

**Michigan State Housing Development Authority
Minutes of Authority Meeting
February 25, 2021 – 10:00 a.m.**

**Regular Meeting held via Microsoft Teams accordance with Public Act 228 of 2020
amending Section 3 (MCL 15.263) of the “Open Meetings Act” (1976 PA 677)**

AUTHORITY MEMBERS PRESENT AND LOCATION:

Regina Bell, Detroit, Wayne County, Michigan
Rachael Eubanks, East Lansing, Ingham County, Michigan
Mark Burton, Meridian Township, Ingham County, Michigan¹
Susan Corbin, Petoskey, Emmet County, Michigan
Carl English, Village of Bingham Farms, Oakland County, Michigan
Jennifer Grau, Lansing, Ingham County, Michigan
Deb Muchmore, Naples, Collier County, Florida

AUTHORITY MEMBERS ABSENT:

Tyrone Hamilton

OTHERS PRESENT VIA MICROSOFT TEAMS:

Gary Heidel, Acting Executive Director
Maria Ostrander, Executive
Clarence Stone, Legal Affairs
Richard Norton, Legal Affairs
Lisa Ward, Legal Affairs
Mary Cook, Operations
Daphne Wells, Operations
Katie Bach, Communications
Jonathan Hilliker, Executive
Tiffany King, Executive
Samuel Buchalter, Executive
Mark Garcia, Executive
Mark Whitaker, Information Technology
Tonya Young, Neighborhood Housing Initiatives
Odessa Carson, Office of Equity and Engagement
Haywood Edwards, Office of Equity and Engagement
Karen Gagnon, Office of Equity and Engagement
Sherry Hicks, Operations
Jeffrey Sykes, Finance
Troy Thelen, Asset Management
Mary Townley, Homeownership
John Hundt, Rental Development

¹ Mr. Burton left the meeting at approximately 10:58 a.m.

Chad Benson, Rental Development
Ryan Koenigsknecht, Rental Development
Kelly Rose, Rental Assistance and Homeless Solutions
Lisa Kemmis, Rental Assistance and Homeless Solutions
Justin Wieber, Asset Management
Tera Poag, Asset Management
John Swift, Legal Affairs
Ronald Farnum, Office of Attorney General
John Millhouse, Office of Attorney General
Michael Fobbe, Office of Attorney General
Lori Fedewa, Human Resources
Amber Martin, Human Resources
James Kiefer, Dykema
Sandy Pearson, Habitat for Humanity
Jarrod Smith, Dykema

Thirteen additional members of the public participated via the following Conference Line: +1 248-509-0316, Conference ID: 419 617 944#.

Chairperson Susan Corbin opened the meeting at 10:01 a.m. A quorum was established with Ms. Corbin, Regina Bell, Rachael Eubanks, Mark Burton, Carl English, Jennifer Grau and Deb Muchmore. Ms. Corbin 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.

Ms. Corbin requested public comments from teleconference participants. Ms. Sandy Pearson from Habitat for Humanity of Michigan noted her presence for the record.

Following public comments, Ms. Corbin indicated she did not have an update on the search for a permanent Executive Director. She also announced that an election to choose the Vice Chair of the Board will take place at the March Authority meeting.

Gary Heidel, Acting Executive Director, began his comments by mentioning the Governor's 2021-2022 Budget and noting that it includes a \$10,000,000 allocation for the Housing Community Development Fund. Mr. Heidel expects a very busy year at the Authority as it continues to receive funding to assist in areas such as rental assistance, homeownership, and homelessness.

For the remainder of his report, Mr. Heidel asked several Authority staff members to provide updates on key issues and programs. First, Jeff Sykes, Chief Financial Officer discussed the Authority's Financial Report for the Quarter and Year to Date ending September 30, 2020. He reviewed the document as provided in Tab 1 of the Board docket.

