1 nonprofit to facilitate the development of affordable housing.

Neighborhood Preservation Program

Section 32(16)(j) requires the Authority to report on the progress in developing the Neighborhood Preservation Program. The goals of the program were to positively impact the image, physical conditions, and market and neighborhood management of target neighborhoods. Each NPP produced housing units either through new construction, rehabilitation of space for rental units (usually above businesses downtown), or purchase/rehab for resale. In addition, each project included homeowner rehabilitation, beautification through banners, landscaping and/or neighborhood signs, and marketing activities to improve the image of the neighborhood. There were no funds available for the NPP program in FY 2015.

Prepayment of Federally and Authority Assisted Loans

Section 32(16)(k) requires the Authority to report on the status of federal programs that assist low income tenants displaced as a result of prepayment of federally or Authority assisted loans.

The Authority has preservation lending parameters for federally assisted and MSHDA-financed rental housing. This housing stock, which currently serves Michigan's lowest income citizens and was typically built between 1974 and 1985, is in need of rehabilitation and preservation.

The Authority offers tax-exempt and taxable preservation lending to extend the affordability, viability, and livability of this existing rental housing for a minimum of 35 years. A Preservation Fund loan may be available as additional gap financing for eligible developments in the event the Authority determines the transaction will not adequately address unmet physical needs. No tenants are displaced as a result of these transactions.

Low Income Housing Tax Credit (LIHTC)

Section 32(16)(l) requires the Authority to report on the status of the Low Income Housing Tax Credit (LIHTC) allocated under the Qualified Allocation Plan (QAP), including the amount of tax credits allocated, projects that have received tax credits, reasons why projects were denied tax credit, a geographical description of the distribution of tax credits, and a description of any amendments to the allocation plan made during the year.

During FY 2014, the Authority allocated approximately \$23 million in 9% tax credits to 35 developments helping create or preserve 1,931 units of affordable housing. During the fiscal year, 29 distinct projects were denied credit for various reasons. There were no changes to the QAP during FY 2015.

EXHIBIT 8 PROVIDES A GEOGRAPHIC DESCRIPTION OF CREDITS ALLOCATED, EXHIBIT 9 SHOWS A LIST OF PROJECTS DENIED CREDIT, AND EXHIBIT 10 ADDRESSES AMENDMENTS TO THE AUTHORITY'S ALLOCATION PLAN.

Education and Training Opportunities

Section 32(16)(m) requires the Authority to report on education and training opportunities provided by the Authority including the types of education and training and the amount of funding committed to these activities. Education and training opportunities provided by the Authority primarily include our Technical Assistance efforts. In FY 2015, the Authority provided Technical Assistance to nonprofit housing organizations throughout the state with 9 contracts made to 8 different Technical Assistance providers, at a total cost of \$647,030.

EXHIBIT 11 DETAILS GRANTS MADE TO TECHNICAL ASSISTANCE PROVIDERS.

Housing Choice Voucher Program

The Housing Choice Voucher (HCV) Program utilizes the private rental market to assist Michigan's extremely low income families to afford decent, safe, and sanitary housing. Residents live in single family or multifamily rental dwellings, paying between 30% and 40% of their gross income for rent.

In FY 2015, a total of 27,648 families participated in this program, which includes Project Based, Homeownership, Non-Elderly Disabled, Mainstream 5, and Veteran allocations. The average age for the head of household was 48 years of age, 43% of the voucher holders are disabled, and the average adjusted household income was \$10,218. The racial breakdown by head of household is as follows: 1.2% are classified as American Indian/Alaska Native, 0.4% are classified as Asian, 52.6% are classified as Black/African American, 0.2% are classified as Native Hawaiian/Other Pacific Islander, and 45.6% are classified as White. Of the 27,648 participating households, 3% are classified within Hispanic or Latino ethnicity.

Housing and Community Development Fund

Section 58b(6) requires the Authority to issue an annual report to the Legislature summarizing the expenditure of the Fund for the prior fiscal year, including a description of the eligible applicants who received funding, the number of housing units that were

produced, the income levels of the households that were served, the number of homeless persons served, and the number of downtown areas and adjacent neighborhoods that received financing.

Unfunded since FY 2008, the Housing and Community Development Fund (HCDF) received a supplemental appropriation of \$3,709,500 from the proceeds of the National Mortgage Settlement (PA 296 of 2012). A competitive grant process was completed in 2013 to distribute the funds according to statutory criteria. Specifically, MSHDA developed and published a Notice of Funding Availability, reviewed and scored 65 proposals, and selected 9 applicants to receive awards.

At the time this report was written, three of these grantees have completely expended the grant funds, and two have expended most of the funds. Additionally, two projects are currently underway and are expected to expend grant funds in the next fiscal year, and one grantee is currently seeking tax credits. One grantee's award will be de-obligated and a new application round is anticipated to occur for these funds in FY 2016.

Below is a description of the grantees that will or have received funding:

Ingham County Land Bank Fast Track

Project Name: Ash Street Mixed Use Development

Location: City of Mason, Ingham County

Awarded Amount: \$500,000

Statutory Earmarks: 25% Rental Housing

Eligible Distressed Area

Ingham County LBFTA is currently developing 10 new residential apartments and 5,000 square feet of first-floor commercial space in downtown Mason. The set aside units are limited to households at or below 60% area median income. The project leverages \$485,000 in conventional debt, \$426,800 in CDBG, and \$50,000 in funding from Mason's Downtown Development Authority.

Dwelling Place of Grand Rapids, Inc.

Project Name: Herkimer

Location: City of Grand Rapids, Kent County

Awarded Amount: \$468,379

Statutory Earmark: 30% Extremely Low Income/Homeless/Permanent Supportive Housing

Eligible Distressed Area

Dwelling Place of Grand Rapids, Inc. acquired and has substantially rehabilitated the historic Herkimer Building. A total of 55 one-bedroom units, including 40 supportive housing units, are completed at the site. The project leverages \$15.9 million in financing.

ICCF Nonprofit Housing Corporation

Project Name: La Grave Apartments at Tapestry Square

Location: City of Grand Rapids, Kent County

Recommended Amount: \$475,000

Statutory Earmark: 25% Rental Housing

Eligible Distressed Area

ICCF Nonprofit Housing Corporation anticipates developing 19 residential units and 3,000 square feet of first floor commercial square in the southern part of downtown Grand Rapids. The developer plans \$3.6 million in leveraged funding from a variety of

public and private sources. ICCF applied for Low-Income Housing Tax Credits during spring of 2014, but was not awarded tax credits. It is anticipated that the developer will re-apply for Low-Income Housing Tax Credits in the fall 2014 round.

