

2022-2023 ADDENDUM III AND APPLICATION

MICHIGAN'S LOW-INCOME HOUSING TAX CREDIT PROGRAM

PERMANENT SUPPORTIVE HOUSING CATEGORY

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INTRODUCTION, APPLICATION PROCESS, AND FUNDING ROUND TIMELINE

NAVIGATING THE ADDENDUM III

The order of this Addendum III document is divided into five distinct sections by topic area, which are the key areas that applicants will need to focus on when creating a Permanent Support Housing (PSH) development:

- 1. Project Location and Project Structure**
- 2. PSH Tenant Populations Being Served**
- 3. Tenant Selection Process**
- 4. Service Team**
- 5. Service Funding**

PRE-APPLICATION PROCESS

Applicants will need to submit an initial concept packet for review and discussion prior to submitting an application in a funding round. This provides an opportunity for the Applicant and their team to receive technical assistance in conceptualizing the project and assuring that key components are included. The timeline below highlights the date by which applicants that are required to meet with the Addendum III review committee must submit their Initial Concept Packet. Please see the Initial Concept Form in Attachment B below.

APPLICATION SUBMISSION

The Addendum III Application submission must be completed in full. This includes, but is not limited to:

1. A fully completed Addendum III application
2. Completed Addendum III Exhibit Checklist with all applicable exhibits

Applicants should review the submission before the funding round deadline to ensure that everything is included. See Attachments, below, for the Addendum III Application forms.

The Michigan State Housing Development Authority (MSHDA) will reject applications with multiple material errors in documentation, incomplete information, and/or general inconsistencies found within the Addendum III submission.

The Addendum III must be complete and submitted as part of the complete Low Income Housing Tax Credit (LIHTC) Application on the LIHTC Funding Round Due Date as shown in the 2022-2023 Qualified Allocation Plan (QAP).

APPLICATION REVIEW TEAM

MSHDA will appoint an Addendum III review committee. The Addendum III review committee will reserve the right to meet more than once with a particular project, if it is determined necessary. This committee will consist of MSHDA LIHTC and Homeless Assistance staff, along with representatives from Michigan Department of Health and Human Services (MDHHS) and other State of Michigan agencies as deemed

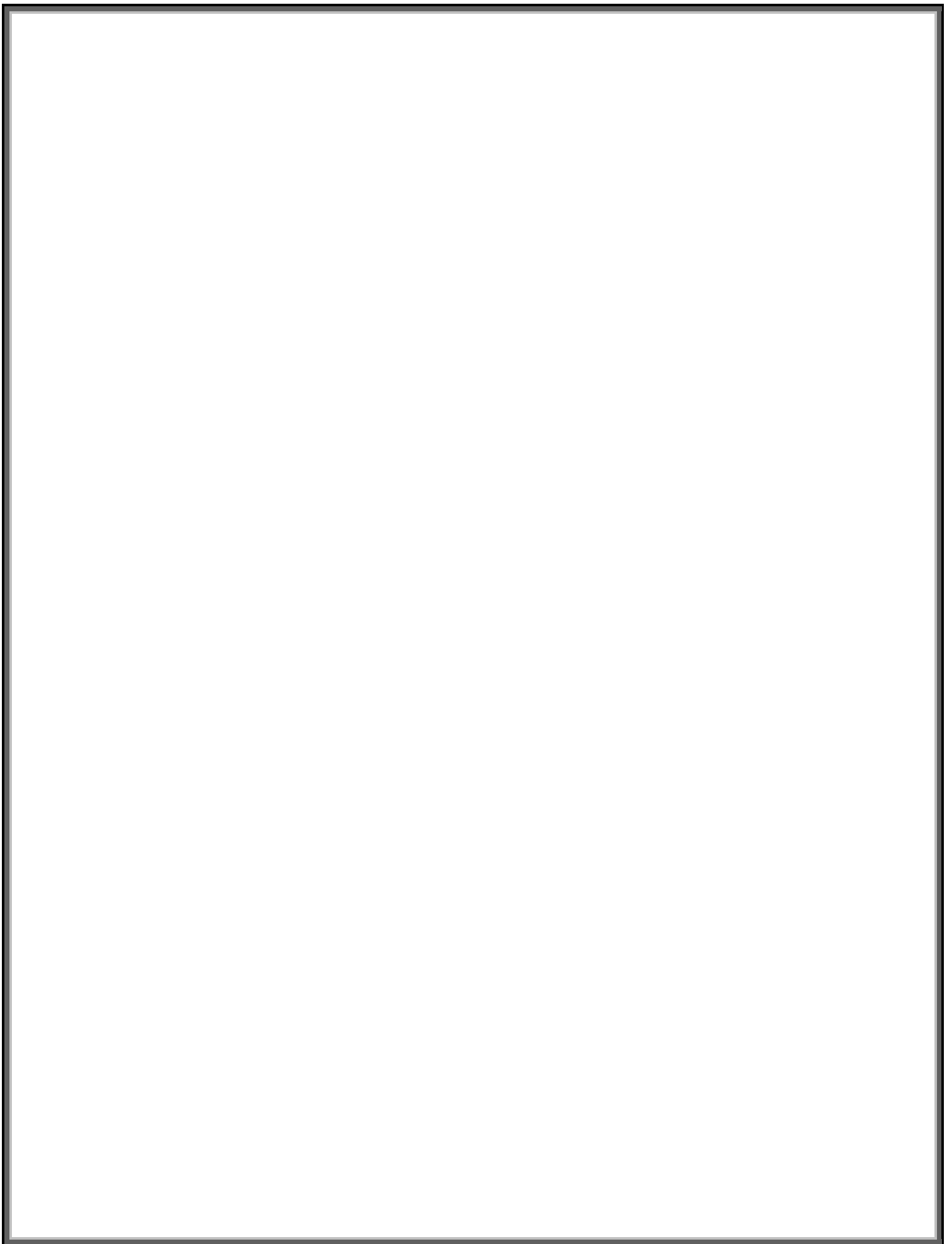
necessary and appropriate by MSHDA. All members of the review committee will be independent of the projects they review.

