

**Michigan State Housing Development Authority
Minutes of Authority Meeting
April 23, 2020**

AUTHORITY MEMBERS PRESENT:

Regina Bell
Mark Burton
Jeff Donofrio
Carl English
Rachael Eubanks
Deb Muchmore

AUTHORITY MEMBERS ABSENT:

Jennifer Grau
Tyrone Hamilton

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
Tiffany King, Executive
Jonathan Hilliker, Executive
Matt Schoenherr, Communications
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
Ron Farnum, Office of Attorney General
John Millhouse, Office of Attorney General
Jess Sobel, Grants, Resources and Technical Services
Luke Forrest, CEDAM
Sandy Pearson, Habitat for Humanity

Eighteen additional members of the public participated via the following conference line:
+1 248-509-0316 Conference ID: 745 377 248#

Chairperson Jeff Donofrio opened the meeting at 10:02 a.m. He 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.

Mr. Donofrio noted there were no goldenrods or new items. He then requested public comments from teleconference participants.

Mr. Luke Forrest spoke on behalf of the Community Economic Development Association of Michigan (CEDAM). He praised Authority staff and expressed a desire to continue to focus on housing and affordability issues during the COVID-19 crisis. Ms. Sandy Pearson of Habitat for Humanity also spoke and echoed Mr. Forrest's sentiments.

Mr. Ron Farnum, Assistant Attorney General with the Michigan Department of Attorney General, provided comments to Authority members regarding Tab C, Amended and Restated Resolution Authorizing Delegation of Authority to (A) Grant Short Term Relief for Authority-Financed Multifamily Portfolio and (B) Approve SBA Payroll Protection Loans to Owners of Authority-Financed Multifamily Developments Under The Coronavirus Aid, Relief, and Economic Security Act. The draft resolution in Tab C lists June 1, 2021 as the expiration date for the Executive Director's delegated authority. Mr. Farnum recommended that the Board consider a two-month delegation to the Executive Director. Additionally, Mr. Farnum spoke in favor of Authority members approving a policy statement to ensure a consistent method for granting relief.

Following public comments, Mr. Gary Heidel, Acting Executive Director, proceeded with the Executive Director's report. He shared that the Governor recently signed legislation to increase the statutory ceiling for Authority's bonds and notes to \$5 billion. Additionally, he noted that the Authority will receive \$7,364,581 in Housing Trust Funds for the upcoming fiscal year, as well as \$17.3 million in Emergency Shelter Grants. Mr. Heidel asked Ms. Kelly Rose, Chief Housing Solutions Officer, to provide additional comments on the allocation of these funds. Ms. Rose explained that RAHS was still waiting on guidance from the Department of Housing and Urban Development; however, she expects a notice of funding availability will be posted soon. She also expressed a need to focus COVID-19 testing within the homeless population due to their increased risk and vulnerability.

In response to Authority member questions, Mr. Heidel confirmed there was an eviction moratorium in place. He noted that calls regarding eviction notices are referred to the appropriate housing office or legal aid society.

Mr. Heidel then asked Mr. Jeff Sykes, Chief Financial Officer, to discuss the Authority's Quarterly Financial Statement. Mr. Sykes reviewed the documents as provided in Tab 2 of the board docket. Additionally, Mr. Sykes noted that bond loans are still being administered, and he expects to present a Single-Family bond proposal to Authority members at the May meeting.

Mr. Chad Benson, LIHTC Allocations Manager in Rental Development, provided an update on the Qualified Allocation Plan (QAP), noting that the application period has been extended. While initially going to Authority members for a vote in June, the QAP is temporarily on hold due to the COVID-19 crisis.

Voting Issues:

There was no Consent Agenda. All voting items were conducted by Roll Call.

Authority member Deb Muchmore moved approval of **Tab A (Agenda)**. Authority member Carl English supported. The following Roll Call was taken for **Tab A**:

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

There were 6 “yes” votes. The resolution was approved.

Ms. Muchmore moved approval of **Tab B (Minutes – March 23, 2020)**. Mr. English supported. The following Roll Call was taken for **Tab B**:

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

There were 6 “yes” votes. The resolution was approved.

Clarence Stone, Director of Legal Affairs, presented **Tab C, Amended and Restated Resolution Authorizing Delegation of Authority to (A) Grant Short Term Relief for Authority-Financed Multifamily Portfolio and (B) Approve SBA Payroll Protection Loans to Owners of Authority-Financed Multifamily Developments Under The Coronavirus Aid, Relief, and Economic Security Act**. Mr. Stone reviewed the resolution as detailed in the board docket. Mr. Stone asked Mr. Troy Thelen, Acting Director of Asset Management, to respond to the remarks made by Mr. Farnum during the public comment period. Mr. Thelen explained concern that requiring board approval every two months would diminish the flexibility needed to respond to problems arising from the COVID-19 crisis. Additionally, the two-month terms could decrease confidence in the program. He noted that anyone seeking relief under this resolution would be required to demonstrate need specific to the pandemic.

Authority members asked whether additional language or safeguards could be included to address the prevention of foreclosures and/or evictions. Mr. Thelen responded that the expectation is for project owners to pass any benefits received as a result of this program to residents. If owners are applying for assistance, they should offer payment plans to residents and be prohibited from evicting anyone due to nonpayment of rent. Additionally, residents should not incur late fees as a result of the pandemic. Those applying for relief under this program will be expected to document to Authority staff on a monthly basis how they are complying with the program’s terms and communicating with residents.

