

**Michigan State Housing Development Authority
Minutes of Authority Meeting
May 21, 2020**

AUTHORITY MEMBERS PRESENT:

Regina Bell
Mark Burton
Carl English
Rachael Eubanks
Jennifer Grau
Deb Muchmore

AUTHORITY MEMBERS ABSENT:

Jeff Donofrio

OTHERS PRESENT:

Gary Heidel, Acting Executive Director
Maria Ostrander, Executive
Mary Cook, Executive
Clarence Stone, Legal Affairs
Rick Norton, Legal Affairs
Lisa Ward, Legal Affairs
Jeff Sykes, Finance
Troy Thelen, Asset Management
John Hundt, Rental Development
Kelly Rose, Rental Assistance and Homeless Solutions
Jonathan Hilliker, Executive
Chad Benson, Rental Development
Mike Witt, Rental Development
Ryan Koenigsknecht, Rental Development
Lisa Kemmis, Rental Assistance and Homeless Solutions
Daphne Wells, Executive
Mike Fobbe, Office of Attorney General
John Millhouse, Office of Attorney General
James Kiefer, Dykema
Kris Nied, Miller Canfield
Katie Bach, Communications
Maryanne Vukonich, Rental Development
Tonya Young, Housing Initiatives
Susan Corbin, Department of Labor and Economic Opportunity
Sandy Pearson, Habitat for Humanity

Seventeen additional members of the public participated via the following conference line: +1 248-509-0316 Conference ID: 651 647 662#.

Vice Chair Rachael Eubanks opened the meeting at 10:01 a.m. Ms. Eubanks asked Jonathan Hilliker, IT Customer Service Liaison, to provide an overview of the meeting format, which was being conducted through Microsoft Teams. Mr. Hilliker explained that Board members and presenters were participating by video through a previously provided video link. A separate telephonic conference line linked to the video meeting was made available to the public.

Ms. Eubanks requested public comments from teleconference participants. Ms. Sandy Pearson from Habitat for Humanity asked to note her presence at the meeting.

Ms. Eubanks proceeded to mention the following goldenrods:

- Tab A (Agenda) was updated to reflect the revised title for Tab E
- Tabs D and E— the documents were revised to update amounts for the issuance of Single-Family Mortgage Revenue Bonds, 2020 Series A & B.
- Tab F (HCV Contract) – there was a minor grammatical correction.
- Tab G (Cliffview Apartments)— the documents were revised to decrease loan amounts and correct the mix of one and two bedroom units.

Ms. Eubanks mentioned that Chairperson Jeff Donofrio would provide an update on the search for a permanent Executive Director at the June 2020 Authority meeting. She noted that the search firm has identified a list of candidates; however, due to the COVID-19 pandemic, the process is on hold until July 2020.

Following Ms. Eubanks comments, Mr. Gary Heidel, Acting Executive Director, began the Executive Director's report. He noted that temporary layoffs of Authority staff began this week. Most employees will have a furlough day on a Monday or Friday for the next five pay periods, ending July 25, 2020. Staff with a classification of 17 or higher will have one furlough day every other pay period.

Mr. Heidel next addressed the Office of the State Employer's guidance to create a Return to Work Plan. Mr. Heidel and Authority staff are working with the Department of Labor and Economic Opportunity to create and implement a plan for MSHDA. There is no set date to return to the office; the needs of each Authority division will be assessed separately.

Mr. Heidel asked Jeff Sykes, Finance, to provide an overview of the proposed 2020-2021 Authority Budget. The budget will be presented to the Board for a vote at the June 2020 meeting. Mr. Sykes reviewed the documents as detailed in Tab 3 of the Board Docket. He noted that the budget is intended to be in line with the Authority's Mission, Vision and Guiding Principles. In response to Authority members, Mr. Sykes confirmed that changes had been made to increase available grant funding in response to the COVID-19 pandemic. Vice Chair Eubanks noted that the numbers in the budget had been reviewed in detail during Real Estate Finance subcommittee meeting.