The Addendum III review committee will then review and score the submission as part of the funding round and will not meet with development teams during the funding round review process.

FUNDING ROUND TIMELINE

The chart below outlines the various deadlines that applicants should be aware of leading up to a funding round:

STAGE OF PROCESS	DUE DATE
October 2021 Funding Round - approximately 45% of the 2022 credit	
Initial Meeting with CoC Deadline (PSH Only)	Monday, August 2, 2021
Waiver Request Due Date	Monday, August 2, 2021
Preservation Level 1 Review Due Date	Monday, August 2, 2021
4%/9% Mixed Transaction Level 1 Review Due Date	Monday, August 2, 2021
Addendum III Initial Concept Letter Due Date (PSH Only)	Monday, August 2, 2021
Affordable Assisted Living Steering Committee Review Packet Due Date	Monday, August 2, 2021
Funding Round Due Date	Friday, October 1, 2021
Expected Award Notification Date	December of 2021
April 2022 Funding Round - approximately 45% of the 2022 credit	
Initial Meeting with CoC Deadline (PSH Only)	Tuesday, February 1, 2022
Waiver Request Due Date	Tuesday, February 1, 2022
4%/9% Mixed Transaction Level 1 Review Due Date	Tuesday, February 1, 2022
Addendum III Initial Concept Letter Due Date (PSH Only)	Tuesday, February 1, 2022
Affordable Assisted Living Steering Committee Review Packet Due Date	Tuesday, February 1, 2022
Funding Round Due Date	Friday, April 1, 2022
Expected Award Notification Date	June of 2022
October 2022 Funding Round - approximately 45% of the 2023 credit	
Initial Meeting with CoC Deadline (PSH Only)	Monday, August 1, 2022
Waiver Request Due Date	Monday, August 1, 2022
Preservation Level 1 Review Due Date	Monday, August 1, 2022
4%/9% Mixed Transaction Level 1 Review Due Date	Monday, August 1, 2022
Addendum III Initial Concept Letter Due Date (PSH Only)	Monday, August 1, 2022
Affordable Assisted Living Steering Committee Review Packet Due Date	Monday, August 1, 2022
Funding Round Due Date	Monday, October 3, 2022
Expected Award Notification Date	December of 2022
April 2023 Funding Round - approximately 45% of the 2023 credit	
Initial Meeting with CoC Deadline (PSH Only)	Wednesday, February 1, 2023
Waiver Request Due Date	Wednesday, February 1, 2023
4%/9% Mixed Transaction Level 1 Review Due Date	Wednesday, February 1, 2023
Addendum III Initial Concept Letter Due Date (PSH Only)	Wednesday, February 1, 2023
Affordable Assisted Living Steering Committee Review Packet Due Date	Wednesday, February 1, 2023
Funding Round Due Date	Monday, April 3, 2023
Expected Award Notification Date	June of 2023



1. PROJECT LOCATION AND GENERAL PROJECT STRUCTURE

SITE SELECTION – THRESHOLD

The project location must meet MSHDA's Site Selection Criteria. In addition to the MSHDA Site Selection Guidelines and definitions, any project that receives a LIHTC award and which will be applying for Project Based Vouchers (PBVs) must ensure the site meets the federal program requirements of HUD regulations (Title 24 Housing and Urban Development 983 Project Based Voucher (PBV) Program).

PROJECT NARRATIVE – THRESHOLD

A detailed and complete narrative description of the project should be provided; this includes, at a minimum, the development team, service providers, number and breakdown of units, populations served, services provided, type of unit, income targeting, and proposed rent schedule.

PROJECT SIZE (75 UNIT MAX) – THRESHOLD

Projects with more than 75 units of Permanent Supportive Housing must request a waiver from MSHDA.

UTILITIES – THRESHOLD

Developers must include all utility costs for the permanent supportive housing units in the project expenses.

ACCESSIBLE COMMUNITY SPACE – THRESHOLD

To meet minimum PSH requirements, projects are required to provide accessible community or supportive service space to all projects. The accessible community space is envisioned as one room or contiguous space that may be used for activities such as dining, crafts, exercise, medical clinic, socializing, birthday parties, holiday gatherings, study areas and/or other activities for individuals with children, or any other activity or use that may benefit tenants; and does not include common space such as hallways, offices, lobbies, bathrooms laundry rooms, etc.

To meet threshold, the accessible community space must, at a minimum be sized according to the grid below AND must have at least one additional, separate private meeting space or office of at least 100 square feet for every 20 PSH units. The separate private meeting space must be in addition to the square footage of community space detailed in the grid below. The space must be located within a reasonable proximity to the proposed project, if the space is provided in a separate building. If an accessible community space being shared by multiple phases of the same project is proposed, it must meet the minimum square footage requirement for all units in all phases of the project that will share the accessible community space. Additionally, in the case of multiple phases, an easement agreement must be executed to allow the phases to have equal access to the accessible community space. A certification signed by the project Architect, Applicant, and Contractor must be submitted to demonstrate that the project will contain the minimum required amount of Accessible Community Space. Along with the certification, an as-built drawing of the community space will also be required after construction completion to demonstrate that the requirements have been met.

