

**Michigan State Housing Development Authority**  
**Minutes of Regular Authority Meeting**  
**April 21, 2022 – 10:00 a.m.**

**AUTHORITY MEMBERS PRESENT**  
**IN LANSING**

Regina Bell  
Susan Corbin  
Carl English  
Rachael Eubanks  
Jennifer Grau  
Tyrone Hamilton  
Michele Wildman for Quenton L. Messer, Jr.

**AUTHORITY MEMBERS ABSENT**

Deb Muchmore

**OTHERS PRESENT IN LANSING**

Clarence Stone, Legal Affairs  
Lisa Ward, Legal Affairs  
Chris Hall, Information Technology  
Andrew Minegar, MIRS  
Sandy Pearson, Habitat for Humanity

**OTHERS PRESENT VIA MICROSOFT TEAMS**

Deb Muchmore<sup>1</sup>  
Gary Heidel, Acting Executive Director  
Michelle Jenks, Executive  
Mary Cook, Operations  
Richard Norton, Legal Affairs  
Jonathan Hilliker, Audit, Compliance and Fraud Investigation  
Jeff Sykes, Finance  
Mary Townley, Homeownership  
Justin Wieber, Asset Management  
Kelly Rose, Rental Assistance and Homeless Solutions  
Katie Bach, Communications  
Anna Vicari, Communications  
Laurie Cummings, Office of Marketing Services  
Troy Thelen, Asset Management  
Mark Garcia, Executive  
Karen Gagnon, Office of Equity and Engagement

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<sup>1</sup> Authority member Ms. Muchmore attended the meeting remotely via Microsoft Teams. Because she was not present in person, she could not vote in her capacity as a board member.

Tiffany King, Office of Equity and Engagement  
Ciera Borden, Legal Affairs  
Tonia Kaczmarczyk, Legal Affairs  
John Hundt, Rental Development  
Chad Benson, Rental Development  
Latasha Riley, Rental Development  
Drew Shafer, Rental Development  
Sandra Kimball, Asset Management  
Daphne Wells, Operations  
Carol Brito, Homeownership  
Joe Kelly, Procurement  
Amber Martin, Human Resources  
Michael Fobbe, Office of Attorney General  
John Millhouse, Office of Attorney General  
Amy Patterson, Office of Attorney General  
James Kiefer, Dykema  
Jarrod Smith, Dykema  
Craig Hammond, Dickinson Wright

Seventeen additional members of the public participated via the Conference Line: 248-509-0316, Conference ID: 644 107 820#. Chairperson Susan Corbin opened the meeting at 10:03 a.m. A quorum was established with the presence of Ms. Corbin, Regina Bell, Carl English, Rachael Eubanks, Jennifer Grau, Tyrone Hamilton, and Michele Wildman. While Authority members were present in Lansing, presenters participated via Microsoft Teams. At Ms. Corbin's request, Jonathan Hilliker provided instructions for those participating remotely, including guidelines on how to provide public comment via the conference line.

Ms. Corbin began the meeting by requesting public comments from participants. There being none, she proceeded to the Chair's Report and provided an update on the search for a permanent Executive Director. Ms. Corbin noted that the requests made to the Department of Housing and Urban Development (HUD) for a waiver and exception on behalf of Ms. Amy Hovey remain pending. HUD has since posed additional questions, and these were responded to accordingly. Ms. Corbin hopes to have a final response soon.

Ms. Corbin then highlighted the Building Michigan Together Plan, which is a bipartisan effort to invest nearly \$5 billion in Michigan's infrastructure, grow the economy, and create jobs in every region of the state. She mentioned that this includes a historic investment in housing, which would be discussed further by Gary Heidel during his Executive Director's Report. Ms. Corbin noted the plan also includes funding of up to \$1.5 billion for broadband infrastructure and to provide high speed internet where needed in Michigan. Additionally, \$260 million dollars of this allocation will be used to create a new office of high-speed internet within the Department of Labor and Economic Opportunity. Ms. Corbin also pointed out that these investments are directly related to continued efforts to increase equity and accessibility throughout the state. Ms.

Corbin concluded by noting the infrastructure package will also provide \$25 million for an Office of Future Mobility and Electrification.