Uptown Reinvestment Corporation

Project Name: Capitol Theatre

Location: City of Flint, Genesee County

Recommended Amount: \$500,000

Statutory Earmark: Eligible Distressed Area

Uptown Reinvestment Corporation anticipates rehabilitating the historic Capitol Theatre Building in downtown Flint. Additionally, this will include the restoration of the 2,000 seat theatre and 25,000 square feet of office and retail space. The \$10 million project is seeking New Market and Federal Historic Tax Credits, and has secured a variety of other private and public funding sources.

LINC Community Revitalization, Inc.

Project Name: Southtown Square

Location: City of Grand Rapids, Kent County

Awarded Amount: \$500,000

Statutory Earmark: 25% Rental Housing

Eligible Distressed Area

LINC Community Revitalization Inc. has developed 44-units of mixed-income housing comprised of 24 apartment units in a 4-story, mixed-use elevator building with 7,200 SQFT of commercial space and 16 townhome units in the Madison Square business district of Grand Rapids. This is Phase II of the Southtown Square development that has already received commitments from the following funding sources: 9% LIHTC, NSP2, NSP3, and City of Grand Rapids HOME funds.

Home Renewal Systems, LLC

Project Name: The Gateway, Fremont Senior Apartments

Location: City of Fremont, Newaygo County

Awarded Amount: \$450,000

Statutory Earmark: \$25% Rental Housing

Home Renewal Systems, LLC is currently in the process of redeveloping a historically significant re-purposed high school building originally built in 1926 to create 38 affordable, energy-efficient, senior apartments, with walkable access to downtown Fremont. The project is leveraging a mix of 9% LIHTC, federal historic rehabilitation tax credits, and permanent debt from conventional sources to complete the transaction.

S. Dot Development, LLC

Project Name: The West Grand Apartments

Location: City of Detroit, Wayne County

De-obligated Amount: \$224,850

Statutory Earmark: 25% Rental Housing

Eligible Distressed Area

S. Dot Development, LLC was an applicant for HCDF funding that planned to renovate 27 units of mixed-income housing (21 units restricted to < 60% AMI) in a 3-story historic building originally constructed in 1920 along West Grand Boulevard near the I-94 interchange in Detroit. The developer is not moving forward with the development and the Housing and Community Development funds will be de-obligated and re-administered with an approved biennial plan.

Bethel Tower LDHALP

Project Name: Bethel Tower Apartments

Location: City of Detroit, Wayne County

Awarded Amount: \$200,000

Statutory Earmark: 30 % Extremely Low Income/Homeless/Permanent Supportive Housing

Physical & Mental Handicaps/Eligible Distressed Area

Bethel Tower LDHALP rehabilitated a 120-unit, 8-story, high rise elevator apartment building and 26 townhouse units located in the Midtown neighborhood of Detroit as part of a recapitalization project that included 9% LIHTC, HUD 221d(4) permanent financing and owner cash/equity. The project will provide permanent supportive housing for persons with physical, mental, and/or emotional impairments.

Detroit Rescue Mission Ministries

Project Name: Douglas Permanent Supportive Housing

Location: City of Highland Park, Wayne County

Awarded Amount: \$467,271

Statutory Earmark: 30% Extremely Low Income/Homeless/Permanent Supportive Housing

Eligible Distressed Area

Detroit Rescue Mission Ministries is in the process of developing a 70 unit, 3-story building located in Highland Park to provide permanent supportive housing for 70 homeless men. Renovations will include washroom, common area, roof and window upgrades. A HUD Permanent Supportive Housing grant and owner equity provides leverage.

New Programs Funded by National Mortgage Settlement

In 2012, Michigan's Attorney General and other participating state Attorneys General entered into a settlement with the five leading bank mortgage servicers resulting in the National Mortgage Settlement. The settlement required servicers to provide monetary sanctions and relief and mandated comprehensive reforms in mortgage loan servicing. Michigan received \$97.2 million from the settlement for the purpose of creating the Homeowner Protection Fund. A portion of these funds were appropriated by the Legislature to MSHDA for new/re-funded programs. These programs, which received their third fiscal year of funding from the National Mortgage Settlement in FY 2015, are briefly described below.

The Housing and Community Development Fund: This existing program, which had not been funded since FY 2008, received \$3.7 million from the settlement for eligible housing and community development projects. See "[Housing and Community Development Fund](#)" section above for more detail.

Blight Elimination/Demolition consists of \$25 million to be used in cooperation with the Department of Human Services in targeted demolition projects in Detroit (\$10 million) and statewide (\$15 million):

- **Michigan Land Bank (MLB) Demolition in Detroit.** For the Detroit program, \$10 million was expended to demolish 861 commercial or residential structures in the City of Detroit.

- **Statewide Demolition Project.** For the Statewide program, \$14.9 million had been expended to demolish 1,020 structures, including 796 single family residential, 64 commercial buildings, 2 industrial complexes, a 151 unit multi-family complex, and a variety of other property types.

Foreclosure counseling and legal aid consists of \$15 million to increase foreclosure counseling efforts statewide. In FY 2015, \$3,607,648 million was expended under this program.

Home affordable refinance program grants (\$5 million) are grants to homeowners attempting to refinance under the federal Home Affordable Refinance Program (HARP). In FY 2015, 211 homeowners statewide had received HARP refinance closing-cost assistance, with a total of \$105,500 being funded in that fiscal year.

Assistance to homebuyers program (\$15 million) to issue grants to homebuyers, with a preference given to disabled veterans. In FY 2015, 79 homebuyers statewide had purchased homes under this program, of which approximately 4% (3 homebuyers) were service members. All \$15 million for this program has been expended.

Michigan State University Extension foreclosure counseling (\$5 million) have been distributed to MSU-Extension offices for the purpose of foreclosure counseling. MSU Extension staff members have provided counseling to 11,433 households facing foreclosure.

Sec. 44c Pass-Through Reporting Requirement

Sec. 44c(13) requires owners of certain housing projects financed under the Pass-Through program to submit data to MSHDA. For FY 2015, no data was received for reporting under this section.

Michigan Broadband Development Authority

Section 32(17) of MSHDA's enabling legislation requires the Authority to conduct an annual review of all loans and financial instruments that require repayment, or lines of credit with the Michigan Broadband Development Authority (MBDA).

Executive Order No. 2008-20, approved in October of 2008, abolishes the Broadband Authority and transfers any remaining functions to MSHDA. As of June 30, 2015 the Broadband portfolio had 1 outstanding loan, with a total outstanding principal balance of \$62,248. All outstanding commitment amounts were either drawn down, or forfeited by the borrowers, so there are no longer any commitments outstanding.

MiNeighborhood Initiative

The MiNeighborhood Program works with neighborhood, local, and statewide organizations to identify and address neighborhood needs based on the premise of the Main Street Four-Point Approach®. The program connects existing and emerging opportunities to leverage resources in support of neighborhood revitalization.

In FY 2014-15, Flint's Historic Carriage Town Neighborhood joined the MiNeighborhood initiative, and there are now four communities in the program.