Minimum Required Accessible Community Space (not including private meeting spaces)	
Number of units	Minimum Square Feet
1 to 50 units	500
51 to 100 units	1,000
101 + units	1,500

Note: For example, if there are 50 PSH units, there must be at least 3 private meetings spaces of at least 100 square feet each in the development ($50 / 20 = 2$, rounded up to 3). If there are not enough private meeting spaces and/or if they are not at least 100 square feet each, the project will not meet threshold and will not be eligible for credit.

2. PSH TENANT POPULATION(S) BEING SERVED

MINIMUM UNIT OR 35% PSH THRESHOLD – THRESHOLD

Projects in Urban jurisdictions must have at least the greater of 15 units or 35% of the total units in the development targeted to people who meet the definitions outlined in Attachment A. HUD Category 1 (Literally Homeless) must be included as a target population for all PSH developments. Projects in Balance of State jurisdictions must have at least the greater of 10 units or 35% of the total units in the development targeted to people who meet the definitions outlined in Attachment A. HUD Category 1 (Literally Homeless) must be included as a target population for all PSH developments. Please see Tab GG for Urban/Balance of State designations.

Note: If 35% of the units is not a whole number, the development must round up to the next whole unit to meet this criterion. For example, if there are 50 units, there must be at least 18 permanent supportive housing units in the development ($35\% \times 50 = 17.5$, rounded up to 18). Manager units do not count towards either the total number of units or the supportive housing units in the development. If there are not enough units set aside for PSH tenants, the project will not meet threshold and will not be eligible for credit.

ELDERLY-ONLY POPULATIONS – THRESHOLD

Elderly-only populations are excluded from the Permanent Supportive Housing Category. The entire project must be open to all ages.

INCOME ELIGIBILITY OF TENANTS – 30% AMI – THRESHOLD

Tenant incomes must be at or below 30% AMI to be eligible for targeted Supportive Housing units.

Include the **Utilities, Income, and Unit Summary** tabs from the [2022-2023 LIHTC Program Application](#) to demonstrate 1) utilities for the PSH units are being paid by the owner; 2) the rents and rental assistance for all units; and 3) the unit mix and breakdown. If applicable, provide a description of how the project will make the targeted units affordable to persons whose incomes are extremely low. If there is a current commitment for subsidy, attach the funding commitments or list details of any anticipated applications to provide subsidy to supportive housing tenants. Do **not** include an application for MSHDA Project Based Vouchers.

CONTINUUM OF CARE COORDINATION - THRESHOLD

The development team must meet with the local Continuum of Care (CoC) housing planning body at least 60 days prior to the funding round deadline. Please see the timeline in the Introduction Section of this document for specific deadline dates. The intent of this meeting should be to begin discussions about preliminary project concepts in order to serve as notice to the CoC that a project in the area is being pursued and to allow the opportunity for the CoC to provide input. Continuing discussions with the CoC should ensure the stability of tenants, that the project is integrated in the community, and that there are strong social support networks available to meet the needs of the supportive housing tenants.

Continuum of Care Minutes - THRESHOLD

Please include the minutes from the initial CoC meeting, to confirm the development team met with the local CoC housing planning body at least 60 days prior to the funding round deadline to discuss this project. This should include project and developer identification, the member(s) of the CoC housing planning body involved in the discussion, and the date of initial meeting.

Letter of Support from Continuum of Care – THRESHOLD

The letter of support from the CoC should include the total number of units, the number of PSH units, the targeted population(s), description of the housing units, bedroom mix of the PSH units, location of the development, the proposed services and amenities, and identification of the development team. The CoC letter of support must be dated within one year from the funding round deadline.

DATA MATCH – IF APPLICABLE

Developments may have chosen to include a Data Match population with HMIS as one of the targeted populations. Examples of potential Data Match lists might include but are not limited to: Medicaid and HMIS; local jail system and HMIS; local drug treatment court and HMIS; local Child Protective Services and HMIS.

The Data Match may also include Medicaid Super Utilizers with complex care needs that are experiencing homelessness. MSHDA has partnered with MDHHS to serve this population with permanent supportive housing with the goal to improve health outcomes, increase access and usage of primary and preventative health care, reduce the usage of emergency services, and maintain housing stability. The data match is being conducted with HMIS and Medicaid data within the State Data Warehouse.

Note: It is intended that Sober Housing developments will be able to qualify under this criterion through implementing a Data Match that would identify individuals that are experiencing a substance use disorder and are experiencing homelessness under HUD Category 1 or HUD Category 4.

If applicable, provide a brief narrative identifying the local Data Match population, how the service team (including the local CoC) will identify and refer households most at need in this population, how the service needs of the targeted population will be met, how those services will be funded, and any other information relevant to the Data Match population. This information should likely also be included in the Tenant Selection Plan, Service Coordination Plan, and referenced in the CoC letter. Evidence of the Addendum III review team’s approval of that Data Match list must also be included in this section.

COUNTY HMIS DATA – FOR POINTS

Provide the county’s most recent annual literally homeless (category 1) count. Please contact your local Continuum of Care Chairperson for this report.

RECOVERY HOUSING – FOR POINTS

Recovery Housing developments must have been reviewed and approved by the Recovery Housing steering committee prior to the funding round deadline. Those developments should provide an approval letter from the Recovery Housing steering committee in this Section. Applicants should also include a description of the referral process, the treatment courts being utilized, and the number of individuals that

are being served by the treatment courts. If there are any changes to the development since the time of the steering committee's review, those changes must be outlined in a narrative.