Gary Heidel, Acting Executive Director, began his report by focusing on the Building Michigan Together Plan's historic investment in housing. He noted there will be over \$640 million in funding, which includes the second half of funds for both the COVID Emergency Rental Assistance Program (CERA) and the Michigan Homeowner Assistance Fund (MIHAF). Mr. Heidel then announced that the Authority has been allocated \$150 million in new American Rescue Plan Act (ARPA) funding. These funds will be distributed evenly among three separate focus areas: 1) The "Missing Middle", 2) Energy Assistance, and 3) Housing Community Development Fund. Authority staff have been divided into teams to determine how to best distribute these funds. Chad Benson, Director of Rental Development, will lead a team focused on creating programs to assist the "missing middle." Tonya Young, Director of Neighborhood Housing Initiatives, will lead a team focused on programs related to energy assistance. Tiffany King, Equity and Inclusion Officer, will lead a team exploring options related to the Housing and Community Development Fund. Mr. Heidel explained that teams have already begun working to create timelines and program ideas within these three focus areas. Authority staff are moving forward and plan to solicit input from a variety of stakeholders and state agencies throughout the process. As the teams' progress, they will be bringing programs to the board for review and discussion.

Mr. Heidel was asked whether he had a sense of when the draft Statewide Housing Plan would be finalized. He responded that the plan will be presented at the Building Michigan Communities Conference in early May. Mr. Heidel further noted that the data from this plan has been very useful for the new programs and in conversations with the Governor's office and various legislators. Additionally, there will be several opportunities to talk about the Statewide Housing Plan and what it means to Michigan at upcoming conferences, including the Mackinaw Policy Conference, Michigan Township Association Conference, and the Rural Development Conference.

Next, Kelly Rose, Chief Housing Solutions Officer, provided an update on the CERA Program. She reiterated that the remaining funds were allocated by the state legislature; however, she did indicate that the program is now required to end by September 30, 2022. While it is likely the program would have concluded by that date anyway, Ms. Rose noted it may still present some limitations. Nevertheless, staff will work through the applications the best they can, with a particular focus on increasing the speed in which applications from Detroit are processed.

Ms. Rose stated that 235,000 applications have been received to date. She believes there will ultimately be enough funding for approximately 275,000 applications. These numbers are updated every two weeks, and the plan is to give the public about four weeks notice before the application portal closes, which will likely be in the second half of June.

Ms. Rose further explained that a little over \$676 million has been spent so far and the program continues to spend about \$50 million to \$60 million a month in rental assistance payments and

utility assistance payments. She feels the program has done very well and hopes to develop a similar program on a smaller scale in the future.

Next, Mary Townley, Director of Homeownership, provided an update on the MIHAF Program. She explained that since the program launched in February 2022, 16,400 registered homeowners have applied for help. \$130 million has been appropriated from the state legislature; as such, staff are working diligently to process all applications in the pipeline. There are currently fifty-five staff members working on the program: forty limited term employees and fifteen contract staff. Ms. Townley explained that lenders, mortgage companies, and banks have also been working aggressively to assist homeowners. She further noted that the average household assistance is \$8,500, and it is ultimately expected the program will assist 24,000 homeowners.

Karen Gagnon with the Office of Equity and Engagement, provided Authority members with an update on the Building Michigan Communities Conference, scheduled to take place virtually on May 3, 2022, and May 4, 2022. She explained that the mission of the conference is to provide Michigan with inspiring and relevant education across the affordable housing continuum with an emphasis on equity, advocacy, and networking opportunities. Ms. Gagnon also noted that Michigan's first Statewide Housing Plan is scheduled to launch at the conference. She further highlighted the speakers, moderators, and topics for the event, which includes 40 sessions curated around the list of priorities.

