



STATE OF MICHIGAN

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GRETCHEN WHITMER
GOVERNOR

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

MEMORANDUM

DATE: DECEMBER 30, 2020
TO: INTERESTED PARTIES
FROM: CHAD BENSON, ACTING DIRECTOR OF DEVELOPMENT
SUBJECT: FEBRUARY 2021 LIHTC FUNDING ROUND APPLICATION SUBMISSION UPDATES

This memo is intended to provide potential applicants and stakeholders interested in Michigan’s Low-Income Housing Tax Credit (“LIHTC”) program with updates relating to application submission options in the February 1, 2021 funding round.

APPLICATION SUBMISSION

As was previously the case for the June 1, 2020 funding round, the MSHDA offices in Lansing and Detroit will not be accepting hand-delivered applications. Applicants will be able to either submit their application electronically or via mail as long as it is received by MSHDA no later than 5:00pm on February 1, 2021. In order to assist MSHDA staff with their reviews while working remotely, if possible, applicants are highly encouraged to submit their application(s) electronically through the application submission portal in which a project folder will be created to provide access for person(s) identified.

For organization and ease of locating information during review, the following naming convention is strongly suggested (please use 2 digits minimum for Exhibit number):

Project Name – Exhibit Number – Exhibit Description

Exhibit Descriptions may be shortened versions of the Exhibit title, as long as it is clear which exhibit it is. For example:

MSHDA Apts – Ex 01 – Narrative	MSHDA Apts – Ex 16 – Transportation
MSDHA Apts – Ex 08.A – Construction Financing	MSHDA Apts – Ex 08.B – Permanent Financing

DOCUMENT UPDATES

Updates to various documents have been made and posted on MSHDA’s website pertaining to the LIHTC Program Application, the Addendum I, Tab N of the Combined Application (Neighborhood Investment Activity Area Form), and Tab W (Policy Statements) of the Combined Application. Please review these updated documents and utilize them in future application submissions.

QAP SCORING CRITERIA CLARIFICATIONS

It was noted recently that an error exists in Section A.6. Neighborhood Investment Activity Area of the QAP Scoring Criteria, which MSHDA would like to clarify. 2021 QAP Scoring Criteria Section (A)(6)(1)(c)(a) reads, "Further, projects must demonstrate that there is at least \$1 of total investment located within 1 mile of the project that is planned for the future." In the 2019-2020 QAP Scoring Criteria, this language reads, "Further, projects must demonstrate that there is at least **\$1 million** of total investment located within 1 mile of the project that is planned for the future."

As was communicated throughout QAP Public Hearings, this Section(A)(6) criteria was not intended to be modified in the 2021 QAP and should in fact read \$1 million and not \$1. By way of this memorandum, MSHDA staff is recognizing this error in the drafting of the document and is seeking to clarify how it will be applied in the February 1, 2021 funding round. In the February 1, 2021 Funding Round, projects applying for points under Section (6)(A)(1)(c)(a) will be required to demonstrate that there is at least **\$1 million** of total investment located within 1 mile of the project that is planned for the future. If there are questions relating to this, please feel free to contact MSHDA staff to discuss.

Additionally, some questions have been received concerning the Maximum Total Development Cost Per Unit Evaluation calculation at the bottom of Section F.1 of the 2021 QAP Scoring Criteria. For 4%/9% LIHTC projects, for purposes of this calculation, applicants should include the combined Total Development Cost of the 4% LIHTC component and 9% LIHTC component in the highlighted Total Development Cost box. In doing this, the TDC/unit will be calculated based on the combined costs and the combined units of the 4% LIHTC component and the 9% LIHTC component. If there are questions relating to this, please feel free to contact MSHDA staff to discuss.

QUESTIONS

If you have any questions regarding any of the above items or general questions, please contact Chad Benson at bensonc@michigan.gov or (517) 582-2302.