3
THIRD CONGRESSIONAL DISTRICT
MSHDA
MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
Investing in People. Investing in Place.

MSHDA.
Opening Possibilities.

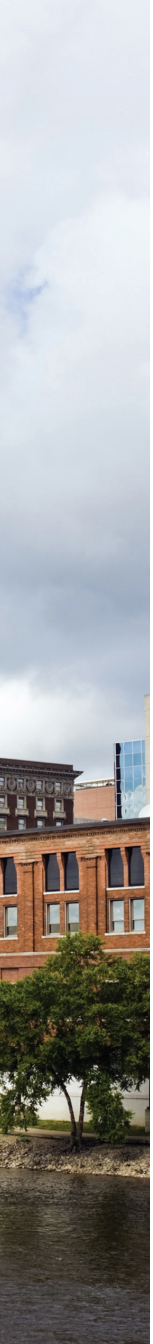
The Michigan State Housing Development Authority works to enhance Michigan's economic and social health by forging creative and collaborative partnerships, sharing knowledge and targeting resources to strengthen and rebuild communities.

Federal funding plays a pivotal role in assisting areas of the state hit hardest by economic and social downturns. Community Development Block Grants (CDBG), Low-Income Housing Tax Credits (LIHTC), HOME funds and Federal Historic Preservation Tax Credits provide a means to help homeowners, local businesses and communities grow while reinvesting in the people and places that make up our great state.

From Southeast Michigan to the northern tip of the Upper Peninsula, MSHDA's efforts support:

- Affordable Housing
- Neighborhood stabilization
- Blight removal
- Ending homelessness
- Downtown revitalization

GRAND RAPIDS



State of Michigan

Federal Funding Impact FY 2012–2015

Low-Income Housing Tax Credit*

Statewide Investment:
$1,324,397,000
District: **$278,700,170**

The LIHTC program is the most successful affordable housing production program in U.S. history forging public-private partnerships between the Federal government, state allocating agencies and private sector developers. MSHDA uses the 9% and 4% credit to assist in the financing of new construction and the preservation of existing structures. This spurs investment in the community, creates jobs and secures new/rehabilitated units of affordable housing.

The HOME Investment Partnership

Statewide Investment:
$118,427,039**
District: **$26,486,367**

The HOME program helps communities build, buy or rehabilitate affordable housing for rent or ownership, often in partnership with local nonprofit groups. This flexible program allows state and local governments to use HOME funds for grants, direct loans, loan guarantees, rental assistance, security deposits or other credit enhancements.

Community Development Block Grant

Statewide Investment:
$450,902,717**
District: **$30,083,172**

The CDBG program is an annual grant allocation to state and local governments on a need-based formula taking poverty, population, overcrowding, age of housing and population growth lag into consideration. Communities develop their own programs and funding priorities including; property acquisition, demolition, rehabilitation and relocation, façade improvements and assistance for local businesses.

Federal Historic Preservation Tax Credit

Statewide Investment:
$114,523,928
District: **$15,299,958**

In Michigan, the Federal Historic Preservation Tax Credit encourages investment in vacant or underused older buildings. Once rehabilitated, these structures end up back on local tax rolls and contribute to the community once again. From 2003 through 2015, historic rehabilitations using federal preservation tax credits resulted in more than $2.3 billion in direct investment.

*Number is a 10-year value of LIHTC.
**Based on HUD 2012–2015 reports.

1

400 IONIA AVE. SW, GRAND RAPIDS

KLINGMAN LOFTS

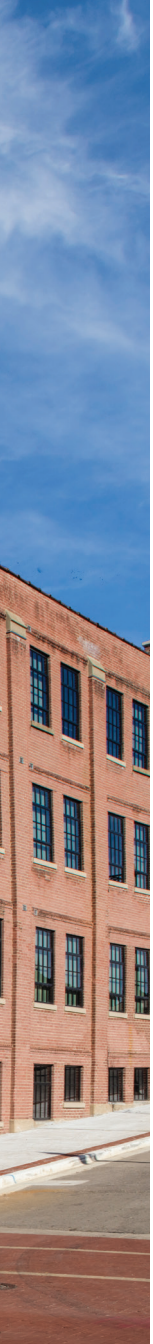
DEVELOPMENT INFORMATION

Total Cost: $34,008,600
Units: 83
Jobs Created*: 568

MSHDA INCENTIVES/ INVESTMENTS

Annual LIHTC: $3,000,000
10-Year Value of Credit: $30,000,000
Historic Tax Credit: $6,145,700

*Source: NAHB April 2015 report, "The Economic Impact of Home Building in a Typical Local Area."



"Grand Rapids serves as an enormous model...

Were it not for the tax credit program, the stimulus created by affordable housing developments in the area wouldn't have happened"

Mike Jacobson, Principal—LC Companies

Before Ionia and Wealthy LLC took charge of the historic Klingman building, the vandalized structure sat empty, deteriorating, and sinking into the ground. The building now known as Klingman Lofts is home to 83 apartments for low-income residents in the City of Grand Rapids. The multimillion-dollar renovations offer modern building systems and full amenities, while still preserving the building's historic architecture and charm. Locals have flocked to the lofts, as all units are currently filled and the waitlist for hopeful residents continues to grow. With its close proximity to many desirable locations, Klingman Lofts are contributing to a flourishing downtown community. MSHDA is proud to sponsor and support this rehabilitation of Klingman Lofts.

