

Michigan State Housing Development Authority
Minutes of Regular Authority Meeting
July 14, 2022 – 10:00 a.m.

AUTHORITY MEMBER(S) PRESENT IN LANSING

Susan Corbin
Carl English
Rachael Eubanks
Jennifer Grau
Deb Muchmore
Michele Wildman for Quenton L. Messer, Jr.

AUTHORITY MEMBER(S) PRESENT IN DETROIT

Regina Bell

AUTHORITY MEMBER(S) ABSENT

Tyrone Hamilton

OTHERS PRESENT IN LANSING

Gary Heidel, Acting Executive Director
Clarence Stone, Legal Affairs
Lisa Ward, Legal Affairs
Mary Cook, Operations
Chris Hall, Information Technology
Chris Shultz, Information Technology
Michael Binegar, Information Technology

OTHERS PRESENT IN DETROIT

Rosemary Myatt, Executive
Sherry Hicks, Executive

OTHERS PRESENT VIA MICROSOFT TEAMS

Michelle Jenks, Executive
Richard Norton, Legal Affairs
Jonathan Hilliker, Audit, Compliance and Fraud Investigation
Jeff Sykes, Finance
Mary Townley, Homeownership
Kelly Rose, Homeownership

Chad Benson, Rental Development
Sherry Hicks, Operations
Katie Bach, Communications
Tonya Joy, Neighborhood Housing Initiatives
Troy Thelen, Asset Management
Carol Brito, Homeownership
Bret Bicoy, Legal Affairs
Tonia Kaczmarczyk, Legal Affairs
Matthew Miller, Legal Affairs
Diana Bitely, Legal Affairs
Justin Wieber, Asset Management
Anna Vicari, Communications
Jennifer Bowman, Executive
Pierre-Denise Gilliam, Neighborhood Housing Initiatives
James Davis, Neighborhood Housing Initiatives
Jodi Mackie, Neighborhood Housing Initiatives
Daphne Wells, Operations
Tiffany King, Office of Equity and Engagement
John Millhouse, Office of Attorney General
Michael Fobbe, Office of Attorney General
Taura Brown
Renita Moore

Twelve 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 10:01 a.m. A quorum was established with the presence of Ms. Corbin, Carl English, Rachael Eubanks, Jennifer Grau, Deb Muchmore and Michele Wildman. Regina Bell was present in the Detroit office; however, she was not counted towards the quorum due to technical difficulties with the video equipment. The video connection was established at 10:32 a.m., at which point Ms. Bell officially joined the meeting.

While Authority members were physically present in Lansing and Detroit, 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. Two members of the public were present in the Lansing office and asked to speak. Ms. Taura Brown expressed frustration with the lack of affordable housing in Detroit. She voiced concern that housing is not being developed for those who are truly low income and that the properties being developed are not inclusive for all demographics. Ms. Brown further noted the need for the Authority to have more conversations with those who have lived experiences with poverty and housing issues.

Ms. Renita Moore also spoke to Authority members about housing concerns. She explained that she currently resides in a shelter, despite participating in a program that should have led to homeownership. Ms. Moore further noted that she is disabled and unable to find affordable housing that can accommodate her needs. She condemned the price of affordable housing in Detroit and how it appears to be out of reach for those who need it most.

Authority member Jennifer Grau thanked Ms. Brown and Ms. Moore for taking the time to speak to the board. She further recognized the effort it took for them to come to Lansing from Detroit.

Following public comments, Ms. Corbin announced that there were goldenrods for the Staff Reports in Tabs C and D to include Jeff Sykes' signature; these were not available at the time the dockets were distributed. Additionally, Ms. Corbin provided an update on the Executive Director position. As noted in last month's meeting, she explained that the request to the U.S. Department of Housing and Urban Development for an exception and waiver on behalf of Amy Hovey had been withdrawn. The Executive Director position is still on the table as all options are being considered to ensure the Authority can benefit from Ms. Hovey's experience and knowledge in affordable housing. In the interim, Ms. Hovey will continue to serve as a Special Advisor to the Authority and other Michigan Department of Labor and Economic Opportunity agencies on housing and community development matters. In the meantime, Gary Heidel will remain as Acting Executive Director, which allows the Authority the opportunity to continue benefitting from his experience, guidance, and leadership.

Mr. Heidel began the Executive Director's Report by announcing that board meetings will start taking place in the fourth floor board room starting next month. He also noted that staff presentations will be done in person. Mr. Heidel proceeded to address the individuals who spoke during the public comment portion of the meeting. He expressed the Authority's commitment to addressing statewide housing needs and those impacted by the housing crisis. He ensured that his contact information was provided to both individuals to have a more extensive conversation about their concerns outside of the meeting.

Mr. Heidel then asked Kelly Rose, Chief Housing Solutions Officer, to provide an update on the Covid Emergency Rental Assistance (CERA) Program, as well as the HOME ARP (American Rescue Plan) Program. Ms. Rose stated that a little over \$812 million out of the approximately \$1.1 billion of financial assistance available has been spent. The application portal has now closed to general applications; however, applications are still being accepted for active eviction cases where a Summons and Complaint has been issued. Those actively in the eviction process can still apply until the end of this month; however, this will likely be extended until August 31, 2022. Currently, the program has received a little over 300,000 applications with about 70,000 remaining to be processed.