3. TENANT SELECTION PROCESS

HARA REFERRALS – THRESHOLD

The Housing Assistance and Resource Agency (HARA) must be included as a referral source for Permanent Supportive Housing Units. The HARA must use the Statewide approved assessment tool when assessing applicants for Permanent Supportive Housing. The HARA's role may include referrals or services. They do not have to be the lead agency; however, their role should be defined within the MOU. If there is a different lead agency, the MOU must define their role in the development and be signed by their executive director. In all cases, the MOU must be signed by the HARA.

TENANT SELECTION CRITERIA – THRESHOLD

Include the property's tenant selection plan and describe how PSH tenants will be served. This description should include the targeted populations, any screening processes that will be utilized, along with criminal and credit screening processes and details of any appeal process and eviction diversion plans for the permanent supportive housing tenants. The tenant selection plan must include the Housing First components. Developments are required to demonstrate the use of assessment tools that identify and prioritize the referrals to serve the most vulnerable individuals and families. Include a description of referral process and centralized intake assessment that prioritizes the referrals for the waiting list that will be utilized at this development. [See below for Housing First criteria.](#)

HOUSING FIRST CERTIFICATION – THRESHOLD

The [Housing First Certification](#) (found at the end of the Addendum III Application and Checklist) must be completed and filled out by the owner. The commitments in the Housing First Certification must also be included in the Tenant Selection Criteria.

4. PSH SERVICE TEAM

MEMORANDUM OF UNDERSTANDING – THRESHOLD

The development team must submit written documentation between the developer, management company, and service provider(s) that outlines mutual roles and responsibilities in the development. The Memorandum of Understanding (“MOU”) should incorporate the service coordination plan agreed to by the parties, and provide:

- a) Demonstration of an ongoing commitment by the developer and/or landlord to assure sustained availability of supportive services; and
- b) Inclusion of the Housing Assessment Resource Agency (HARA) within the MOU;
- c) A description of the referral and screening process that will be used to refer tenants to the project, which follows the acceptable guidelines and uses assessment tools as required by MSHDA and other State or Federal service funding agencies, and a willingness of all parties to negotiate reasonable accommodations to facilitate the admittance of persons with disabilities into the development;
- d) A communication plan between the management company and the lead agency that will accommodate staff turnover and assure continuing linkages between the development and lead agency for the duration of the compliance period;
- e) Acknowledgment of the property’s rent structure and a description of how supportive housing tenants may access rental assistance, should they require it, to afford the apartment rents;
- f) Certification that participation in supportive services will not be a condition of tenancy unless otherwise required by a Federal subsidy;
- g) Agreement to affirmatively market to persons with disabilities;
- h) Agreement to include a section on reasonable accommodation in the property management’s application for tenancy;
- i) Agreement to accept Housing Choice Vouchers or other rental assistance for eligible tenants and not require total income for persons with rental assistance beyond that which is reasonably available to supportive housing tenants; and
- j) A description of how the project will make the targeted units affordable to supportive housing tenants with very low incomes.

The MOU must be dated within six (6) months of the funding round date.

At the time of submission, the MOU must be in its final form and signed by all parties who provide services to the tenants. These parties should be documented on the [Supportive Services Commitment Chart](#).

SERVICE COORDINATION PLAN – THRESHOLD

On-site service coordination must be available to all supportive housing tenants.

The services cannot be funded through the operations of the development. The on-site services may be provided through partnership with the local service organizations.

The following schedule serves as a minimum standard number of hours of on-site service that must be provided. Additional on-site services may be needed depending on the population served by the

supportive housing project. Please note that the intent of the on-site services is to provide convenient options for residents to receive any services that they choose. Tenants may choose to receive services off-site at a different location, through a different service provider of their choosing, or they may choose to decline the services completely. With the exception of certain federal programs, tenants cannot be mandated to participate in any of the offered or available services, nor can non-participation itself be a factor in their lease or rental history. Tenants are not required to participate in the offered services or may choose to participate in these or similar services off-site.

The service coordination plan will clearly state that the ownership entity and management agent will:

- expressly include reasonable accommodations in the application for tenancy;
- not ask applicants/residents for medical or other protected information unless and only to the extent legally necessary (e.g., processing reasonable accommodations);
- use standard leases with the same rights available to, and responsibilities expected of, all households, including duration of tenancy (cannot be transitional);
- ensure participation in any supportive services is entirely voluntary (not a formal or implied condition of occupancy); and
- not give a preference based on either disability type (actual or perceived) or being a client of a particular provider.

# of PSH units in development	Minimum # of hours required	# of hours required for points
25 or fewer PSH units	10 hours per week	20 hours per week
26 – 50 PSH units	20 hours per week	40 hours per week
51 – 75 PSH units	30 hours per week	60 hours per week
75+ PSH units	40 hours plus 10 hours for every 25 additional units	60 hours plus 20 hours for every 25 additional units

Note: PSH developments are restricted to 75 units or less. However, if a waiver is granted of this requirement and the development has more than 75 units, the minimum required service hours calculation would be: $40 + (10 * ([\# \text{ of PSH units} - 75] / 25))$. If the result is not a round number, you must round up.

Service Coordination Plan – THRESHOLD

There should be one specific and comprehensive service plan submitted, regardless of the specific tenants or population(s) targeted for the supportive housing units. The Service Coordination Plan will describe how the project will meet the supportive service needs of the targeted tenants. It will include the targeted population(s), information about the service provider(s), specific types of services provided, and the number of hours of on-site services provided. The Service Coordination Plan and other applicable documents must make it clear that service participation is not a factor in the lease.