KLINGMAN LOFTS

2

345 STATE ST., GRAND RAPIDS

345 STATE ST.

DEVELOPMENT INFORMATION
Total Cost: $1,358,666
Units: 34
Jobs Created*: 23

MSHDA INCENTIVES/ INVESTMENTS
Annual LIHTC: $1,183,982
10-Year Value of Credit: $11,839,820

3

GRAND RAPIDS

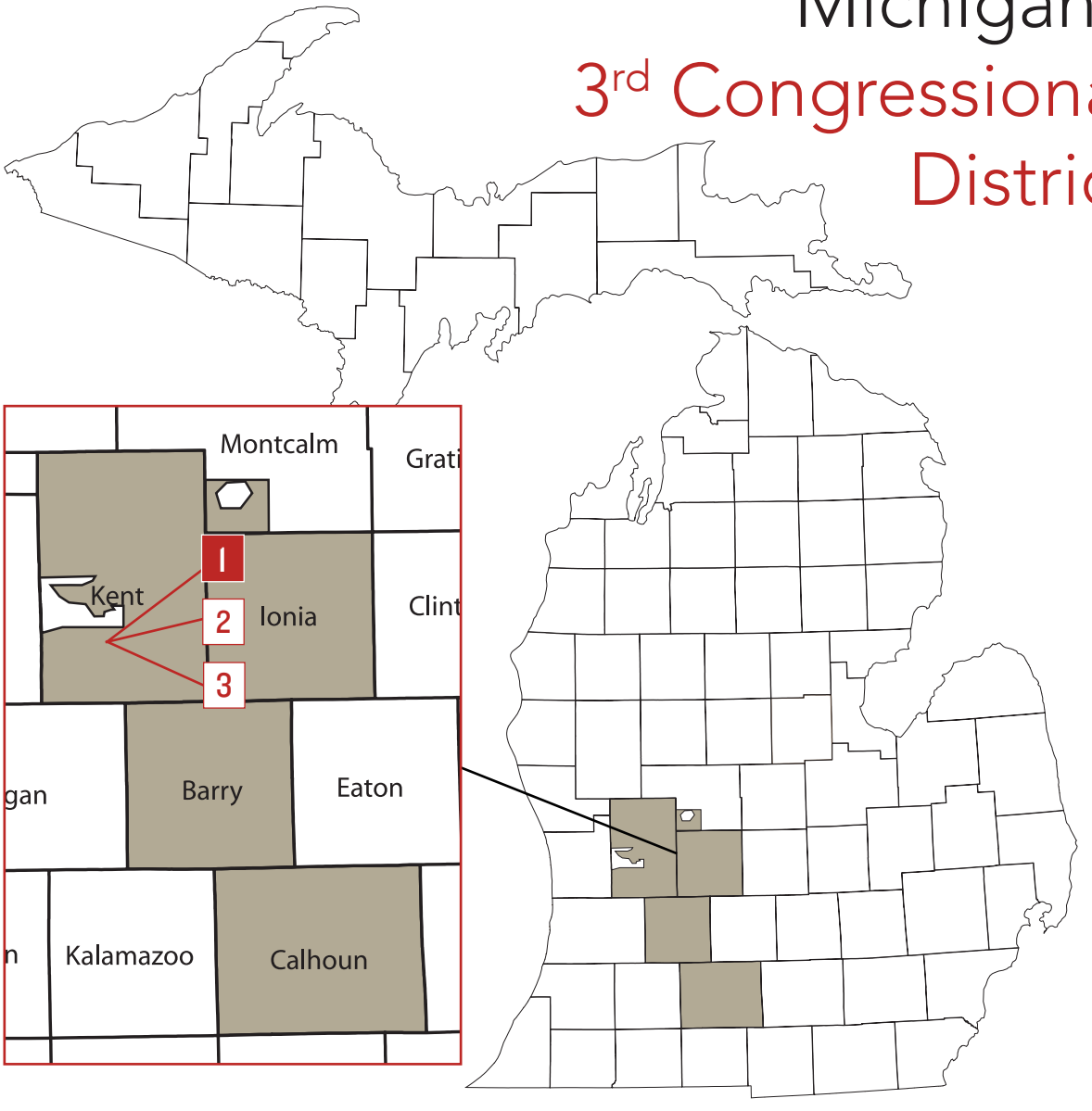
PLEASANT PROSPECT HOMES III

DEVELOPMENT INFORMATION
Total Cost: $13,872,711
Units: 90
Jobs Created*: 232

MSHDA INCENTIVES/ INVESTMENTS
Annual LIHTC: $1,185,765
10-Year Value of Credit: $11,857,650

*Source: NAHB April 2015 report, "The Economic Impact of Home Building in a Typical Local Area."

Michigan's 3rd Congressional District



Not printed at taxpayer expense.
105-160105

Toll Free: 855-MI-MSHDA
(855-646-7432)