To conclude the Executive Director's Report, Authority Staff highlighted two reports found in the board docket. First, Joe Kelly, Procurement, and Mark Whitaker, Information Technology, provided Authority members with an overview of the Professional Services and IT Contract Spreadsheet as detailed in Tab 1 of the board docket. Next, Jeff Sykes, Chief Financial Officer, provided an overview of the Quarterly Financials and Year to Date Financials as detailed in Tab 9 of the board docket. Mr. Sykes pointed out details such as mortgage loan interest income, which shrunk due to an increased number of individuals qualifying for loan modifications. He explained that 60% of the Authority's portfolio has FHA insurance, which granted them this additional relief for COVID-19 related hardships. Additionally, Mr. Sykes pointed out that federal assistance program income, which is the money the Authority administers on behalf of the federal government, was \$627 million. At this point, the Authority is well on track to move \$1 billion in this fiscal year.

In response to questions, Mr. Heidel confirmed that the money received from the American Rescue Plan is subject to specific time frames. Mr. Heidel noted that a lot of the newer money must be obligated in 2024 and completed in 2026; however, the specific time frames can vary. Mr. Heidel also agreed with Authority member Carl English that the real challenge is how to get the greatest long-term effect from the short-term expenditure. Mr. Heidel further noted the value of the Michigan Community Development Fund and how he hopes to continue its use beyond the current set of funding.

Mr. Heidel was also asked whether there is a sense of which funds will have a longer versus shorter term impact. He explained that looking at the long term will be part of the design of all the new programs and will be a key consideration when leveraging resources and creating relationships. Mr. Heidel further noted that the lack of production in Michigan has a very serious effect on community development across the state and across all populations. For this reason, the Statewide Housing Plan will be a key tool when looking at resources with a long-term perspective.

In response to a request by Jennifer Grau, Mr. Heidel confirmed that as these programs go before the board, it will be noted how they align with the Statewide Housing Plan.

### **Approval of Agenda:**

Tyrone Hamilton moved approval of **Tab A (Agenda)**. Jennifer Grau supported. The agenda was approved.

### **Voting Items:**

**Consent Agenda (Tabs B through E)**. Michele Wildman moved approval of the consent agenda. Regina Bell supported. The Consent Agenda was approved.

The Consent Agenda included the following items:

- Tab B Minutes – March 17, 2022
- Tab C Resolution Adopting Revisions to “Revised Priorities, Evaluation Factors and Criteria for Allocation of Housing Development Funds Grants”
- Tab D Resolution Adopting Revised Procedures and Requirements for Transfers Involving Authority-Financed Developments
- Tab E Resolution Authorizing Professional Services Contractor for Senior Housing Studies

### **Regular Voting Items:**

Jeff Sykes, Chief Financial Officer, and Craig Hammond, Bond Counsel with Dickinson Wright, presented **Tab F**, Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of **Rental Housing Revenue Bonds, 2022 Series A** in an Amount Not to Exceed \$250,000,000, as well as **Tab G**, Michigan State Housing Development Authority Series Resolution Authorizing the Issuance and Sale of **Rental Housing Revenue Bonds, 2022 Series B** in an Amount Not to Exceed \$120,000,000. Mr. Sykes reviewed the business terms of the transactions and Mr. Hammond reviewed the resolutions.

John Millhouse of the Attorney General's Office confirmed that the documents in **Tabs F and G** were acceptable for Board's action.

Clarence Stone, Director of Legal Affairs, confirmed that the documents in **Tabs F and G** were acceptable for Board's action.

Jennifer Grau moved approval of **Tab F**. Tyrone Hamilton supported. The following Roll Call was taken for **Tab F**:

|                 |     |                 |        |
|-----------------|-----|-----------------|--------|
| Regina Bell     | Yes | Jennifer Grau   | Yes    |
| Susan Corbin    | Yes | Tyrone Hamilton | Yes    |
| Carl English    | Yes | Deb Muchmore    | Absent |
| Rachael Eubanks | Yes | Michele Wildman | Yes    |

There were 7 "yes" votes. The resolution was approved.

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

|                 |     |                 |        |
|-----------------|-----|-----------------|--------|
| Regina Bell     | Yes | Jennifer Grau   | Yes    |
| Susan Corbin    | Yes | Tyrone Hamilton | Yes    |
| Carl English    | Yes | Deb Muchmore    | Absent |
| Rachael Eubanks | Yes | Michele Wildman | Yes    |

There were 7 "yes" votes. The resolution was approved.