During the CY 2014 program year, \$13,256 was expended on trainings and workshops. Trainings consisted of Michigan Historic Preservation Education programs and workshops, vision and mission statement workshops, and MiNeighborhood community tours and MiNeighborhood Network sessions. Muskegon's Nelson Neighborhood had a decrease of 1,061 crime related calls reported and had public improvement investments of \$500,000 and private investments of \$4.6 million. Flint's Grand Traverse Neighborhood District saw six façade renovations for investment of approximately \$10,000.

Over 1,000 hours of volunteer service has been documented at over 10 events organized by the three MiNeighborhood Communities. A walkability audit has been planned for one community and Target Market Analysis has been completed for all four communities.

Michigan Land Bank

In 2014, the Michigan Land Bank Fast Track Authority was transferred to MSHDA pursuant to Executive Order 2014-8. It was later transferred to the Department of Talent and Economic Development via Executive Order 2014-12, and it is no longer a part of MSHDA.

Single Family Income Limitation

Section 32a requires the Authority to report its compliance with a statutory requirement pertaining to bonds issued for the purpose of financing single family loans. This requirement states that within the first 60 days after a bond is issued, at least 50 percent of the resulting loans must be reserved for households with gross annual incomes at or below 60% of the statewide median gross income. It further prohibits more than 50% of the bond's proceeds from being used to finance single family homes for homebuyers who previously have had an ownership interest in a residence.

In FY 2015, MSHDA issued Bond 050, which funded three single family loans within the first 60 days of issuance. All three of these loans were made to households with gross annual incomes at or below the required 60% of median income threshold, as required by law. Further, only 2.4 percent of MSHDA's single family loans for existing homes went to previous homeowners, and 16.7 percent of single family loans for newly constructed homes went to previous homeowners.

State Historic Preservation Office

MSHDA's Authorizing Act does not require reporting for the State Historic Preservation Office (SHPO), which was transferred to the Authority under Executive Order 2009-36. However, the Authority would like to share the information below about this important office within the Authority.

In 1966, in response to growing public interest in historic preservation, Congress passed the National Historic Preservation Act (NHPA), which required that each state establish a SHPO and that the governor of each state appoint an officer to oversee the preservation activities. In Michigan the governor also appoints the State Historic Preservation Review Board, which reviews nominations to the National Register of Historic Places. Each year Michigan receives a Historic Preservation Fund (HPF) grant from the National Park Service to operate its programs. The Michigan SHPO identifies, evaluates, registers, protects and encourages reinvestment in the state's historic buildings and neighborhoods and the protection of archaeological resources.

Michigan's SHPO manages a number of federal and state programs including the National Register of Historic Places, Section 106 of the NHPA (review of federal undertakings for their impact on historic and archaeological resources), and Michigan's

Local Historic District Act. The SHPO also administers incentives programs to encourage reinvestment in historic buildings and neighborhoods, including Federal Historic Preservation Tax Credits, pass-through grants available to Certified Local Governments, and the Michigan Lighthouse Assistance Program funded through the sale of specialty license plates.

Grants and Tax Credits

Certified Local Government Grants

During FY15 the SHPO announced \$117,000 in Certified Local Government (CLG) grants. As required by the National Park Service, the SHPO awards 10 percent of its Historic Preservation Fund grant to CLGs. The four grants were:

Certified Local Government/Partner Organization	Amount of Grant	Amount of Match	Historic Resource
City of Detroit	\$24,000	\$16,000	Belle Isle Aquarium and Conservatory
City of Detroit	\$33,000	\$22,000	Scarab Club
City of Menominee	\$27,000	\$18,000	Menominee Opera House
City of Saline	\$33,000	\$22,000	Rentschler Farm

Michigan Lighthouse Assistance Grants

During FY15, the SHPO announced nearly \$125,000 in Michigan Lighthouse Assistance Program grants toward the rehabilitation of five historic lighthouses. Since 2000 the Michigan Lighthouse Assistance Program has awarded more than \$1.5 million in grants for the preservation of lighthouses. The program is funded through the sale of the Save Our Lights specialty license plates. The five grant projects are:

Recipient Organization and Lighthouse	County	Amount of Grant	Amount of Match
Charlevoix Historical Society Charlevoix South Pier Lighthouse	Charlevoix	\$12,700	\$6,350
Crisp Point Lighthouse Historical Society	Luce	\$30,000	\$15,000
Mission Point Lighthouse	Grand Traverse	\$44,732	\$22,366
Delta County Historical Society Foundation	Delta	\$14,000	\$7,000
Michigan Maritime Museum South Haven Pier Light	Van Buren	\$22,000	\$11,000

Michigan Heritage Restoration Program (MHRP)

As a result of a line item in the Michigan Fiscal Year 2015 budget for the Michigan Economic Development Corporation (MEDC), SHPO – at the request of the MEDC – established the Michigan Heritage Restoration Program (MHRP). MHRP was a one-year competitive grant program that assisted in the funding of restoration and preservation projects in historically designated neighborhoods throughout the state of Michigan. The MHRP grants were available to neighborhood organizations registered as 501(c)(3) organizations providing services within their historically designated neighborhoods. Grants were competitively awarded to projects that had plans and specifications in compliance with the *Secretary of the Interior's Standards for Rehabilitation* and were ready to begin construction. To qualify for the program, historic resources had to be eligible for listing or be listed in the National Register of Historic Places, or be located in a locally designated historic district. The call for applications resulted in a total request for \$2.1 million in funds representing more than \$4.8 million in investment (grant funds + matching funds) in historic properties. A total of \$600,000 was legislatively appropriated for the program. The awards were as follows:

Recipient Organization	Municipality	Amount of Grant	Amount of Match	Historic Resource
Friends of Mary Sheldon Ismon House	Albion	\$120,000	\$80,000	Mary Sheldon Ismon House
Model T Automotive Complex, Inc.	Detroit	\$60,000	\$46,000	Ford Piquette Avenue Plant
Indian Village Historical Collections	Detroit	\$102,600	\$68,400	Rehab and install 57 historic streetlights
Dexter Area Historical Society	Dexter	\$75,000	\$50,000	Gordon Hall
Franklin Historical Society	Franklin	\$119,400	\$47,760	Broughton House
Friends of Ironwood Carnegie Library	Ironwood	\$60,000	\$40,015	Ironwood Carnegie Library
Vine Neighborhood Association	Kalamazoo	\$63,000	\$42,000	Central Corners Building

Historic Preservation Tax Credits

Historic Preservation Tax Credits continue to be an important tool for spurring private investment in vacant or underutilized buildings in Michigan cities. In 2015, 25 historic rehabilitations were completed using either Federal or a combination of Federal and State Historic Preservation Tax Credits. These 25 projects represent direct investment of more than \$261.7 million.

