



# ALLEN

## NEIGHBORHOOD CENTER

October 25, 2019

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Chad Benson, Allocations Manager  
MSHDA  
P.O. Box 30044  
Lansing, MI 48909

Dear Mr. Benson,

Thank you for the opportunity to provide comments and recommendations regarding possible modifications to the Qualified Allocation Plan (QAP) for 2021-2022. These recommendations spring from our experience in submitting applications to the MSHDA LIHTC program in October 2018 and then resubmitting in April 2019. Neither application was selected for funding, despite strong neighborhood and City support. We believe that the modifications detailed below might lead to more positive outcomes for smaller, neighborhood-based non-profits serving low-to-moderate income, strategic areas in mid-size cities. This category of applicant appears to us to be under-represented among funded projects.

1. Increase points for neighborhood-crafted and neighborhood-driven development projects, particularly those proposed by established neighborhood-based non-profits. Consider location in a CDBG-designated neighborhood and the potential for the proposed development to build the capacity of the applicant non-profit agency.

2. Go beyond downtowns and corridors to prioritize *neighborhood*-generated and municipally-approved projects that involve rehabilitation of strategically located neighborhood anchors, e.g., long-vacant, non-historic, older buildings; schools; buildings occupied/owned/managed by a non-profit; former grocery stores; or vacated clinics and hospitals.

3. Strengthen the non-profit set-aside. Increase points in relation to length of time the non-profit applicant has been in operation and whether the applicant is a non-profit CHDO (Community Housing Development Organizations) as designated by HUD/Local Municipality.

4. It is difficult for mid-size cities to compete against larger areas (Detroit, Grand Rapids). Rather than a category for populations of 50,000 or more, create an additional category for cities with populations of 50,000-200,000.

5. RE: Transit - Reward not only proximity to bus lines but also to bicycle infrastructure and pedestrian-active spaces.

6. Increase points for mixed-income and tenant-owned developments.

7. RE: Make-up of the Development Team - Increase points for involvement of non-profits providing service to the community/neighborhood where the proposed development is located. Address the length of time the non-profit has been in operation (Suggest a minimum of 5 years.) Also require substantial non-profit ownership percentage in the project.

8. Determine ways to score for aesthetic appeal, building quality, beauty, and robust energy-efficiency and renewable-ready features.

We would be happy to participate in additional discussion of these recommendations; and thank you again for the opportunity to weigh in.

Sincerely,



Joan Nelson, Executive Director



Jon Lum, ANC Board President

*"Much more than a physical space, community is an experience". Ron David*