

**Michigan State Housing Development Authority  
Minutes of Authority Meeting  
September 24, 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  
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  
Justin Wieber, Asset Management  
Ron Farnum, Office of Attorney General  
John Millhouse, Office of Attorney General  
Sam Buchalter, Executive  
Lori Fedewa, Human Resources  
Katie Bach, Communications  
Ann Grambau, Housing Initiatives  
Mary Townley, Homeownership  
Tonya Young, Housing Initiatives  
Tiffany King, Office of Equity and Engagement  
Lisa Kemmis, Rental Assistance and Homeless Solutions  
Ann Grambau, Housing Initiatives  
Daphne Wells, Executive  
Odessa Carson, Office of Equity and Engagement  
Craig Hammond, Dickinson Wright  
Sandy Pearson, Habitat for Humanity

Eleven additional members of the public participated via the following Conference Line: +1 248-509-0316, Conference ID: 224 874 610#.

Chairperson Jeff Donofrio opened the meeting at 10:00 a.m. A quorum was established with the presence of Mr. Donofrio, Mark Burton, Carl English, Rachael Eubanks and Deb Muchmore. Regina Bell joined the meeting at 10:10 a.m.

Mr. Donofrio asked Jonathan Hilliker 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 requested public comments from teleconference participants. Ms. Sandy Pearson from Habitat for Humanity noted her presence for the record.

Mr. Donofrio announced that there was a goldenrod for Tab G, Transfer of Partnership Interest and Extension of Principal Deferral for Philip C. Dean, MSHDA No. 1082. The goldenrod confirmed that the Board would be approving the proposed changes in the income restrictions.

Mr. Donofrio continued with an update on the search for a permanent Executive Director. He stated that the Human Resources subcommittee would meet again next week to discuss this matter. He added that at this time, there are additional candidates that will undergo a vetting process. Once this is complete, the expectation is to convene a special Authority meeting mid-October and finalize a decision at the regularly scheduled October meeting.

Following the Chair's remarks, Acting Executive Director Gary Heidel asked Jeff Sykes, Chief Financial Officer, to provide a brief preview of the Single-Family bond issue. Mr. Sykes explained that he is currently working on different structures and plans to bring the Single-Family bond issue to the Board in October. He noted that the Authority has originated \$140 million in Single Family mortgages.

Mr. Heidel then asked Ms. Kelly Rose, Acting Chief Housing Investment Officer, to give an update on the Eviction Diversion Program. Ms. Rose stated that the program was allocated \$60 million, \$4 million of which has been distributed. Ms. Rose further noted that there are about 6,000 families utilizing the program. It appears that the applicants are primarily low-income families who are about four months behind in rent. Ms. Rose also explained that the large volume of cases is causing an approximately two week delay in obtaining data.

In response to Authority questions, Ms. Rose agreed to provide a report on the geographical breakdown of applications to the Board. Currently, the heavy case volume in urban regions is preventing the compilation of sufficient data.

Ms. Rose was also asked whether individuals are applying for the program due to pandemic related unemployment or other reasons. Ms. Rose will work on obtaining this information from applicable sources, including the Unemployment Insurance Agency.

Mr. Heidel concluded his remarks by referencing the Strategic Planning Update in Tab 3 of the Docket.

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

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

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

Tab B Minutes – August 27, 2020

Tab C Resolution Authorizing Professional Services Contract Extensions for Independent Contractual Housing Agents

Regina Bell moved approval of the consent agenda. Rachael Eubanks supported. The following Roll Call was taken for the Consent Agenda:

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

There were 6 “yes” votes. The consent agenda was approved.

**Regular Voting Items:**

Jeff Sykes, Chief Financial Officer and Craig Hammond, Bond Counsel from Dickinson Wright, presented **Tabs D and E: Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of Rental Housing Revenue Bonds, 2020 Series A in an Amount Not to Exceed \$200,000,000 and Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of Rental Housing Revenue Bonds, 2020 Series B in an Amount Not to Exceed \$25,000,000.** Mr. Sykes reviewed the business terms and Mr. Hammond reviewed the resolutions as outlined in **Tabs D and E** of the board docket.

Ron Farnum, Assistant Attorney General, confirmed that the documents in Tabs D and E were acceptable for the Board’s action. Clarence Stone, the Authority’s Director of Legal Affairs, also confirmed that the documents in Tabs D and E were acceptable for the Board’s action.