Project Name	City	County	Total Investment	Est. Fed. Credit	Est. State Credit	Est. Total Credit
Bohm Theatre	Albion	Calhoun	3,907,000	725,073	0	725,073
Morrison School	Calumet	Houghton	2,059,868	383,116	95,779	478,895
Epstein Building	Hancock	Houghton	659,346	122,120	0	122,120

J. W. Knapp Co. Building	Lansing	Ingham	33,105,429	4,386,060	4,386,060	8,772,120
Stanford House	Grand Rapids	Kent	6,500,000	1,200,000	0	1,200,000
Daverman Apartments	Grand Rapids	Kent	772,376	148,498	0	148,498
Stuyvestant Apartments	Grand Rapids	Kent	5,846,000	1,141,000	0	1,141,000
Herkimer Hotel	Grand Rapids	Kent	22,890,675	1,865,000	0	1,865,000
469 Crescent NE	Grand Rapids	Kent	124,176	24,835	6,208	31,043
J. A. Building	Grand Rapids	Kent	2,860,000	572,000	143,000	712,000
Lloyd's Department Store	Menominee	Menominee	13,579,276	2,448,109	0	13,579,276
Lewis House	Whitehall	Muskegon	972,237	104,463	0	104,463
Taliferro House	Bloomfield Hills	Oakland	15,633	3,126	781	3,907
Eddy Building	Saginaw	Saginaw	652,300	114,360	0	114,360
Dime Building	Detroit	Wayne	34,200,000	6,300,000	0	6,300,000
Brentwood Apartments	Detroit	Wayne	1,659,170	331,834	82,959	414,793
Security Trust Company Building	Detroit	Wayne	2,295,863	459,173	114,795	573,968
David Whitney Building	Detroit	Wayne	94,408,523	17,205,641	15,551,910	32,757,551
Palmer Lodge Apartments	Detroit	Wayne	6,434,618	952,744	0	952,744
Newton Apartments	Detroit	Wayne	2,780,793	411,198	102,799	616,796
Birchmont Apartments	Detroit	Wayne	5,887,515	870,591	217,648	1,088,239
4107 Cass	Detroit	Wayne	819,201	162,040	40,960	203,000
Garden Theater	Detroit	Wayne	10,441,583	1,591,419	397,855	1,989,274
Davenport Apartments	Detroit	Wayne	2,438,855	487,771	121,943	609,714
E & B Brewery Lofts	Detroit	Wayne	6,408,961	1,210,706	0	1,210,706
TOTAL			261,719,398	42,648,877	21,119,697	73,791,834

The State Historic Preservation Tax Credit program is winding down, as projects must be completed by the end of 2016. In 2015, 12 state-only projects were completed representing an additional \$30.8 million in direct investment in historic rehabilitation.

Project Name	City	County	Total Investment	State Credit
Chapel Building, Northern Michigan Asylum for the Insane	Traverse City	Grand Traverse	\$2,859,337	\$714,834

Shelby-Booth Mansion	Grand Rapids	Kent	\$288,346	\$72,087
Joseph H. Lebowsky Center	Owosso	Shiawassee	\$6,375,948	\$1,593,987
42 West Chicago Street	Coldwater	Branch	\$36,787	\$9,197
301 Washington Avenue	Bay City	Bay	\$6,199,271	\$1,549,818
1210 Merrill Street	Kalamazoo	Kalamazoo	\$10,287	\$2,572
776 Seminole	Detroit	Wayne	\$43,500	\$10,875
1115 Eton Cross	Bloomfield Hills	Oakland	\$37,648	\$9,412
538-540 Logan	Grand Rapids	Kent	\$45,153	\$11,288
1546 Grand Avenue	Kalamazoo	Kalamazoo	\$32,915	\$8,229
1027 Burns	Detroit	Wayne	\$18,544	\$4,636
2322 DuBois Street	Detroit	Wayne	\$14,884,372	\$2,945,277
TOTAL			\$30,832,108	\$6,932,212

Designation and Survey

Commercial Historic Districts Listed in the National Register of Historic Places

A minimum of three times a year the SHPO presents nominations of historic sites to the National Register of Historic Places to the governor-appointed State Historic Preservation Review Board. During FY14 the board considered 18 different nominations, including 3 for downtown commercial historic districts: Alma, Escanaba and Owosso. As a result 300 property owners within those districts will be eligible to apply for Federal Historic Preservation Tax Credits, an incentive for them to rehabilitate historic buildings in downtown areas. In addition, SHPO staff assisted the US Forest Service (USFS) in the preparation of nominations for seven archaeological sites in the Hiawatha National Forest. The USFS submitted the nominations directly to the National Park Service for listing in the register.

Education and Outreach

Archaeology Education

The State Historic Preservation Office archaeology staff collaborated with the Michigan Historical Museum, Department of Natural Resources (DNR), on a number of educational events: *Michigan Archaeology Day*, held at the Michigan Historical Center; *Archaeology Days at Walker Tavern* Historic Site in Cambridge Junction; and *Fayette Heritage Day* at Fayette Historic Town Site in the Upper Peninsula. The archaeologists also collaborated with museum staff on two summer day camps for kids called *Dig Camp*, which taught the STEM curriculum through the skills and practices employed by archaeologists. The archaeology staff also taught elementary school students as part of the Big History Lesson, an intensive program during which third and fourth graders spent an entire week at the museum.

Additional educational collaboration with the DNR and DEQ included conducting separate training sessions for three DNR divisions and one DEQ division in order to increase awareness

of archaeological resources and to elevate the staffs' sense of ownership of archaeological sites on state land. The SHPO's State Archaeologist also participated in DNR parks planning meetings in order to support DNR stewardship of archaeological sites in state parks as part of the planning process.

Community Outreach and Technical Assistance

SHPO shares technical expertise and guides community leaders, developers, contractors, and residents. The team provides guidance on the Secretary of the Interior Standards for Rehabilitation as they apply to the rehabilitation of historic residential and nonresidential buildings and consults with colleagues at the MEDC and MSHDA on redevelopment and adaptive reuse projects. Collaboration has been particularly close on the revitalization efforts taking place in Detroit, with the Michigan Main Street program, and in strengthening our relationships with communities. In FY16 SHPO's Outreach Specialist and Certified Local Government (CLG) Coordinator emphasized visiting CLGs to meet with community leaders and promote state programs that foster community development.