Lisa Kemmis, Program Manager with Rental Assistance and Homeless Solutions discussed proposed changes for the Housing Choice Voucher's Administrative Plan. Additional information will be available when the plan goes before the Authority at the March Board meeting. In the meantime, Ms. Kemmis noted proposed changes include further defining a prohibited relative to include in-laws and step-family when renting units (exceptions to be made for reasonable accommodation), requiring batteries for smoke/carbon monoxide detectors be replaced within 24 hours, allowing remote inspections, and revising subsidy standards to include a family's unborn child when

determining voucher or unit size eligibility.

Mary Townley, Director of Homeownership provided an overview of MSHDA's Loan Refinance Program. She explained that low mortgage rates are resulting in significant pre-payments to MSHDA's loan portfolio and that MSHDA's bond financing costs are at historically low levels. By creating a loan refinancing program, MSHDA can keep existing loans on its books, reduce borrower's mortgage rates and keep Down Payment Assistance Loans in place. This will also reduce homeowner financing costs. Authority staff will directly solicit existing MSHDA mortgage holders.

In response to Authority questions, Ms. Townley confirmed that some homeowners may not be eligible for the program if they have been delinquent on their mortgage payments within the requisite timeframe dictated by the Federal Housing Administration. She further recognized that this delinquency may be due to the current pandemic; however, the Authority is unable to waive FHA requirements. To ensure those who would otherwise qualify can take advantage of this program, Authority staff will monitor those disqualified for late and/or missed payments and reach out to them as soon as the requisite timeframe has passed. Authority members encouraged proactive marketing to ensure homeowners understand this program will be available. Ms. Townley agreed and noted that Housing Educators will be brought in to help with this process.

Tiffany King, Equity and Inclusion Officer, updated Authority members on MSHDA's Statewide Housing Plan. In March, she expects to disseminate the housing survey to the public, focusing on potential homeowners, renters, and landlords. Ms. King noted that the plan will be posted on various social media platforms, as well as traditional media outlets. They will also continue working with the Housing Advisory Council and connect with service providers to determine the best way to obtain feedback from individuals who have experienced homelessness.

Authority members brought up concerns regarding access to high speed internet access and how this is often a barrier to such opportunities such as telehealth and education. Access to high speed internet also has a direct link to housing for various reasons, including the wiring inside homes. Ms. King confirmed there has been dialogue regarding this issue with housing experts and the question has been posed to several partners. While she does not have an answer, they are aware of the issue and will continue to address the issue with partners. She also confirmed that while the consulting firm set a target sample size goal of approximately 600 people, she would prefer a larger size to have as broad of a reach as possible.

To conclude the Executive Director's report, Kelly Rose, Chief Housing Solutions Officer, updated Authority members on the Eviction Diversion Program, as well as the Emergency Rental Assistance Program. She noted that the final reports were coming in this week for the Eviction Diversion Program and all the money has been spent. At this point, the focus is on the COVID Emergency Rental Assistance Program. While the funds provided to Michigan are still being held in a Michigan Treasury Bank Account, there have been conversations with legislators on how the Authority intends to operate this program. Ms. Rose noted some changes between the new program and the Eviction Diversion Program. For example, there is a longer period for rental assistance, increased funding per household, as well as the ability to pay for utilities. Ms. Rose further noted that applicants will need to show they have experienced a COVID hardship. This may include unemployment and/or loss of income; however, it does not need to be a current issue. Additionally, a simple attestation regarding the hardship will be acceptable. Ms. Rose also explained that because the Eviction Moratorium is expected to end in March, a major focus will be to expeditiously move applicants through the process to avoid as many evictions as possible. The application process will be mostly online; however, to be as inclusive as possible, paper applications will still be accepted.

In response to Authority questions, Ms. Rose confirmed that most utility assistance will be managed

by community action agencies. In reference to the expiring Eviction Moratorium, Ms. Rose noted that Authority staff will work with Legal Aid, as well as District Court Administrators to ensure they are aware of this program to slow down the eviction process as much as possible. Ms. Rose further noted she does not expect the COVID hardship requirement to be a barrier to applicants. This will be addressed more specifically in the program guidelines; however, as long as it appears to be a credible response, it should be acceptable.