Mark Burton moved approval of **Tab D**. Rachael Eubanks supported. The following Roll Call was taken for **Tab D**:

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

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

Mark Burton moved approval of **Tab E**. Rachael Eubanks supported. The following Roll Call was taken for **Tab E**:

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

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

Justin Wieber of Asset Management presented **Tab F, Resolution Authorizing Waiver of Mortgage Loan Prepayment Prohibition, Island Woods Senior Apartments, MSHDA No. 1017, City of Grosse Ile, Wayne County**. Mr. Wieber reviewed the documents as detailed in the board docket.

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

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

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

Justin Wieber of Asset Management presented **Tab G, Resolution Authorizing Transfer of Partnership Interest and Extension of Principal Deferral, Philip C. Dean, MSHDA No. 1082, City of Lansing, Ingham County**. Mr. Wieber reviewed the documents as detailed in the board docket.

Mr. Wieber was asked about the history of the purchasing partner, Communities First, Inc. (CFI). Mr. Troy Thelen, Director of Asset Management, responded that CFI is an emerging developer that has been branching out beyond Flint, MI . They are a good fit for this type of project; the previous general partner did not have much of a presence in Michigan.

Authority Staff were also asked whether the Strategic Plan continues to address the need for the Authority to forge relationships with new developers, as well as grow its pool of developers. Acting Executive Director Gary Heidel responded that this is still part of the plan and is done on a routine basis. For example, MSHDA pays for technical assistance and training by CEDAM, which is designed with developers in mind. There are also ongoing discussions with developers and efforts to introduce the Rental Development program to for-profit developers. Furthermore, there is a contractor assistance program that was designed to help people of color and women gain the experience necessary to be a part of the construction industry.

In response to additional questions, Mr. Thelen explained how tenants are notified when there is a change in property management companies. He stated that the change can take time due to the need to process all requisite paperwork. Once ready, tenants are given 30 days notice of the change; however, new management does not necessarily lead to a change in staff. In these cases, tenants may not notice much of an impact.

Carl English moved approval of **Tab G**. Mark Burton supported. The following Roll Call was taken for **Tab G**:

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

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

Tonya Young of Housing Initiatives presented **Tab H, Resolution Authorizing Establishment of Workforce Attainable Modular Homes Program aka “MSHDA MOD.”** Ms. Young reviewed the documents as detailed in the board docket.

Ms. Young was asked to elaborate on how this matter relates to workforce development needs. She explained that the application process examines workforce shortages, and the goal is to target employers who have been unable to find employees due to a lack of housing.

Chairman Donofrio noted that this program could also address environmental issues and suggested the program be looked at within the scope of the governor’s climate change strategy.

Deb Muchmore moved approval of **Tab H**. Mark Burton supported. The following Roll Call was taken for **Tab H**:

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

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

Ms. Lisa Kemmis, Rental Assistance and Homeless Solutions presented **Tab I, Resolution Authorizing Participation in the U.S. Department of Housing and Urban Development Mobility Voucher Demonstration.** Ms. Kemmis reviewed the documents as detailed in the board docket. In addition, she noted that HUD recently extended its application deadline to December 14, 2020.

Carl English moved approval of **Tab I**. Regina Bell supported. The following Roll Call was taken for **Tab I**:

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

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

There being no additional remarks, Mr. Donofrio mentioned that the following reports were included for information: **(Tab 1)** Short Term Mortgage Relief Policy Report, **(Tab 2)** Eviction Diversion Program Report, **(Tab 3)** Strategic Planning Update Report, **(Tab 4)** Hardest Hit Report, **(Tab 5)** Current and Historical Homeownership Data, **(Tab 6)** Homeownership Production Report, and **(Tab 7)** Board Calendar.

Mr. Donofrio stated that the next two Regular board meetings are October 22, 2020 and November 19, 2020; however, a special meeting regarding the search for a permanent Executive Director will likely be scheduled for mid-October.

There being no additional comments, Mr. Donofrio requested a motion to adjourn. Deb Muchmore moved to adjourn, and Rachael Eubanks supported. The meeting adjourned at 10:55 a.m.

**REVIEWED**  
By Lisa Ward at 9:26 am, Sep 28, 2020

**REVIEWED**  
By Clarence Stone at 10:12 am, Sep 28, 2020