Inclusion of a Community Mental Health Provider – THRESHOLD

Inclusion of a Community Mental Health (CMH) provider in the service team and plan and as a signer on the MOU is required. The Service Coordination Plan should consider the high level of

service need that this target population will likely require to maintain housing stability. *****Failure to include the CMH as part of the supportive service team and in the appropriate documents, including MOUs, will be considered a material deficiency and will make the project ineligible for an award of tax credits.*****

Service Coordination Funding Letter(s) of Support – THRESHOLD

A letter of support from the Executive Director of the agency(ies) providing funding for the on-site supportive services hours and any funding being used for points must be included in the Addendum III submission. The letter(s) of support must be dated within six (6) months of the funding round deadline. It must include the name and location of the development, the number of hours of on-site service committed, the specific amount of funding, and a description of how the agency is funded, detailing their past service funding in order to demonstrate a history of reliable service funding sources in amounts that are sufficient to support their share of yearly project service expenses. The services cannot be funded through the operations of the development. If being used for points, the funding should be provided in full to the project by the end of the second year of the compliance period, funding should be specific to the project (not to the agency) and must be able to be used for housing or related services. In kind contributions will not be considered.

SUPPORTIVE HOUSING DEVELOPMENT TEAM EXPERIENCE – FOR POINTS

For each of the General Partners/Members, Management Agent, and Lead Agency taking points, provide a listing of the permanent supportive housing developments owned or operated and the population(s) served, as applicable. Points will only be awarded for prior experience with the target population assisted in the proposed development (ex. Must have prior experience with chronic homeless if electing to serve chronic homelessness in proposed development). The [Supportive Housing Development Team Experience](#) form should include name of the development team member, names of the developments, location, number of units, target population served, number of years owned/operated, last year owned/operated, and type of project. Provide a separate list for each development team member requesting points. For each category (General Partner/Member, Management Agency, and Lead Agency) only one team member may receive points. If there are joint venture or other partnership agreements between two or more general partners, management agents, or lead agencies, partners will receive PSH points only if the agreements meet the requirements for LIHTC points as outlined in the [2022-2023 QAP](#) and [Scoring Summary](#).

MEDICAID EXPERIENCE – FOR POINTS

If the project is requesting points for Medicaid experience, the experience must be documented in the letter of support from the partner entity with Medicaid experience, including the types of Medicaid services performed, the approximate number of clients served, and Medicaid funds used.

Note: Support for Medicaid Experience should be included in the relevant exhibit. Do not include this information twice.

5. PSH SERVICE FUNDING

ADDENDUM III FUNDING ANALYSIS – THRESHOLD

An Addendum III Funding Analysis must be completed for the project that clearly breaks out all supportive services funding and projected expenses for the 15-year compliance period.

Addendum III Funding Analysis – THRESHOLD

The Addendum III Funding Analysis can be found in the [2022-2023 LIHTC Application](#). This tab needs to be completed in its entirety and submitted with the Addendum III exhibits. Projects are required to show documented evidence of service funding to support the projected expenses for a minimum of the initial year with renewals available **and** a detailed description of future funding sources through year 15. Those funding sources receiving points for Service Funding Commitments should be clearly included.

Addendum III Funding Letters of Support – THRESHOLD

The Addendum III submission must include supporting documentation for all the funding sources included in the Supportive Services Chart and those receiving points for Service Funding Commitments. The letters of support must be from the Executive Director of all funding agencies and outline the amount of funding provided, the number of years, and any other relevant information. Projects will be required to show documented evidence of service funding to support the projected expenses for a minimum of the initial 1-year with renewals available and a detailed description of future funding sources. Additionally, all funding agencies must provide a letter detailing the history of their past service funding in order to demonstrate a history of reliable service funding sources in amounts that are sufficient to support their share of yearly project service expenses.

All letters of support must be dated within six (6) months of the funding round deadline.

ATTACHMENT A. ADDENDUM III SUBMISSION CHECKLIST

The following are a list of documents required to be submitted, in the order presented in this document.

- 1. Addendum III Application – **Threshold**
- 2. Permanent Supportive Housing Development section of the 2022-2023 LIHTC Scoring Summary – **For Points**
- 3. Project Narrative – **Threshold**
- 4. Utilities, Income, and Unit Summary tabs from the 2022-2023 LIHTC Program Application – **Threshold**
- 5. Architects Certification of Accessible Community Space and As-Built Drawing of the Community Space – **Threshold**
- 6a. Continuum of Care Minutes – **Threshold**
- 6b. Letter of Support from Continuum of Care – **Threshold**
- 7. Data Match Population Narrative – **If Applicable**
- 8. County HMIS Data – **For Points**
- 9. Recovery Housing – **For Points**
- 10. Tenant Selection Criteria – **Threshold**
- 11. Housing First Certification – **Threshold**
- 12. Memorandum(s) of Understanding – **Threshold**
- 13. Service Coordination Plan – **Threshold**
- 14. Service Coordination Letter(s) of Support – **Threshold**
- 15. Supportive Housing Development Team Experience Form – **For Points**
- 16. Medicaid Experience Letter – **For Points**
- 17. Specific On-Site Services Narrative – **For Points**
- 18. Addendum III Funding Analysis – **Threshold**
- 19. Funding Letter(s) of Support – **Threshold**
- 20. Supportive Services Commitment Chart – **Threshold**

ATTACHMENT B: INITIAL CONCEPT FORM

Project Name: Click or tap here to enter text.

Funding Round: Click or tap here to enter text.