Mr. Burton left the meeting at approximately 10:58 a.m.; however, a quorum remained for the voting items with the presence of Ms. Corbin, Ms. Bell, Mr. English, Ms. Eubanks, Ms. Grau and Ms. Muchmore.

Jennifer Grau moved approval of **Tab A (Agenda)** Regina Bell supported. The following Roll Call was taken for **Tab A**:

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

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

Jennifer Grau moved approval of **Tab B (Minutes – January 21, 2021)**. Rachael Eubanks supported. The following Roll Call was taken for the Minutes:

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

There were 6 “yes” votes. The minutes were approved.

Jeff Sykes, Chief Financial Officer and James Kiefer, Bond Counsel of Dykema presented **Tab C, Michigan State Housing Development Authority Resolution Authorizing Short-Term Revolving Credit Facility (Single-Family Program) 2021 in an Amount Not to Exceed \$100,000,000**. Mr. Sykes reviewed the business terms, and Mr. Kiefer reviewed the loan parameters as detailed in the board docket.

In response to Authority questions, Mr. Sykes confirmed that the Authority has the option to terminate the agreement at any time without penalty.

John Millhouse of the Attorney General’s Office confirmed that the documents **in Tab C** were acceptable for Board’s action. Clarence Stone, the Authority’s Director of Legal Affairs, confirmed that the documents **in Tab C** were acceptable for Board’s action.

Rachael Eubanks moved approval of **Tab C**. Jennifer Grau supported. The following Roll Call was taken for **Tab C**:

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

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

Jeff Sykes also presented **Tab D, Michigan State Housing Development Authority Resolution Declaring Official Intent to Reimburse Expenditures for Financing and Purchasing Mortgage Loans**. Mr. Sykes reviewed the documents as detailed in the board docket.

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

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

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

Justin Wieber, Asset Management, presented **Tab E, Resolution Authorizing Waiver of Mortgage Loan Prepayment Prohibition, Village Glen, MSHDA No. 1099, Traverse City, Grand Traverse County**. Mr. Wieber reviewed the documents as detailed in the board docket.

Regina Bell moved approval of **Tab E**. Deb Muchmore supported. The following Roll Call was taken for **Tab E**:

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

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

John Hundt, Rental Development, presented **Tab F, Resolution Determining Mortgage Loan Feasibility, Union at Oak Grove, MSHDA No. 3937, Howell Township, Livingston County and Resolution Authorizing Mortgage Loan, Union at Oak Grove, MSHDA No. 3937, Howell Township, Livingston County**. Mr. Hundt 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	Absent	Jennifer Grau	Yes
Susan Corbin	Yes	Tyrone Hamilton	Absent
Carl English	Yes	Deb Muchmore	Yes

There were 6 “yes” votes. The resolutions were approved.

Mark Whitaker, Information Technology, presented **Tab G, Resolution Authorizing the Michigan Department of Technology, Management and Budget to Enter into a Professional Services Contract for Software Services on Behalf of the Authority**. Mr. Whitaker reviewed the documents as detailed in the board docket.

In response to Authority questions, Mr. Whitaker indicated this program should be up and running

by the end of March.

Jennifer Grau moved approval of **Tab G**. Deb Muchmore supported. The following Roll Call was taken for **Tab G**:

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

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

There being no additional remarks, Ms. Corbin noted the following reports were included for information: **(Tab 1)** Financial Report: Quarter and Year to Date Ended September 30, 2020 **(Tab 2)** MSHDA Production Report: FY 2020 **(Tab 3)** Short Term Relief Report **(Tab 4)** Short Term Relief Report **(Tab 5)** Current and Historical Homeownership Data, **(Tab 6)** Homeownership Production Report and **(Tab 7)** Board Calendar.

Ms. Corbin stated that the next regular Board meeting is scheduled for March 18, 2021.

There being no additional comments, Ms. Corbin requested a motion to adjourn. Deb Muchmore moved to adjourn, and Carl English supported. The meeting adjourned at 11:28 a.m.

DRAFT

REVIEWED
By Lisa Ward at 8:32 am, Mar 02, 2021

REVIEWED
By Clarence Stone at 8:36 am, Mar 02, 2021