Ms. Rose then discussed the HOME ARP Program. She noted that draft materials were released towards the end of June and a public hearing occurred on Monday, July 11, 2022. Additionally, the public comment period will go through July 22, 2022. Ms. Rose further explained that \$43 million is being proposed for this program, which will specifically target units

at 30% of Area Median Income. She noted that rent will be based solely on income with a subsidy paying the remaining balance. In general, she estimates units in Wayne County would be priced at \$500 to \$600 a month, with project based vouchers also available in many instances. Ms. Kelly further noted that there will be a regional allocation strategy to ensure an equitable distribution of funds throughout the state. She concluded by indicating additional information will be available at the next Authority board meeting when the program will be presented to Authority members for approval.

After Ms. Rose's report, Mr. Heidel asked Mary Townley, Director of Homeownership, to provide an update on the Michigan Homeownership Assistance Fund (MIHAF). Ms. Townley explained that since its launch in February, the MIHAF program has received over 23,000 applications for assistance. A high percentage of the applications are from those claiming to be socially disadvantaged, which is a benchmark required by the U.S. Department of Treasury. The average household assistance is about \$7,000 with the primary focus of funding going towards delinquent mortgage payments, followed by delinquent property taxes and utilities. Ms. Townley noted the program is working closely with 211 to assist the call center; she is also trying to determine whether 211 can provide additional support during the eligibility review process. The program is also working with banks and credit unions to automate interactions to better streamline the application process.

Authority member Rachael Eubanks stepped away from the meeting at approximately 10:17 a.m. and was not present for the votes on Tabs A through E. She returned to the meeting at approximately 10:27 a.m. just prior to the vote on Tab F.

Approval of Agenda:

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

Voting Items:

Consent Agenda (Tabs B through D). Michele Wildman moved approval of the consent agenda. Carl English supported. The Consent Agenda was approved.

The Consent Agenda included the following items:

Tab B Minutes – June 21, 2022

Tab C Inducement Resolution, **845 W. Clark Road Senior Apartments**, City of Ypsilanti, Washtenaw County, **MSHDA No. 44c-192**

Tab D Inducement Resolution, **845 W. Clark Road Family Apartments**, City of Ypsilanti, Washtenaw County, **MSHDA No. 44c-195**

Regular Voting Items:

Chad Benson, Director of Rental Development and Clarence Stone, Director of Legal Affairs, presented **Tab E**, Resolution Authorizing Amended and Restated Pass-Through Bond Program and Resolution – Definition of Borrower’s Investment for Purposes of Projects Financed Under Section 44c. Mr. Benson and Mr. Stone reviewed the documents as detailed in the board docket.

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

Mary Townley, Homeownership, presented **Tab F**, Resolution Authorizing Executive Director to Elect not to Issue Qualified Mortgage Bonds from 2021 Bond Issuing Authority to Obtain an Allocation of Mortgage Credit Certificates. Ms. Townley reviewed the documents as detailed in the board docket.

In response to Authority questions, Ms. Townley confirmed that the qualified mortgage bonds would be allocated to the Mortgage Credit Certificate program and not used in the loan program.

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

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

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

Regina Bell	Present in Detroit, but unable to vote due to technical difficulties.	Jennifer Grau	Yes
Susan Corbin	Yes	Tyrone Hamilton	Absent
Carl English	Yes	Deb Muchmore	Yes
Rachael Eubanks	Yes	Michele Wildman	Yes

Chad Benson, Rental Development, presented **Tab G**, Resolution Authorizing Sale of Development, Prepayment of Mortgage Loan and Determining Mortgage Loan Feasibility, **River Terrace Apartments, MSHDA No. 617-3**, City of Benton Harbor, Berrien County and Resolution Authorizing Mortgage Loan, **River Terrace Apartments, MSHDA No. 617-3**, City of Benton Harbor, Berrien County. Mr. Benson reviewed the documents as detailed in the board docket.

Rachael Eubanks moved approval of **Tab G**. Jennifer Grau 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)** Delegated Action Reports, **(Tab 2)** Current and Historical Homeownership Data; **(Tab 3)** Homeownership Production Report; **(Tab 4)** MI 10K DPA Monthly Statistics (Map); **(Tab 5)** MI 10K DPA Weekly Statistics (Graph); **(Tab 6)** 2022 Board Calendar; and **(Tab 7)** Amended Authority Rules (Draft)

Ms. Corbin noted that the next regular board meeting would be August 18, 2022. She then requested a motion to adjourn the meeting. Deb Muchmore moved to adjourn, and Rachael Eubanks supported. The meeting adjourned at 10:36 a.m.

REVIEWED

By Clarence L. Stone, Jr. at 10:49 pm, Jul 18, 2022

REVIEWED

By Lisa Ward at 10:47 am, Jul 19, 2022

DRAFT