All applicants applying under the Permanent Supportive Housing (PSH) Category of the 2022-2023 Qualified Allocation Plan (QAP) will be required to submit the following form and return it to MSHDA no later than the Addendum III Initial Concept Letter Due Date in Section V.A. of the 2022-2023 QAP.

1. Please provide the name and address of the project, including the county.

Click or tap here to enter text.

2. Please attach the following:

- a. Pages 11-17 of the Addendum III Checklist and Application. This includes the Addendum III application pages and Supportive Services Commitment Chart. Do not attach the checklist or the experience forms. If you have questions about anything in the checklist or experience forms, please plan to discuss those at the Initial Addendum III Review Meeting.
- b. The Addendum III Funding Analysis and Rental Income tabs of the 2022-2023 LIHTC Program Application.
- c. A site map and proposed drawings of the project.

3. Please describe the process for which PSH tenant referrals will be made to the development for the PSH units. This should be a summary and not the entire Tenant Selection Plan.

Click or tap here to enter text.

4. Please provide an explanation of the services that will be available at the property or that will be available on a referral basis to residents, the service providers that will be performing those services, and the funding sources that the service providers will utilize to make the services available (including Medicaid billing). This should be a summary and not the entire Service Coordination Plan.

Click or tap here to enter text.

5. Has the project been presented to the Continuum of Care (CoC)? What conversations are being held regarding the project and the targeted population(s)? Does the CoC support the project?

Click or tap here to enter text.

6. Has the development team met with MSHDA's Addendum III Review Committee to discuss this project in the past? When was the most recent meeting?

Click or tap here to enter text.

Thank you for completing this form. Please submit this form along with the documentation that is requested in item #2 above and MSHDA will contact you to schedule a meeting to discuss the project, if necessary.

ATTACHMENT C: ADDENDUM III APPLICATION

Project Name:

A. OWNER IDENTIFICATION:

Organization	
Primary Address	
Contact Person	
Contact Phone	
Contact Fax	
Contact Email	
President/CEO	

B. PROPERTY MANAGEMENT COMPANY IDENTIFICATION INFORMATION:

Organization	
Primary Address	
Contact Person	
Contact Phone	
Contact Fax	
Contact Email	
President/CEO	

C. LEAD ORGANIZATION IDENTIFICATION INFORMATION:

Organization	
Primary Address	
Contact Person	
Contact Phone	
Contact Fax	
Contact Email	
President/CEO	

D. SERVICE ORGANIZATION IDENTIFICATION INFORMATION:

Organization	
Primary Address	
Contact Person	
Contact Phone	
Contact Fax	
Contact Email	
President/CEO	

E. CONTINUUM OF CARE IDENTIFICATION (COC) INFORMATION:

Organization	
Primary Address	
Contact Person	
Contact Phone	
Contact Fax	
Contact Email	
President/CEO	

F. HOUSING ASSESSMENT AND RESOURCE AGENCY (HARA) IDENTIFICATION INFORMATION:

Organization	
Primary Address	
Contact Person	
Contact Phone	
Contact Fax	
Contact Email	
President/CEO	

G. UNIT DESCRIPTION

Number of Units	Efficiency	1 Bedroom	2 Bedrooms	3 Bedrooms	4+ Bedrooms	Total Number of units
Total Project						
Supportive Housing						
With PBV						
Barrier Free						

Identify number of buildings and the number of stories per building:

Identify number of units per building:

Identify accessible features available for targeted units:

Identify the type of units:(apartment, single family home, townhouse, duplex)

Does the building(s) have an elevator?

H. TARGETED SUPPORTIVE HOUSING POPULATIONS:

Projects must fill out the following chart. This information should also be clearly outlined in the MOU and Tenant Selection Plan. Please see the Targeted Supportive Housing Populations section of the [2022-2023 Scoring Summary](#) for more information.

Note: If the required percentage of the units is not a whole number, the development must round up to the next whole unit to meet this criterion. For example, if there are 50 units, there must be at least 18 permanent supportive housing units in the development (35% x 50 units = 17.5, rounded up to 18). Manager or employee units do not count towards either the total number of units or the supportive housing units in the development.

	Targeted Populations	Number of Designated Units	Percentage of Total Units
Option 1:	<input type="checkbox"/> Households who meet Category 1 Homeless and have a disability	_____	_____
	<input type="checkbox"/> Households who meet Category 4 Homeless and have a disability	_____	_____
Option 2: Households that meet Category 1 or 4 and:	<input type="checkbox"/> Chronically Homeless	_____	_____
	<input type="checkbox"/> Top 10% of the Local CoC Prioritized List	_____	_____
	<input type="checkbox"/> Data Match (Data Match population: _____)	_____	_____
Other PSH Populations:	<input type="checkbox"/> Chronically Homeless	_____	_____
	<input type="checkbox"/> Homeless	_____	_____
	<input type="checkbox"/> An individual or family who lacks a fixed, regular, and adequate nighttime residence	_____	_____
	<input type="checkbox"/> Domestic Violence	_____	_____
	<input type="checkbox"/> Special Needs (Includes Section 811 units)	_____	_____
Other LIHTC/Market Units:	<input type="checkbox"/> LIHTC	_____	_____
	<input type="checkbox"/> Market	_____	_____

ATTACHMENT D: DEFINITIONS

Please review the following definitions before completing a service plan for Supportive Housing Tenants. This is relevant when applying for any MSHDA program, including HOME or Low-Income Housing Tax Credits. ***To be eligible for funding, the entire housing development must be open and available to adult persons of all ages.***

A) Eligible Supportive Housing Tenants

Under the Low-Income Housing Tax Credit program eligible supportive housing tenants must meet one of the following definitions:

Homeless Categories

The Homeless Category definitions are aligned with the HUD definitions approved by Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. HUD published the final rule in the December 5, 2011 *Federal Register*.