Jeff Sykes, Chief Financial Officer and James Kiefer, Bond Counsel with Dykema Gossett PLLC presented **Tab H**, Michigan State Housing Development Authority Resolution Authorizing Short-Term Credit Facility (Single-Family Program) 2022 in an Amount not to Exceed \$150,000,000. Mr. Sykes reviewed the business terms of the transaction, and Mr. Kiefer reviewed the resolution.

John Millhouse of the Attorney General's Office confirmed that the documents in **Tab H** were acceptable for Board's action.

Clarence Stone, Director of Legal Affairs, confirmed that the documents in **Tabs H** were acceptable for Board's action.

Tyrone Hamilton moved approval of **Tab H**. Jennifer Grau supported. The following Roll Call was taken for **Tab H**:

|                 |     |                 |        |
|-----------------|-----|-----------------|--------|
| Regina Bell     | Yes | Jennifer Grau   | Yes    |
| Susan Corbin    | Yes | Tyrone Hamilton | Yes    |
| Carl English    | Yes | Deb Muchmore    | Absent |
| Rachael Eubanks | Yes | Michele Wildman | Yes    |

There were 7 “yes” votes. The resolution was approved.

Clarence Stone, Director of Legal Affairs, and Craig Hammond, Bond Counsel with Dickinson Wright, presented **Tab I**, Michigan State Housing Development Authority Resolution Authorizing Issuance and Sale of Michigan State Housing Development Authority Multifamily Housing Revenue Bonds, Series 2022 (Bowin Place Apartments Project) and Resolution Authorizing Loan, **Bowin Place Apartments, MSHDA No. 44c-188**, City of Detroit, Wayne County. Mr. Stone reviewed the loan resolution, and Mr. Hammond reviewed the bond resolution.

In response to Authority member questions, Mr. Stone confirmed that Bowin Place is an occupied elderly development with one- and two-bedroom units. Mr. Stone also confirmed that units would be updated at staggered intervals to ensure displaced tenants can be appropriately accommodated. Further, any outstanding issues will be addressed before they close on the loan or issue the bonds.

John Millhouse of the Attorney General’s Office confirmed that the documents in **Tab I** were acceptable for Board’s action.

Clarence Stone, Director of Legal Affairs, confirmed that the documents in **Tab I** were acceptable for Board’s action.

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

|                 |     |                 |        |
|-----------------|-----|-----------------|--------|
| Regina Bell     | Yes | Jennifer Grau   | Yes    |
| Susan Corbin    | Yes | Tyrone Hamilton | Yes    |
| Carl English    | Yes | Deb Muchmore    | Absent |
| Rachael Eubanks | Yes | Michele Wildman | Yes    |

There were 7 “yes” votes. The resolution was approved.

Justin Wieber, Asset Management, presented **Tab J**, Resolution Authorizing Waiver of Mortgage Loan Prepayment Prohibition, **Pine Creek Apartments, MSHDA Development No.**

**700**, Holland Township, Ottawa County. Mr. Wieber reviewed the documents as detailed in the board docket.

Michele Wildman moved approval of **Tab J**. Carl English supported. The resolution was approved.

There being no additional discussion, Ms. Corbin announced the following reports were included in the docket for reference: **(Tab 1)** Professional Services Contracts/IT Contracts; **(Tab 2)** Landlord Lease-Up Incentive; **(Tab 3)** Delegated Action Reports; **(Tab 4)** Current and Historical Homeownership Data; **(Tab 5)** Homeownership Production Report; **(Tab 6)** MI 10K DPA Monthly Statistics (Map); **(Tab 7)** MI 10K DPA Weekly Statistics (Graph); **(Tab 8)** 2022 Board Calendar; and, **(Tab 9)** Financial Report - Quarter and Year to Date Ended December 31, 2021.

Ms. Corbin noted that the next regular board meeting would be May 19, 2022. She then requested a motion to adjourn the meeting. Tyrone Hamilton moved to adjourn, and Regina Bell supported. The meeting adjourned at 11:27 a.m.

**REVIEWED**

*By Lisa Ward at 9:03 am, Apr 27, 2022*

**REVIEWED**

*By Clarence L. Stone, Jr. at 9:28 am, Apr 27, 2022*