Cultural Resource Protection

Cliff Mine Section 106 Project

The SHPO began consultation under Section 106 of the NHPA with the Michigan Department of Environmental Quality (DEQ) in April 2010 regarding the Cliff Mine River Corridor Remediation project. The Cliff Mine site is an extensive archaeological site that includes the remains of a 19th-century copper mining operation and an associated town site. There are substantial deposits of stamp sands – a waste product produced during the processing of copper ore – across the site. The DEQ proposed to remove the stamp sand deposits as part of a plan to remediate copper contamination in the Eagle River which flows through the Cliff Mine site. The SHPO, however, expressed the opinion that the stamp sands are part of the mining landscape, and as such contribute to the eligibility of the site. SHPO staff collaborated with the DEQ over the next several years to arrive at an engineering plan that would solve the copper contamination problem in the river while leaving the stamp sands as intact as possible, thus preserving the integrity of the mining landscape. The DEQ created an engineering plan that met those goals, and resulted in the SHPO arriving at a finding of no adverse effect. The remediation project was successfully completed during MSHDA FY 2015.

SHPO Involvement in Detroit

SHPO programs have always aided historic properties and their owners in Detroit, whether through the National Register of Historic Places program, the Federal Historic Preservation Tax Credit program, the review of federally funded or licensed projects occurring in the city, or Certified Local Government and Michigan Lighthouse Assistance Program grants.

In 2015 SHPO was heavily involved in two specific projects of note in the city of Detroit.

Belle Isle State Park

The SHPO collaborates with other state and local agencies in determining the future of Belle Isle and established an ongoing liaison position to continue to help guide DNR, MDOT, private partners, and the existing friends group as they plan and implement improvements on the island. To date SHPO staff has participated in planning the reuse of the historically significant former Island Police Station, the "White" House (the former Island Operations office), the stables, the various picnic pavilions and restroom facilities throughout the park. Due to the

Certified Local Government grant program and the Michigan Lighthouse Assistance Program, the futures of the Flynn Pavilion, the Belle Isle Aquarium, the Nancy Brown Peace Carillon and Livingstone Memorial Lighthouse have been substantially secured. During FY 2015 in order to make it easier for the city and the Friends of Belle Isle to apply for private or public grant money, the SHPO's National Register Coordinator has worked with the DNR and the City Detroit to develop a revised National Register of Historic Places nomination that will include all of the historic resources on the island and demonstrate national significance. The nomination includes the Detroit Boat Club, which may benefit from the ability of a future owner to apply for Federal Historic Preservation Tax Credits. The State Historic Preservation Review Board will consider the nomination at its September 2015 meeting.

Community Revitalization on a Neighborhood Scale: the Jefferson Chalmers Pilot Project in Detroit

During late FY 2014 and throughout FY 2015 the Michigan State Historic Preservation Office worked in conjunction with the Michigan Historic Preservation Network, Preservation Detroit, Detroit Future City, Jefferson East, Inc. and other local partners to plan for and facilitate a multi-phase pilot project in the Jefferson-Chalmers neighborhood in northeast Detroit. The neighborhood includes the National Register-eligible Marlborough-Chalmers-Lakewood Historic District and the Riverside Historic District. Localized programming and broad neighborhood strategies have been undertaken and will complement a plan for preservation and rehabilitation efforts, demonstrating that together, these activities and practices can be catalysts for reinvestment and holistic revitalization of a neighborhood. During Phase I, completed in March and April 2014, workshops for homeowners were held in the Jefferson-Chalmers neighborhood: *Masonry – Cleaning and Maintenance/Repair, Home Maintenance – Best Practices and Weatherization – Best Practices*. Each workshop was filled to capacity and received enthusiastic feedback and positive results from local residents. Phase II was a two-part, youth-focused community involvement project. In late August 2014 a neighborhood walking tour was undertaken, during which local Jefferson-Chalmers youth photographed their community. In October the photographs were displayed in a temporary pop-up gallery and accompanied by lectures relevant to contemporary neighborhood-specific issues for an intergenerational audience. Phase III, physical rehabilitation of several properties within the neighborhood, will take place in late FY 2015 and 2016.

Governor’s Awards for Historic Preservation

During National Historic Preservation Month in May, the SHPO presented the 2015 Governor’s Awards for Historic Preservation in the State Capitol Rotunda.

Recipients	Project	Location
Woda Group, Hooker DeJong Architects & Engineers, and the City of Menominee	Rehabilitation of Lloyd’s Department Store	Menominee
Michigan Department of Transportation, Grand Traverse Band of Ottawa & Chippewa Indians, Little River Band of Ottawa Indians, Little Traverse Bay Bands of Odawa Indians, Match-e-be-nash-she-wish Band of Pottawatomi Indians, Nottawaseppi Huron Band of the Potawatomi, Saginaw Chippewa Indian Tribe of Michigan, and Commonwealth Cultural Resources Group, Inc.	US-31/M-231 Holland To Grand Haven Archaeological Data Recoveries	Ottawa and Allegan Counties

Friends of the Bohm Theatre, Albion Community Foundation, the Greater Albion Community, Mitchell and Mouat Architects and Gordon Martin Builder, Inc.	Rehabilitation of the Bohm Theatre	Albion
Eyde Company, Quinn Evans Architects, and Granger Construction	Rehabilitation of the J. W. Knapp Building	Lansing
Roxbury Group, Trans Inns Management, Kraemer Design Group, PLC, and Walbridge	Rehabilitation of the David Whitney Building	Detroit

EXHIBIT 1
FY 2015 Production and FY 2016 Goals

Program	FY 2015 Goal		FY 2015 Production		FY 2016 Goal	
Multifamily Direct Loans	\$77,400,200	1,180	\$63,804,784	933	\$90,000,000	1,500
Short-Term Pass Through Loans	\$0	0	\$24,000,000	446	\$30,000,000	500
Single Family Loans	\$ 82,000,000	1,010	\$ 118,957,442	1,406	\$104,000,000	1,229
Michigan Credit Certificate Program	\$ 20,000,000	202	\$ 31,259,145	305	\$20,000,000	202
Property Improvement Program (PIP)	\$ 650,000	62	\$ 477,166	42	\$650,000	62
TOTAL	\$180,050,200	2,454	\$238,498,537	3,132	\$244,650,000	3,493

**EXHIBIT 2
FY 2015 Commitments/Allocations of Federal Stimulus Funds**

Program/Activity Type	Federal Act	Funding Source	Purpose	Amount
Neighborhood Stabilization Program (NSP2)	ARRA	ARRA NSP2	Acquire abandoned, foreclosed, vacant or blighted properties to be preserved, sold, demolished or maintained	\$8,921,225
Neighborhood Stabilization Program (NSP1)	HERA	HERA NSP Entitlement Cities	Rehabilitating abandoned foreclosed properties for resale; demolition of blighted, abandoned and vacant properties to promote opportunities for future redevelopment.	\$0
Foreclosure Mitigation Counseling	CFCA	Consolidated and Further Continuing Appropriations Act of 2015	Foreclosure prevention program	\$124,587
Help for Hardest Hit Programs	EESA	Troubled Assets Relief Program (TARP)	Foreclosure prevention programs	\$109,872,970
Total				\$118,918,782

NOTES:

- "ARRA" = American Recovery and Investment Act of 2009.
- "HERA" = Housing and Economic Recovery Act of 2008.
- "EESA" = Emergency Economic Stabilization Act of 2008.
- "NSP" = Neighborhood Stabilization Program.
- "CFCA" = Consolidated and Further Continuing Appropriations Act of 2015

**EXHIBIT 3
FY 2015 Single Family Loans**

	<u>New Homes</u>	<u>Existing Homes</u>
# Loans	12	1,352
\$ Volume	\$ 1,125,828	\$ 113,090,744
Average Loan	\$ 93,819	\$ 83,647
Average Home Sale Price	\$ 98,514	\$ 85,274
Average Income of Borrower	\$ 47,662	\$ 44,121
Average Age of Borrower	35	34
Average Family Size	2	2
% Minority Buyers	25%	17%
% Female Headed Household	92%	48%
% Below 55% of Median Income	42%	42%
NOTES: The Average Family Size reflects the average for both new and existing loans. Only loans for which demographic data was reported are reflected in this exhibit.		