- (1) **HUD Category 1 (Literally Homeless). An individual or family who lacks a fixed, regular, and adequate nighttime residence**, meaning:
 - (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
 - (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
 - (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

- (2) **HUD Category 4 (Fleeing/Attempting to Flee Domestic Violence). Any individual or family who:**
 - (i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;
 - (ii) Has no other residence; and
 - (iii) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

Domestic violence (target population definition)

In addition to Category 4 of the Homeless definition, “Domestic Violence” means the occurrence of any of the following acts by a person that is not an act of self-defense:

- Causing or attempting to cause physical or mental harm to an intimate partner;
- Placing an intimate partner in fear of physical or mental harm;
- Causing or attempting to cause an intimate partner to engage in involuntary sexual activity by force, threat of force, or duress;
- Engaging in activity toward an intimate partner that would cause a reasonable person to feel terrorized, frightened, intimidated, threatened, harassed, or molested.

Chronically Homeless

A “chronically homeless” individual is defined to mean a homeless individual with a disability who lives either in a place not meant for human habitation, a safe haven, or in an emergency shelter, or in an institutional care facility if the individual has been living in the facility for fewer than 90 days and had been living in a place not meant for human habitation, a safe haven, or in an emergency shelter immediately before entering the institutional care facility. In order to meet the “chronically homeless” definition, the individual also must have been living as described above continuously for at least 12 months, or on at least four separate occasions in the last 3 years, where the combined occasions total a length of time of at least 12 months. Each period separating the occasions must include at least 7 nights of living in a situation other than a place not meant for human habitation, in an emergency shelter, or in a safe haven.

Chronically homeless families are families with adult heads of household who meet the definition of a chronically homeless individual. If there is no adult in the family, the family would still be considered chronically homeless if a minor head of household meets all the criteria of a chronically homeless individual. A chronically homeless family includes those whose composition has fluctuated while the head of household has been homeless.

Special Need

The Special Need population will use the criteria established by the HUD Continuum of Care program for persons with disabilities. If serving Veterans, a VA disability rating may also qualify.

Disability means: (1) A condition that: (i) Is expected to be long-continuing or of indefinite duration; (ii) Substantially impedes the individual’s ability to live independently; (iii) Could be improved by the provision of more suitable housing conditions; and (iv) Is a physical, mental, or emotional impairment, including an impairment caused by alcohol or drug abuse, posttraumatic stress disorder, or brain injury; (2) A developmental disability, as defined in this section; or (3) The disease of acquired immunodeficiency syndrome (AIDS) or any conditions arising from the etiologic agent for acquired immunodeficiency syndrome, including infection with the human immunodeficiency virus (HIV)

Developmental disability means, as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002): (1) A severe, chronic disability of an individual that— (i) Is attributable to a mental or physical impairment or combination of mental and physical impairments; (ii) Is manifested before the individual attains age 22; (iii) Is likely to continue indefinitely; (iv) Results in substantial functional limitations in three or more of the following areas of major life activity: (A) Self-care; (B) Receptive and expressive language; (C) Learning; (D) Mobility; (E) Self-direction; (F) Capacity for independent living; (G) Economic self-sufficiency; and (v) Reflects the individual’s need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated. (2) An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting three or more of the criteria described in paragraphs (1)(i) through (v) of the definition of “developmental disability” in this section if the individual, without services and supports, has a high probability of meeting those criteria later in life.

Documenting Disability:

Disability.— Acceptable evidence of the disability includes: (1) Written verification of the disability from a professional licensed by the state to diagnose and treat the disability and his or her certification that the disability is expected to be long continuing or of indefinite duration and substantially impedes the individual’s ability to live independently; (2) Written verification from the Social Security Administration; (3) The receipt of a disability check (e.g., Social Security Disability Insurance check or Veteran Disability Compensation); (4) Other documentation approved by HUD; or (5) Intake staff-recorded observation of disability that, no later than 45 days of the application for assistance, is confirmed and accompanied by evidence in paragraph (c)(1), (2), (3), or (4) of this section.

Other Homeless Categories, as defined by MSHDA:

Top 10% of the Local CoC Prioritized List

Individuals or households in the top 10% of the Local CoC Prioritized List, as based on Vulnerability Index – Special Prioritization Decision Assistance Tool (VI-SPDAT) or other local assessment tool.

Data Match

Data Match can mean one of two versions – a Statewide Data Match program or a local Data Match program. The State Data Match is a partnership between MSHDA and the Michigan Department of Health and Human Services to match HMIS and Medicaid lists. A local Data Match list should be a match between HMIS and at least one other data source, including but not limited to Medicaid, local jail system(s), local drug treatment court(s), local Child Protective Services, local schools.

B) Supportive Services Plan

For a project to be eligible for tax credit supportive housing points or HOME funds, the proposal must include a plan for the provision of a *substantial level of services targeted* to the supportive housing

units. The services must include those that are essential for supportive housing tenants to *sustain* themselves in permanent housing.

The project must be an on-going active collaboration between the owner, Management Company, and identified supportive service provider(s). The formulation of this relationship, along with a commitment to sustain the agreed upon services over a period of time, must be agreed to *by the collaborators and incorporated into a written "Memorandum of Understanding."*

The supportive services plan should outline and specify the following:

- Conditions which would qualify the proposed tenant(s) for the supportive housing units;
- Expected life-skills areas for which supportive services are likely to be required;
- The supportive services to be provided. **Participation in supportive services must be voluntary unless required by a Federal rental subsidy.**
- How service coordination will be provided.