Authority members asked that these requirements be detailed in writing and presented to the Authority at the May Board meeting.

Authority member Mark Burton moved approval of **Tab C**. Mr. English Supported. The following Roll Call was taken for **Tab C**:

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

There were 6 “yes” votes. The resolution was approved.

Lisa Kemmis, Program Manager in Rental Assistance and Homeless Solutions, presented **Tab D, Resolution Authorizing Annual PHA Plan and Amendments to Administrative Plan for the Housing Choice Voucher Program**. Ms. Kemmis reviewed the documents as detailed in the board docket. In response to questions from Authority members, Ms. Kemmis confirmed that marijuana is still considered a controlled substance by the Department of Housing and Urban Development; as such, it is not permitted in units assisted by the Housing Choice Voucher (HCV) Program. She noted, however, that project termination would not be sought for that reason alone; the entirety of the situation would be taken into consideration.

Ms. Kemmis also confirmed that if a household member violated HCV program rules, that member can be removed from the household without penalizing other household members.

Ms. Muchmore moved approval of **Tab D**. Mr. English Supported. The following Roll Call was taken for **Tab D**:

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

There were 6 “yes” votes. The resolution was approved.

Tiffany King, Equity and Inclusion Officer in the Executive Office, presented **Tab E, Resolution Authorizing Professional Services Contract with Public Policy Associates, Inc.** Ms. King reviewed the documents as detailed in the board docket.

Authority member Rachael Eubanks moved approval of **Tab E**. Authority member Regina Bell Supported. The following Roll Call was taken for **Tab E**:

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

There were 6 “yes” votes. The resolution was approved.

John Hundt, Housing Development Manager in Rental Development, presented **Tab F, Resolution Determining Mortgage Loan Feasibility, Lakewood Manor, Development No. 924-2, City of Detroit, Wayne County and Resolution Authorizing Mortgage Loans, Lakewood Manor, Development No. 924-2, City of Detroit, Wayne County**. Mr. Hundt reviewed the documents as detailed in the board docket. In response to Authority member questions, Mr. Hundt confirmed there was little impact to residents.

Ms. Eubanks moved approval of **Tab F**. Ms. Bell Supported. The following Roll Call was taken for **Tab F**:

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

There were 6 “yes” votes. The resolution was approved.

John Hundt presented **Tab G, Resolution Determining Mortgage Loan Feasibility, Willow Vista (Tax-Exempt Bond), Development No. 805-2, City of Lansing, Ingham County and Resolution Authorizing Mortgage Loans, Willow Vista (Tax-Exempt Bond), Development No. 805-2, City of Lansing, Ingham County.** Mr. Hundt reviewed the documents as detailed in the board docket. He confirmed there would be no tenant displacement or rent increase. Mark Burton moved approval of **Tab G.** Deb Muchmore Supported. The following Roll Call was taken for **Tab G:**

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

There were 6 “yes” votes. The resolution was approved.

John Hundt presented **Tab H, Resolution Determining Mortgage Loan Feasibility, Willow Vista (Taxable Bond), Development No. 805-3, City of Lansing, Ingham County and Resolution Authorizing Mortgage Loans, Willow Vista (Taxable Bond), Development No. 805-3, City of Lansing, Ingham County.** Mr. Hundt reviewed the documents as detailed in the board docket. Although this resolution is for the same development listed in Tab G, this portion of the loan consists of a taxable bond requiring a separate vote.

Ms. Muchmore moved approval of **Tab H.** Mr. English Supported. The following Roll Call was taken for **Tab H:**

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

There were 6 “yes” votes. The resolution was approved.

John Hundt presented **Tab I, Resolution Determining Mortgage Loan Feasibility, Royal Oak Manor, Development No. 3846, City of Royal Oak, Oakland County and Resolution Authorizing Mortgage Loans, Royal Oak Manor, Development No. 3846, City of Royal Oak, Oakland County.** Mr. Hundt reviewed the documents as detailed in the board docket. In response to Authority member questions, Mr. Hundt noted that any rent increase would apply to only the lowest amount.

Mr. Burton moved approval of **Tab I.** Mrs. Eubanks Supported. The following Roll Call was taken for **Tab I:**

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

There were 6 “yes” votes. The resolution was approved.

Troy Thelen, Acting Director of Asset Management, presented **Tab J, Resolution Authorizing Waiver of Mortgage Loan Prepayment Prohibition, The Pines, MSHDA Development No. 975, Village of Chelsea, Washtenaw County**. Mr. Thelen presented the documents as detailed in the board docket. He confirmed that the affordability period would be extended an additional five years.

Ms. Eubanks moved approval of **Tab J**. Ms. Bell Supported. The following Roll Call was taken for **Tab J**:

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

There were 6 “yes” votes. The resolution was approved.

There being no additional remarks, Mr. Donofrio stated that the following reports were included for information: **(Tab 1)** Board Calendar, **(Tab 2)** Quarterly Financials, **(Tab 3)** Hardest Hit Report, **(Tab 4)** Current and Historical Homeownership Data, **(Tab 5)** Homeownership Production Report, and **(Tab 6)** Delegated Action Reports.

Mr. Donofrio noted that the next two Regular board meetings are May 21, 2020 and June 25, 2020.

Mr. Donofrio requested a motion to adjourn. Ms. Eubanks moved to adjourn. Ms. Bell supported the motion, and it was unanimously approved and accepted. The meeting adjourned at 11:36 a.m.