EXHIBIT 4
FY 2015 Michigan Mortgage Credit Certificate

	<u>New Homes</u>	<u>Existing Homes</u>
# Loans	4	301
\$ Volume	\$575,280	\$30,683,639
Average Loan	\$143,820	\$101,939
Average Home Sale Price	\$142,385	\$106,422
Average Income of Borrower	\$44,731	\$40,643
Average Age of Borrower	30	32
Average Family Size	2	2
% Minority Buyers	25%	8%
% Female Headed Household	50%	38%
% Below 55% of Median Income	50%	53%
% First Time Homebuyer	100.0%	94.7%
NOTE: Only loans for which demographic data was reported are reflected in this exhibit.		

EXHIBIT 5	
FY 2015 Property Improvement Loans	
# Loans	42
\$ Volume	\$477,166
Average Loan Amount	\$11,361
Average Income Of Borrower	\$38,129
Average Interest Rate	6%
Average Age Of Borrower	57
Average Family Size	2.1
% Female Borrowers	66.7%
% Borrowers Over Age 55	59.3%
% Minority Borrowers	9.3%
% Homes 40+ Years Old	59.5%

EXHIBIT 6
FY 2015 Estimated Construction Jobs, Wages, Taxes

Program/Project	Jobs	Wages	Taxes
Phelps Square	4	\$124,500	\$42,112
Falcon Woods Apartments	182	\$5,681,055	\$1,921,617
Columbia Court	95	\$2,961,697	\$1,049,181
Capitol Senior	126	\$3,946,039	\$1,397,884
Lincolnshire Townhomes	64	\$1,996,140	\$675,194
Bay Hill I	157	\$4,916,785	\$1,741,771
Parkview Apartments	11	\$350,000	\$118,388
Meadow Lanes	156	\$4,867,550	\$1,724,330
Treymore Apartments	48	\$1,494,603	\$505,549
Phelps Square	4	\$124,500	\$42,112
<i>Multifamily Loans Subtotal</i>	843	\$26,338,368	\$9,176,026
The Summit	52	\$1,625,000	\$549,656
Bicentennial Tower	180	\$5,625,000	\$1,992,656
Village Manor Apts	70	\$2,175,000	\$770,494
<i>Pass-Through Loans Subtotal</i>	302	\$9,425,000	\$3,312,806
<i>*Single Family Loans</i>	18	\$562,914	\$190,406
<i>*Mich. Mortgage Credit Cert.</i>	9	\$287,640	\$97,294
<i>Property Improvement Loans</i>	4	\$119,292	\$49,417
TOTAL	1,175	\$36,733,214	\$12,825,949

*Only loans for newly constructed homes are included.

**EXHIBIT 7
FY 2015 Grants to Non-Profit Organizations and Local Governments**

GRANTS TO PREVENT HOMELESSNESS

Emergency Solutions Grants (ESG)

Grantee Name	City	County	Grant Amount
Allegan County Crisis Response Services, Inc.	Allegan	Allegan	\$25,350
Allegan County Crisis Response Services, Inc.	Allegan	Allegan	\$53,837
Alliance for Housing Oakland Cnty. Continuum of Care	Waterford	Oakland	\$322,605
Barry County United Way	Hastings	Barry	\$43,106
Bethany Housing Ministries, Inc.	Muskegon	Muskegon	\$235,610
Blue Water Center for Independent Living, Inc.	Caro	Tuscola	\$133,642
Blue Water Center for Independent Living, Inc.	Carol	Tuscola	\$94,498
Blue Water Safe Horizons	Port Huron	St. Clair	\$163,592
Capital Area Community Services, Incorporated	Lansing	Ingham	\$59,556
Capital Area Community Services, Incorporated	Lansing	Ingham	\$79,853
Chippewa-Luce-Mackinac Community Action Human Resource Authority, Incorporated	Sault Ste. Marie	Chippewa	\$94,829
Community Action Agency	Jackson	Jackson	\$173,749
Community Action Agency	Jackson	Jackson	\$71,958
Department of Health and Human Services	Lansing	Ingham	\$932,064
EightCAP, Inc.	Greenville	Montcalm	\$107,906
Emergency Shelter Services, Inc.	Benton Harbor	Berrien	\$201,273
Gogebic Ontonagon Community Action Agency	Bessemer	Gogebic	\$53,811
Heart of West Michigan United Way	Grand Rapids	Kent	\$195,075
Homeless Action Network of Detroit	Detroit	Wayne	\$301,979
Housing Resources, Inc., of Kalamazoo County	Kalamazoo	Kalamazoo	\$234,993
Housing Services Mid Michigan	Charlotte	Eaton	\$116,032
KeyStone Place, Inc.	Centreville	St. Joseph	\$106,054
KeyStone Place, Inc.	Centreville	St. Joseph	\$51,179
Lenawee Emergency and Affordable Housing Corp.	Adrian	Lenawee	\$112,342
Macomb Homeless Coalition	Fraser	Macomb	\$28,001
Macomb Homeless Coalition	Fraser	Macomb	\$267,901
Metro Community Development Inc.	Flint	Genesee	\$261,996
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	\$97,528
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	\$318,943

Midland Area Homes, Inc.	Midland	Midland	\$38,131
Monroe County Opportunity Program	Monroe	Monroe	\$151,133
Northeast Mich. Community Service Agency, Inc.	Alpena	Alpena	\$76,270
Northeast Mich. Community Service Agency, Inc.	Alpena	Alpena	\$84,481
Northeast Mich. Community Service Agency, Inc.	Alpena	Alpena	\$39,058
Northeast Mich. Community Service Agency, Inc.	Alpena	Alpena	\$141,134
Northwest Michigan Community Action Agency	Traverse City	Grand Traverse	\$465,812
Oakland Livingston Human Service Agency	Howell	Oakland	\$106,184
Ottawa County	Holland	Ottawa	\$174,786
Pines Behavioral Health	Coldwater	Branch	\$104,371
Summit Pointe	Battle Creek	Calhoun	\$124,052
United Way of Mason County	Ludington	Mason	\$281,181
United Way of Saginaw County	Saginaw	Saginaw	\$148,444
Upper Peninsula Community Action Network	Marquette	Marquette	\$445,265
Volunteers of America Michigan, Inc.	Southfield	Oakland	\$288,536
Washtenaw County	Ann Arbor	Washtenaw	\$310,975
Wayne Metropolitan Community Action Agency	Wyandotte	Wayne	\$248,965
Total ESG Grants			\$8,168,040
NOTE: These grants also include HUD funding allocated in addition to the \$4.3 million allocated by MSHDA.			