In the next portion of the Executive Director's Report, Troy Thelen of Asset Management gave an overview of the Authority's Short-Term Relief Policy, as well as its monthly report. Mr. Thelen reviewed the subject matter as detailed in Tabs 1 and 2 in the Board Docket. He further noted that the program requires landlords to allow payment plans and prohibits evictions during the relief term. This eviction prohibition exceeds the length of the current eviction moratorium.

Following Mr. Thelen's remarks, Tonya Young of Housing Initiatives, presented a short video detailing the current status and accomplishments of the MSHDA Modular Program.

VOTING ISSUES:

Approval of the Agenda **(Tab A):**

Deb Muchmore moved approval of **Tab A (Agenda)**. Mark Burton supported. The following Roll Call was taken for **Tab A**:

Regina Bell	Yes	Jeff Donofrio	Absent
Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The agenda was approved.

Consent Agenda (Tabs B and C) The Consent Agenda included the following items:

Tab B Minutes – April 23, 2020

Tab C Resolution Authorizing Professional Services Contracts for Design Review

Mark Burton moved approval of the Consent Agenda. Deb Muchmore supported. The following Roll Call was taken for the Consent Agenda:

Regina Bell	Yes	Jeff Donofrio	Absent
Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The Consent Agenda was approved.

Regular Voting Items:

Jeff Sykes, Finance and James Kiefer, Bond Counsel with Dykema presented **Tab D, Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of Single-Family Mortgage Revenue Bonds, 2020 Series A in an Amount Not to Exceed \$300,000,000**, as well as **Tab E, Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of Single-Family Mortgage Revenue Bonds, 2020 Series B (Federally Taxable) in an Amount Not to Exceed \$100,000,000**. Mr. Sykes reviewed the business terms, and Mr. Kiefer reviewed the resolutions as outlined in **Tabs D and E** of the board docket.

Ms. Kris Nied, Bond Counsel with Miller Canfield, confirmed that the documents in **Tabs D and E** were acceptable for the Board’s consideration.

Mr. John Millhouse with the Office of Attorney General confirmed that the documents in **Tabs D and E** were acceptable for the Board’s consideration.

Mr. Clarence Stone, Director of Legal Affairs, confirmed that the documents in **Tabs D and E** were acceptable for the Board’s consideration.

Jennifer Grau moved approval of **Tab D**. Regina Bell Supported. The following Roll Call was taken for **Tab D**:

Regina Bell	Yes	Jeff Donofrio	Absent
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Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The resolution was approved.

Carl English moved approval of **Tab E**. Deb Muchmore Supported. The following Roll Call was taken for **Tab E**:

Regina Bell	Yes	Jeff Donofrio	Absent
Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The resolution was approved.

Lisa Kemmis, Rental Assistance and Homeless Solutions presented **Tab F, Resolution Authorizing Amendment to Professional Services Contract for Independent Contractual Housing Agents – Housing Choice Voucher Program**. Ms. Kemmis reviewed the documents as detailed in the board docket.

Jennifer Grau moved approval of **Tab F**. Carl English Supported. The following Roll Call was taken for **Tab F**:

Regina Bell	Yes	Jeff Donofrio	Absent
Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The resolution was approved.

John Hundt of Rental Development presented **Tab G, Resolution Determining Mortgage Loan Feasibility, Cliffview Apartments, Development No. 124-2, City of Rochester Hills, Oakland County** and **Resolution Authorizing Mortgage Loans, Cliffview Apartments, Development No. 124-2, City of Rochester Hills, Oakland County** Mr. Hundt reviewed the documents as detailed in the board docket.

Regina Bell requested that Authority staff provide evidence of community support in addition to noting the approval of a PILOT (Payment in Lieu of Taxes), when applicable. Mr. Heidel indicated that additional types of support would be more evident for new construction, whereas this was a rehabilitation project. He also noted that developers work with community residents when requesting a PILOT.

