

**Michigan State Housing Development Authority  
Minutes of Authority Meeting  
November 29, 2017**

**AUTHORITY MEMBERS PRESENT (Lansing):**

Jeremy Hendges for Roger Curtis, Chair  
Mary Martin for N.A. Khouri  
Scott Wierda  
Carl English  
Mike Kapp for Kirk Steudle  
Luke Terry  
Tyrone Hamilton

**AUTHORITY MEMBERS ABSENT:**

Deb Muchmore (excused)

**AUTHORITY STAFF PRESENT (Lansing/Detroit):**

Earl J. Poleski, Executive Director  
Brian Mills, Chief of Staff  
Gary Heidel, Chief Housing Investment Officer  
Jeffrey Sykes, Chief Financial Officer  
Diana Bitely, Legal Affairs  
Chris Hall, Technical Support Services  
Grace Ramirez, Employee Services  
Clarence L. Stone, Jr., Legal Affairs  
Margaret Meyers, Legal Affairs  
Corina Andorfer, Legal Affairs  
Willard G. Moseng, Legal Affairs  
Katie Bach, Governmental & Media Affairs  
Mike Witt, Asset Management  
John Hundt, Rental Development  
Troy Thelen, Asset Management  
Mary Townley, Homeownership  
Linda Beachnau, Technical Support Services  
Corina Andorfer, Legal Affairs  
Jess Sobel, Housing Initiatives  
Kelly Rose, Rental Assistant and Homeless Solutions  
Mary Lou Keenon, Office of Employee Services  
Linda Beachnau, Technical Support Services

**OTHERS PRESENT (Lansing/Detroit):**

Rhonda Welburn, Dickinson Wright  
Kris Nied, Miller Canfield  
Andrew Switalski, Dykema  
James Kiefer, Dykema  
Lisa Hagan, Hawkins Delafield & Wood LP  
John Millhouse, Office of Attorney General  
Ron Farnum, Office of Attorney General  
David Notkin, Band of America Merrill Lynch  
Brandon Wolanski, Barclays

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Jamie Schriener, CEDAM  
Sandy Pearson, Habitat for Humanity  
Tim Rittenhouse, CSG Advisors

The Chair, Jeremy Hendges, called the meeting to order at 10:02 a.m. Following Roll Call, Mr. Hendges asked for public comment.

Sandy Pearson with Habitat for Humanity of Michigan. She thanked MSHDA for its support of the following: the Prison Build Education program; the Priority Home Repair program neighborhood grant that supported 60 families; and the Down Payment Assistance Program grant that helped 57 adults and 43 projects this year.

Mr. Hendges turned the meeting over to Executive Director, Earl Poleski.

Mr. Poleski reported on the following:

- Diana Bitely was introduced as the new board clerk.
- Maria Ostrander was introduced as Mr. Poleski's new assistant. She will help Mr. Poleski with outreach throughout the state.
- Report by SIGTARP, which is the Special Inspector General for the Troubled Asset Relief Program, regarding environmental matters in Flint. The report came out last week. MSHDA staff met with Genesee County Land Bank staff to consider the SIGTARP report and prepare MSHDA's response to the U.S. Treasury regarding the use of Hardest Hit funds. We anticipate completing the response to the report by the end of December.
- Bond issuances are intended to hedge MSHDA against the possibility that tax reform as proposed by the House will occur. The House proposal would eliminate the tax-exemption for private activity bonds--this would affect how MSHDA funds some of its work. MSHDA's plan is to issue bonds before the end of the year so next year's loans can be funded, should the House version of tax reform occur.
- The next Authority meeting is scheduled for December 13<sup>th</sup> and is likely to occur.

Mr. Sykes presented the June 30, 2017 Audited Financial Report and responded to questions by the Board members.

Agenda (Tab A) Mr. Hendges requested a motion to approve the agenda. Scott Wierda moved approval of the agenda. Mike Kapp supported. The agenda was unanimously approved.