Statewide Partnership (SP) and Homeless Assistance (HA) Special Grants			
Grantee Name	City	County	Grant Amount
Corporation for Supportive Housing	Brighton	Livingston	\$150,000
Michigan Coalition Against Homelessness	Lansing	Ingham	\$150,000
Sanilac Area Violence Elimination Council	Sandusky	Sanilac	\$30,800
Homeless Action Network of Detroit	Detroit	Wayne	\$50,000
Volunteers of America Michigan, Inc.	Southfield	Oakland	\$40,000
Blue Water Center for Independent Living, Inc.	Caro	Tuscola	\$10,000
Blue Water Center for Independent Living, Inc.	Caro	Tuscola	\$20,000
Northwest Michigan Community Action Agency	Traverse City	Grand Traverse	\$10,300
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	\$10,000
United Way of Mason County	Ludington	Mason	\$10,000
Catholic Social Services of Washtenaw County	Ann Arbor	Washtenaw	\$65,000
Alliance for Housing Oakland Cnty. Continuum of Care	Waterford	Oakland	\$15,000
Macomb Homeless Coalition	Fraser	Macomb	\$15,000

Metro Community Development Inc.	Flint	Genesee	\$50,000
Metro Community Development Inc.	Flint	Genesee	\$10,000
Volunteers of America Michigan, Inc.	Southfield	Oakland	\$10,000
Allegan County Community Mental Health Services	Allegan	Allegan	\$85,481
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	\$15,000
United Way of Mason County	Ludington	Mason	\$40,000
TOTAL SP & HA GRANTS			\$786,581

Homeless Management Information System (HMIS)

Grantee Name	City	County	Grant Amount
Michigan Coalition Against Homelessness	Lansing	Ingham	163,175
Michigan Coalition Against Homelessness	Lansing	Ingham	652,700
TOTAL HMIS GRANTS			\$815,875
Total Homeless Grants			\$9,770,496

COMMUNITY DEVELOPMENT (CD) GRANTS

Community Development Block Grants (CDBG)

Grantee Name	City	County	Grant Amount
Sanilac County	Sandusky	Sanilac	\$365,800
City of Fremont	Fremont	Newaygo	\$483,000
City of Ithaca	Ithaca	Gratiot	\$243,900
Manistee County	Manistee	Manistee	\$169,331
Baraga County	L'Anse	Baraga	\$95,390
City of Alpena	Alpena	Alpena	\$487,400
Keweenaw County	Eagle River	Keweenaw	\$86,718
Calhoun County	Marshall	Calhoun	\$353,650
City of Three Rivers	Three Rivers	St. Joseph	\$283,200
City of Petoskey	Petoskey	Emmet	\$205,000
Tuscola County	Caro	Tuscola	\$295,000
City of Charlotte	Charlotte	Eaton	\$283,200
Otsego County Housing Committee	Gaylord	Otsego	\$275,000
Presque Isle County	Rogers City	Presque Isle	\$304,800
Antrim County	Bellaire	Antrim	\$90,711
City of Hudson	Hudson	Lenawee	\$514,493
Wexford County	Cadillac	Wexford	\$100,000

Alpena County	Alpena	Alpena	\$414,600
Ontonagon County	Ontonagon	Ontonagon	\$130,077
Houghton County	Houghton	Houghton	\$168,716
Saginaw County	Saginaw	Saginaw	\$354,000
Arenac County	Standish	Arenac	\$295,000
Montmorency County	Atlanta	Montmorency	\$304,800
Crawford County	Grayling	Crawford	\$402,200
Huron County	Bad Axe	Huron	\$259,600
Grand Traverse County	Traverse City	Grand Traverse	\$295,000
Marquette County	Marquette	Marquette	\$143,000
Iosco County	Tawas City	Iosco	\$292,600
TOTAL CDBG Grants			\$7,696,186

HOME Funds			
Grantee Name	City	County	Grant Amount
City of Grand Haven	Grand Haven	Ottawa	\$120,000
City of Hancock	Hancock	Houghton	\$256,000
Sturgis Neighborhood Program	Sturgis	St. Joseph	\$30,000
Bay Area Housing, Inc.	Bay City	Bay	\$30,000
Habitat for Humanity of Michigan	Lansing	Ingham	\$1,100,385
HomeStretch Nonprofit Housing Corporation	Traverse City	Grand Traverse	\$383,440
Gogebic Ontonagon Community Action Agency	Bessemer	Gogebic	\$120,000
LINC Community Revitalization Inc.	Grand Rapids	Kent	\$150,000
Capital Area Housing Partnership	East Lansing	Ingham	\$30,000
LINC Community Revitalization Inc.	Grand Rapids	Kent	\$15,000
Northern Homes Community Development Corporation	Boyne City	Charlevoix	\$378,096
Bay Area Housing, Inc.	Bay City	Bay	\$135,196
Gogebic Ontonagon Comm. Action Agency	Bessemer	Gogebic	\$30,000
Sturgis Neighborhood Program	Sturgis	St. Joseph	\$181,850
Bay Area Housing, Inc.	Bay City	Bay	\$172,480
ICCF Non-Profit Housing Corporation	Grand Rapids	Kent	\$373,061
Barry County	Hastings	Barry	\$199,250
Monroe County Opportunity Program	Monroe	Monroe	\$291,750
Bay Area Housing, Inc.	Bay City	Bay	\$111,000
Monroe County Opportunity Program	Monroe	Monroe	\$30,000
HOME of Mackinac County	St. Ignace	Mackinac	\$73,900
Total HOME Fund Grants			\$4,211,408