Regina Bell moved approval of **Tab G**. Deb Muchmore Supported. The following Roll Call was taken for **Tab G**:

Regina Bell	Yes	Jeff Donofrio	Absent
Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The resolution was approved.

John Hundt of Rental Development presented **Tab H, Resolution Determining Mortgage Loan Feasibility, Pine Ridge, Development No. 3924, City of Marquette, Marquette County** and **Resolution Authorizing Mortgage Loans, Pine Ridge, Development No. 3924 City of Marquette, Marquette County**. Mr. Hundt reviewed the documents as detailed in the board docket.

Tyrone Hamilton stated that he was glad to see affordable housing needs addressed in all parts of Michigan. Ms. Eubanks agreed and asked how many developments were in the Upper Peninsula of Michigan and whether a map could be generated to display these locations. Troy Thelen of Asset Management confirmed that the Authority has a presence in many places throughout the state, including Marquette, Escanaba and Sault Sainte Marie.

Tyrone Hamilton moved approval of **Tab H**. Jennifer Grau Supported. The following Roll Call was taken for **Tab H**:

Regina Bell	Yes	Jeff Donofrio	Absent
Carl English	Yes	Rachael Eubanks	Yes
Jennifer Grau	Yes	Tyrone Hamilton	Yes
Mark Burton	Yes	Deb Muchmore	Yes

There were 7 “yes” votes. The resolution was approved.

There being no additional remarks, Ms. Eubanks noted that the following reports were included for information: **(Tab 1)** Short Term Mortgage Relief Policy - Michigan State Housing Development Authority Financed Properties, **(Tab 2)** Short Term Mortgage Relief Policy Monthly Report, **(Tab 3)** Draft 2020-2021 Authority Budget, **(Tab 4)** Hardest Hit Report, **(Tab 5)** Current and Historical Homeownership Data, **(Tab 6)** Homeownership Production Report, and **(Tab 7)** Board Calendar.

Ms. Eubanks further stated that the next two Regular board meetings are June 25, 2020 and July 23, 2020.

Prior to adjourning, Ms. Eubanks focused on questions posed by Authority members via the teleconference chat. Ms. Bell had asked whether the Authority had any properties affected by the recent flooding in Midland County. Mr. Thelen confirmed that no Authority properties were affected. Ms. Kelly Rose of Rental Assistance and Homeless Solutions responded that at least three Housing Choice Voucher (HCV) units were impacted; however, there were several people they were still trying to reach. Ms. Bell requested that the Board be kept updated on this matter.

Ms. Bell also asked if there would be additional funding provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. Ms. Rose explained that while no new allocations have been issued, the hope is to have more information by the end of the month. In response to additional questions on how the Authority could provide additional assistance during the pandemic, Mr. Heidel explained that Authority staff are working with the Department of Labor and Economic Opportunity to coordinate relief efforts. Additionally, the progress of the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act is being closely followed. This piece of legislation is currently pending in Congress and addresses many housing matters. Additional resources and opportunities to help should be more evident in the coming weeks.

Ms. Eubanks further noted that the HEROES Act would provide needed support for local and state governments. She mentioned that there has been a significant decline in Michigan's revenue, and the CARES Act only covers new COVID-19 related expenses. As such, she will be watching the HEROES Act closely. Ms. Bell asked that an update on the status of the HEROES Act be provided at the next Board meeting.

Mr. Hamilton requested a transcript/explanation of the MSHDA Modular video shown during the Executive Director's report.

There being no additional comments, Rachael Eubanks requested a motion to adjourn. Tyrone Hamilton moved to adjourn. Regina Bell supported the motion, and it was unanimously approved and accepted. The meeting adjourned at 11:07 a.m.

REVIEWED
By Lisa Ward at 8:47 am, Jun 01, 2020

REVIEWED
By Clarence Stone at 9:37 am, Jun 01, 2020