Consent Agenda: Mike Kapp moved approval of the consent agenda. Tyrone Hamilton supported. The consent agenda was approved. The consent agenda included the following resolutions:

Tab B Minutes – October 25, 2017

Tab C Resolution Authorizing 2018 Authority Meeting Schedule

“Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of Single-Family Mortgage Revenue Bonds, 2017 Series C in an Amount Not to Exceed \$325,000,000” (Tab D) was presented by Chief Financial Officer, Jeff Sykes, James Kiefer of Dykema, and Tim Rittenhouse of CSG Advisors. Mr. Sykes reviewed the

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business aspects for the proposed resolution as detailed in the board documents. Ron Farnum of the Attorney General's office and Clarence Stone, Director of Legal Affairs, concurred that the resolution for Tab D and the table documents were in proper form. Carl English moved approval of the resolution. Scott Wierda supported.

The following Roll Call vote was taken for Tab D:

Jeremy Hedges – Yes	Mary Martin – Yes	Scott Wierda – Yes
Carl English – Yes	Mike Kapp – Yes	Luke Terry – Yes

There were 6 “yeas” and 0 “nay” votes. The resolution was unanimously approved.

“Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of Rental Housing Revenue Bonds, 2017 Series B in an Amount Not to Exceed \$265,000,000” (Tab E) was presented by Chief Financial Officer, Jeff Sykes, Rhonda Welburn of Dickinson Wright, and Tim Rittenhouse of CSG Advisors. Mr. Sykes reviewed the business aspects of the proposed resolution as detailed in the board documents. Ron Farnum of the Attorney General's office and Clarence Stone, Director of Legal Affairs, concurred that the resolution for Tab E and the table documents were in proper form. Mary Martin moved approval of the resolution. Luke Terry supported. The following Roll Call vote was taken for Tab E.

The following Roll Call vote was taken for Tab E:

Jeremy Hedges – Yes	Mary Martin – Yes	Scott Wierda – Yes
Carl English – Yes	Mike Kapp – Yes	Luke Terry – Yes

There were 6 “yes” votes and 0 “nay” votes. The resolution was unanimously approved.

“Resolution Authorizing Conversion of the Interest Rate, Replacement of the Credit Enhancement and Remarketing of the Michigan State Housing Development Authority Adjustable Rate Limited Obligation Multifamily Housing Revenue Bonds, Series 2000A (Berrien Woods III Apartments), Authorizing Acceptance of a GNMA Security as Security, Authorizing the Execution of Certain Documents and Determining and Authorizing Other Matters Relative Hereto” (Tab F) was presented by Director of Legal Affairs, Clarence Stone, and Lisa Hagan of Hawkins Delafield & Wood. Mr. Stone and Ms. Hagan reviewed the business aspects of the proposed resolution as detailed in the board documents. Ron Farnum of the Attorney General's office and Mr. Stone concurred that the resolution for Tab F was in proper form. Carl English moved approval of the resolution. Luke Terry supported.

The following Roll Call vote was taken for Tab F:

Jeremy Hedges – Yes	Mary Martin – Yes	Scott Wierda – Yes
Carl English – Yes	Mike Kapp – Yes	Luke Terry – Yes

There were 6 “yes” votes and 0 “nay” votes. The resolution was unanimously approved.

“Resolutions Authorizing Conversion of the Interest Rate, Replacement of the Credit Enhancement and Remarketing of the Michigan State Housing Development Authority Variable Rate Demand Limited Obligation Multifamily Housing Refunding Revenue Bonds (Teal Run I Apartments Project) Series 2007A, Authorizing Acceptance of a GNMA Security as Security,

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Authorizing the Execution of Certain Documents and Determining and Authorizing Other Matters Relative Hereto” (Tab G) was presented by Director of Legal Affairs, Clarence Stone, and Lisa Hagan of Hawkins Delafield & Wood. Mr. Stone and Ms. Hagan reviewed the business aspects of the proposed resolution as detailed in the board documents. Ron Farnum of the Attorney General’s office and Mr. Stone concurred that the resolution for Tab G was in proper form. Scott Wierda moved approval of the resolution. Luke Terry supported.

The following Roll Call vote was taken for Tab G:

Jeremy Hendges – Yes	Mary Martin – Yes	Scott Wierda – Yes
Carl English – Yes	Mike Kapp – Yes	Luke Terry – Yes

There were 6 “yes” votes and 0 “nay” votes. The resolution was unanimously approved.