Tenants' must have the option to receive service coordination on-site. For the purpose of meeting this requirement, *service coordination* shall be available in a form that contains the following elements:

- a) An individual assessment of service needs and life goals will be completed with the full participation of each tenant and others of their choosing.
- b) A plan will be developed in response to each tenant's assessment, which will include long and short-range goals, with specific steps to achieve them. Principles of person centered planning and self-determination will be incorporated into the planning process.
- c) Service coordination will include advocacy, brokering, linking and monitoring of support services detailed in each tenant's plan.
- d) Service coordinators will help tenants gain access to entitlements, financial assistance programs, and legal representation, in accordance with the tenant's plan.
- e) A re-assessment, and revision of each tenant's plan, will be completed on at least an annual basis. Copies of that plan and annual update will be placed in each tenant's file.
- f) Tenants shall have a designated individual or team responsible for the coordination of services.
- g) Emphasis shall be placed on tenant empowerment and the development of natural/community supports.

ATTACHMENT E: CERTIFICATION OF COMMITMENT TO HOUSING FIRST

The [United States Interagency Council on Homelessness](#) calls Housing First “a proven approach in which people experiencing homelessness are provided with permanent housing directly and with few to no treatment preconditions, behavioral contingencies, or barriers.” The Council has compiled [a Housing First Checklist listing](#) the elements of a Housing First approach at a project and community level. Some of those elements are included in this Certification. By signing this Certification, the development and service teams are committing to applying the Housing First approach in the development. Each member must sign. This approach includes the following elements:

- Tenants have full rights, responsibilities, and legal protections under Federal, state, and local housing laws, tenants are educated about their lease terms, given access to legal assistance, and encouraged to exercise their full legal rights and responsibilities, and landlords and providers abide by their legally defined roles and obligations; and
- Admission/tenant screening and selection practices affirm that acceptance of applicants regardless of their sobriety, use of substances, completion of treatment, and participation in services; and
- Applications are seldom rejected for poor credit or financial history, poor or lack of rental history, distant past criminal convictions, or behaviors that indicate a lack of “housing readiness”; and
- Supportive services emphasize engagement and problem-solving over therapeutic goals, service plans are tenant-driven without predetermined goals, and participation in services or program compliance are not a condition of tenancy (except as required by federal requirements); and
- Use of drugs or alcohol in and of itself is not considered a reason for eviction, unless a requirement under a federal program; and
- The Tenant Selection Plan includes a prioritization of eligible tenants based on high SPDAT score (or other similar coordinated assessment system); and
- Permanent supportive housing tenants are given reasonable flexibility in paying their tenant share of rent on time and offered special payment arrangements for rent arrears and/or assistance with financial management; and
- A harm reduction philosophy, where tenants are offered education regarding how to avoid risky behaviors and engage in safer practices, is in place; and
- Units may include special physical features that accommodate disabilities, reduce harm, and promote health among tenants; and
- Every effort is made to avoid eviction.

These criteria should be found and reaffirmed in the project’s Tenant Selection Plan. Any material differences or inconsistencies between the Tenant Selection Plan and this Certification may be considered reasons for rejection.

The undersigned agree to follow Housing First and incorporate the standards above into the project, management, and Tenant Selection Plan.

Dated: _____

Owner: _____

By: _____

Its: _____

Dated: _____

Management Company: _____

By: _____

Its: _____

Dated: _____

Lead Agency: _____

By: _____

Its: _____

ATTACHMENT F. SUPPORTIVE SERVICES COMMITMENT CHART

Information is to be provided for all applicable services below. The service and funding agencies in this chart should be consistent with the rest of the Addendum III submission, including but not limited to the MOU, letters of support, and funding analysis.

	Name of Agency Providing Service <i><u>Must sign MOU</u></i>	Date of MOU	Included in the Addendum III Submission	Name of Agency Funding Services <i><u>Must provide Letter of Support</u></i>	Date of Letter of Support	Included in the Addendum III Submission
CASE MANAGEMENT SERVICE COORDINATION (ALL SERVICES BELOW ARE REQUIRED)						
All services under this heading (Tenant Stabilization, Building Support Systems, Basic Needs, Benefit Assistance, Employment Related Services, Mental Health, Substance Abuse Services, and Legal Services) must be supported by an MOU signed by the agency(ies) providing services and a letter of support from the agency(ies) providing funding.						
Tenant Stabilization – Assist tenants to care for their apartment, ADL's, get along with neighbors, landlord, etc.			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes
Building Support Systems – Assist tenants to re-engage with local community.			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes
Basic Needs – Assist tenants to obtain resources (food, clothing, transportation, etc.).			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes
Benefit Assistance - Provide on-going			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes

support including referrals, assistance obtaining benefits, linkages with services, “whatever it takes”.						
Employment Related Services			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes
Mental Health – ACT, counseling, therapy, medications, and medication management.			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes
<p>***If the targeted populations include chronically homeless and/or various Data Match populations, the CMH MUST be part of the supportive services team and the service commitment MUST be included in the MOU and other documents. Failure to include the CMH as an integral member of the service team when targeting this population will be considered a material deficiency and make the project ineligible for an award of tax credits. ***</p>						
Substance Abuse Services – Outpatient treatment, self-help options, and counseling.			<input type="checkbox"/> Yes			<input type="checkbox"/> Yes
Legal Services – Related to civil arrears, family law, uncollected benefits.			<input type="checkbox"/> Yes <input type="checkbox"/> N/A			<input type="checkbox"/> Yes <input type="checkbox"/> N/A