Federal NSP2 Grants			
Grantee Name	City	County	Grant Amount
Genesee County Land Bank Authority	Flint	Genesee	\$475,000
Calhoun County Land Bank	Marshall	Calhoun	\$367,290
City of Battle Creek	Battle Creek	Calhoun	\$364,721
Detroit Land Bank Authority	Detroit	Wayne	\$4,300,000
Genesee County Land Bank Authority	Flint	Genesee	\$396,440
Ingham County Land Bank Fast Track Authority	Lansing	Ingham	\$155,540
Ingham County Land Bank Fast Track Authority	Lansing	Ingham	\$231,000
City of Saginaw	Saginaw	Saginaw	\$250,000
Calhoun County Land Bank	Marshall	Calhoun	\$264,990
City of Kalamazoo	Kalamazoo	Kalamazoo	\$258,500
Kalamazoo County Land Bank	Kalamazoo	Kalamazoo	\$1,436,192
Berrien County Land Bank Authority	St Joseph	Berrien	\$161,000
Berrien County Land Bank Authority	St Joseph	Berrien	\$273,000
Total NSP2 Funded Grants			\$8,933,673

Total Community Development Grants	\$20,841,267
TOTAL HOMELESS + COMMUNITY DEVELOPMENT GRANTS	\$30,611,763

EXHIBIT 8
FY 2015 Low Income Housing Tax Credits Allocated

Project Name	Location	Type	Units	Credit
435 LaGrave At Tapestry Square	Grand Rapids	Family	24	\$337,098
Adams Senior Village	Westland	Elderly	120	\$743,818
Arbordale Apartments	Ann Arbor	Family	39	\$298,833
Architects Building	Detroit	Family	51	\$376,498
Berkshire - Paw Paw	Paw Paw	Elderly	42	\$808,682
Bonita Lofts	Detroit	Family	22	\$507,850
Castle St. Johns	St. Johns	Elderly	30	\$360,254
Cavalier Greene	Corunna	Family	40	\$543,953
Clark East Towers	Ypsilanti	Elderly	200	\$1,194,064
Enchanted Glen	Colon	Family	36	\$346,863
Gateway Village Sturgis	Sturgis	Family	100	\$487,799
Grand View Place	Grand Rapids	Family	68	\$1,213,362
Grandview Marquette, The	Marquette	Family	56	\$731,900
Lake Harbor Apartments	Charlevoix	Family	24	\$149,890
LCH36 Redevelopment Project	Grand Rapids	Family	49	\$198,268
Les Cheneaux Apartments	Escanaba	Family	36	\$253,284
Lincoln House	Owosso	Elderly	28	\$398,637
Manistique Lakeview Apts.	Manistique	Family	40	\$296,393
Maple Heights Apartments	Saline	Family	48	\$291,701
Mill Point Place	Spring Lake	Elderly	24	\$281,392
Mill Pond Manor	Brighton	Elderly	58	\$404,199
Mt. Vernon	Detroit	Family	45	\$1,466,833
New Parkridge Homes	Ypsilanti	Family	86	\$543,980
Northwind Apartment Homes	Gaylord	Family	48	\$807,085
Portland School	Portland	Family	29	\$1,097,958
Prestwick Village Apartments	Holt	Family	66	\$863,316
Roosevelt Apartments	Muskegon Hts.	Family	52	\$1,121,052
Ryan Court Apartments	Detroit	Family	72	\$1,494,701
Unity Park Rentals III	Pontiac	Family	12	\$284,495
Village Of Hillside, The	Harbor Springs	Elderly	32	\$390,471
Village Pines Of Monroe	Monroe	Family	190	\$1,022,587
Wellington Square I	Detroit	Elderly	49	\$1,310,570
Wellington Square II	Detroit	Elderly	49	\$1,310,570
West Arbor	Ann Arbor	Family	46	\$866,000
West Creek Terrace	McBain	Family	20	\$125,929
Total: 35 Developments			1,931	\$22,930,285

EXHIBIT 9. FY 2015 Low Income Housing Tax Credits Denied

Project	City	Reason
501 Eastern	Grand Rapids	Did Not Meet Threshold
Abigail Apartments	Lansing	Did Not Meet Threshold
Central Towers Apartments	Detroit	Did Not Meet Threshold
Continental Homes	Detroit	Did Not Meet Threshold
Copper Hills Apartments	Houghton/Lake Linden	Did Not Meet Threshold
Dauner Haus Senior Apartments	Fenton	Low Score
Gratiot Central Commons	Detroit	Did Not Meet Threshold
Gratiot Central Place	Detroit	Did Not Meet Threshold
Greenfield Regency	Detroit	Did Not Meet Threshold
Hazelwood Apartments On Piety Hill	Detroit	Did Not Meet Threshold
Heather Gardens	Kalamazoo	Low Score
HomeBase Veteran's Apartments	Detroit	Did Not Meet Threshold
Lake Wind Apartments	Cassopolis	Low Score
Lexington Senior Apartments	Grand Rapids	Did Not Meet Threshold
Mack Ashland II	Detroit	Did Not Meet Threshold
Manchester Place Apartments	Highland Park	Did Not Meet Threshold
Meadow Park	Big Rapids	Did Not Meet Threshold
Oak Grove Apartments	Blackman Charter Twp	Low Score
Owen Apartments	Detroit	Low Score
Penrose Village III	Detroit	Low Score
Phoenix Veterans Apts	Flint	Low Score
Pine Meadows Apartments	Edmore	Did Not Meet Threshold
Silver Star Phase III Apartments	Bedford Twp	Low Score
Springview Square	Battle Creek	Did Not Meet Threshold
Unity Park Rentals II	Pontiac	Low Score
Unity Square	Detroit	Did Not Meet Threshold
Veteran Village	Detroit	Did Not Meet Threshold
Water Street Flats	Ypsilanti	Low Score
Winston Square	Detroit	Did Not Meet Threshold
Total: 29 Developments		

Exhibit 10
Changes to the Qualified Action Plan (QAP) made During FY 2015

There were no changes made to MSHDA's QAP during FY 2015.

EXHIBIT 11
FY 2015 Technical Assistance Spending

Consultant	Organization Receiving TA	TA Category	Contract Amount
Harold Mast Consulting, LLC	Family Service Agency of Mid-Michigan	Capacity Building/Direct TA	\$15,000
Franke Consulting Group	MSHDA (Federal Regulations)	Capacity Building/Indirect TA	\$58,300
Jeremy Westcott, LLC dba ETC Training Services Group	MSHDA (UPCS Training)	Capacity Building, Indirect TA	\$31,250
CEDAM	MSHDA (Comprehensive Training)	CHDO-Capacity Building/Indirect TA	\$225,000
Capital Access	NSP2 Closeout and Proj. Mgt.	Capacity Bldg./Direct TA	\$150,000
Abraham and Gaffney	NSP2 Financial Management	Capacity Bldg./Direct TA	\$6,000
Michigan Association of Planning (MAP)	MSHDA (Community Collaborative Design Training - NCI)	Capacity Building, Indirect TA	\$24,480
Michigan Association of Planning (MAP)	MSHDA (Form Based Code Trainings)	Capacity Building, Indirect TA	\$53,000
Hager Consulting, LLC	MSHDA (Project and Program Mgt.)	Capacity Building/Direct TA	\$84,000
TOTAL			\$647,030