“Resolutions Authorizing Conversion of the Interest Rate, Replacement of the Credit Enhancement and Remarketing of the Michigan State Housing Development Authority Variable Rate Demand Limited Obligation Multifamily Housing Refunding Revenue Bonds (Sand Creek Apartments, Phase I Project) Series 2007A, Authorizing Acceptance of a GNMA Security as Security, Authorizing the Execution of Certain Documents and Determining and Authorizing Other Matters Relative Hereto” (Tab H) was presented by Director of Legal Affairs, Clarence Stone, and Lisa Hagan of Hawkins Delafield & Wood. Mr. Stone and Ms. Hagan reviewed the business aspects of the proposed resolution as detailed in the board documents. Ron Farnum of the Attorney General’s office and Mr. Stone concurred that the resolution for Tab H was in proper form. Luke Terry moved approval of the resolution. Mary Martin supported.

The following Roll Call vote was taken for Tab H:

Jeremy Hendges – Yes	Mary Martin – Yes	Scott Wierda – Yes
Carl English – Yes	Mike Kapp – Yes	Luke Terry – Yes

There were 6 “yes” votes and 0 “nay” votes. The resolution was unanimously approved.

“Resolutions Authorizing Conversion of the Interest Rate, Replacement of the Credit Enhancement and Remarketing of the Michigan State Housing Development Authority Variable Rate Demand Limited Obligation Multifamily Housing Refunding Revenue Bonds (Sand Creek II Apartments Project) Series 2007A, Authorizing Acceptance of a GNMA Security as Security, Authorizing the Execution of Certain Documents and Determining and Authorizing Other Matters Relative Hereto” (Tab I) was presented by Director of Legal Affairs, Clarence Stone. Mr. Stone reviewed the business aspects of the proposed resolution as detailed in the board documents. Ron Farnum of the Attorney General’s office and Mr. Stone concurred that the resolution for Tab I was in proper form. Carl English moved approval of the resolution. Luke Terry supported.

The following Roll Call vote was taken for Tab I:

Jeremy Hendges – Yes	Mary Martin – Yes	Scott Wierda – Yes
Carl English – Yes	Mike Kapp – Yes	Luke Terry – Yes

There were 6 “yes” votes and 0 “nay” votes. The resolution was unanimously approved

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“Resolution Authorizing Waiver of Closing Prohibition for **Renaissance Estates of Ecorse, MSHDA No. 44c-169**” (**Tab J**) was presented by Director of Legal Affairs, Clarence Stone. Mr. Stone reviewed the business aspects of the proposed resolution as detailed in the board documents. Luke Terry moved approval of the resolution. Tyrone Hamilton supported. Motion passed unanimously.

“Resolution Determining Mortgage Loan Feasibility, **Burton Place, MSHDA Development No. 468-2, City of Burton, Genesee County**” (**Tab K**) was presented by John Hundt of Rental Development. Mr. Hundt reviewed the business aspects of the proposed resolution as detailed in the board documents. Tyrone Hamilton moved approval of the resolution. Carl English supported. The resolution was approved.

“Resolution Authorizing Mortgage Loans, **Burton Place, MSHDA Development No. 468-2, City of Burton, Genesee County**” (**Tab L**) was presented by John Hundt of Rental Development. Mr. Hundt reviewed the business aspects of the proposed resolution as detailed in the board documents. Tyrone Hamilton moved approval of the resolution. Carl English supported. The resolution was approved.

“Resolution Authorizing the Extension of Annual Contributions Contract and Joint Venture Teaming Agreement” (**Tab L**) was presented by Mike Witt and Daphne Wells of Asset Management. Mr. Witt reviewed the business aspects of the proposed resolution as detailed in the board documents. Mike Kapp moved approval of the resolution. Luke Terry supported. The resolution was approved.

Mr. Hendges noted that the following reports were included for information: June 30, 2017 Audited Financials (**Tab 1**), Homeownership Production Report (**Tab 2**), Blight Monthly Report (**Tab 3**), Loan Portal Production Report (**Tab 4**), and Hardest Hit Report (**Tab 5**).

Mr. Hendges noted that the next two board meetings are scheduled for December 13 and January 24.

There being no further business, Mr. Hendges requested a motion to adjourn. Mike Kapp moved to adjourn. Tyrone Hamilton supported the motion, and it was unanimously approved and accepted. The meeting adjourned at 11:34 a.m.