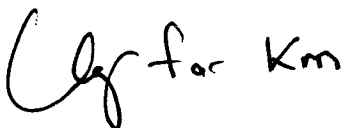


MEMORANDUM

November 10, 2009

TO: Governor Jennifer Granholm
Senator Mark Jansen
Senator Gerald VanWoerkom
Representative Richard Hammel
Representative Barb Byrum

FROM: Keith Molin
Executive Director 

RE: FY 2009 Housing Production Goals Report

Section 32(14) of P.A. 346 of 1966, as amended, requires the Michigan State Housing Development Authority (MSHDA) to provide the Governor and the appropriate legislative committees with an annual housing production goals report for housing projects financed with bonds and notes by the Authority. The following represents an assessment of FY 2009 production and the Authority's goals for FY 2010. The Authority's fiscal year runs from July 1 through June 30.

1 FY 2009 Production Report

Section 32(16)(a) requires that the Authority report whether the production goals for the previous fiscal year have been met, and if not, why.

The Authority reached some, but not all, of its program goals in FY 2009. Overall, the Authority's FY 2009 goal was to finance 6,230 new and rehabilitated units and make \$477.5 million in loans. In FY 2009, the Authority financed 4,637 new and rehabilitated units and made \$320.8 million in loans. The sections below provide production data for each program financed with bonds and notes and, for those programs that missed their goals, they discuss the reasons why.

In FY 2009 the Authority distributed over \$55 million in grants to local governments and nonprofit organizations. In addition, the Authority administers the Low Income Housing Tax Credit for the state, which helped to create or preserve 2,610 units of affordable rental housing in 49 developments statewide. The Authority also administers the federal Housing Choice Voucher Program (Section 8), and in FY 2009, an average of 24,582 families received housing assistance through this program.

EXHIBIT I SUMMARIZES THE FY 2009 GOALS AND PRODUCTION AND FY 2010 GOALS FOR HOUSING PROJECTS FINANCED WITH BONDS OR NOTES.

Multifamily Loan Programs

Tax-Exempt Direct Lending Programs

These programs represent the Authority's response to localized housing and reinvestment needs by financing rental housing. Funding comes from the issuance of taxable and tax-exempt bonds to investors, the proceeds of which are then loaned for the acquisition, construction or rehabilitation, and long term financing of affordable rental housing units. Typically, at least 40% of the units in each development must be occupied by households with low incomes, defined as less than or equal to 60% of the Area Median Income. The tax-exempt lending programs operated in FY 2009 with a fixed interest rate of 6.75%.

Altogether in FY 2009, the Multifamily lending program financed \$59.6 million in loans, representing 9 developments containing a total of 1,185 housing units. This fell below the FY

2009 goal to produce 2,000 units and \$120 million in lending activity. Several factors contributed to the slow production, including the “credit crunch” and turmoil in the capital markets over the past year, which led to the collective collapse of the market for federal Low Income Housing Tax Credits (LIHTC); the lack of equity investment and the continued declines in equity pricing that rendered many developments no longer economically viable without new “soft” funding resources; and the combination of a weak economy, slow population growth, and declining household incomes in the face of increased inflation. The American Recovery and Reinvestment Act provided new resources—including the Tax Credit Assistance Program and the Section 1602 Program that provides cash grants in lieu of Low Income Housing Tax Credit awards. Both programs were announced at the end of FY 2009 and should begin producing development mid-way through FY 2010.

Supportive Housing and Homeless Initiatives Programs

Homeless Housing Development Programs

In FY09 MSHDA provided \$958,045 in rental development grants which will provide 26 units of housing for the homeless. This program represents the Authority’s investments into new construction or acquisition/rehabilitation of projects for the homeless. Funding comes from MSHDA reserves and a mandatory 25% local match. Units are made available to the tenants earning 30% or below of Area Median Income. Loans are structured as a zero percent, non-amortizing repayable loan, although for every 10 years of successful operation, 25 percent of the loan is forgiven.

Homeless Grants

Under this category, \$5,000,000 is allocated to match and supplement HUD’s Emergency Shelter Grant (ESG) Program. The ESG program offers financial assistance to public and non-profit organizations that are responding to the needs of homeless populations through a Continuum of Care process. ESG funds can be used for shelter operation, essential services, prevention, or Continuum of Care coordination. Grants known as Homeless Facilities Grants are awarded to nonprofit shelter providers to repair shelter structures. Grants, which require dollar-for-dollar matching funds, can be used for such repair items as new roofing, furnace repair, and flooring. Critical Needs Grants are awarded to nonprofit shelter when an immediate, required repair is needed in order to prevent the closure of a shelter.

Tenant Based Rental Assistance Program

MSHDA uses a combination of MSHDA and federal HOME dollars to administer the Tenant Based Rental Assistance Program (TBRA). MSHDA awards funds to nonprofit agencies throughout the state to administer the program. TBRA provides a two-year rental assistance program to homeless families with children, chronically homeless, homeless youth, and survivors of domestic violence.

Modified Pass-Through Program

This program permits the Authority to issue limited obligation bonds on behalf of developers. Sixty percent of the units must be for renters at 60% of area median income or below. The Authority’s primary responsibility is to evaluate the degree to which the borrower’s credit security is sufficient to ensure repayment of the bonds. No loans closed under this program in FY 2009, as the program was largely infeasible due to credit market conditions and the lack

of Low Income Housing Tax Credit Equity. The Authority expects that no Modified Pass-Through loans will close in FY 2010 for the same reasons.

Single Family Mortgage Loan Program

This program allows the Authority to finance low and moderate-income mortgages for people meeting income and purchase price limits. The loans are fixed-rate, level payment, 30-year mortgages. Optionally, the borrower may elect to take a lower rate for the first three years, to be followed by a higher rate for the remaining term of the mortgage loan. Borrowers must have acceptable credit and the ability to repay the loan. In some areas, federal law permits MSHDA loans only for first-time homebuyers.

In FY 2009, this program financed 3,256 single-family units, representing a total investment of \$259 million. The average purchaser of an existing home was 30 years of age, with a household size of one and an average income of approximately \$40,622. The average loan amount was \$79,445. The FY 2009 goal was 3,000 units. The Authority exceeded its goal in this program by 256 loans, although it did not meet its goal of making \$258.7 million in loans. This shortfall was primarily due to a downturn in the credit market. Production dramatically decreased from the end of the year in 2008 to June 30, 2009.

In addition to mortgage lending, the Homeownership Division provided counseling funded via Federal funds and general operating income. Counseling was provided in the following areas: Homebuyer education, 3,049 households; Foreclosure prevention, 4,195; Family Self-Sufficiency, 274; Key to Own, 47; Save the Dream Refinance, 262; and Specialty programs, 280.

Property Improvement Loan Program

This program helps preserve older, existing housing by offering loans to homeowners that meet income limits. In FY 2009, this program made 196 loans, totaling \$2.6 million. Of these loans, 50.5% were made to borrowers over 45 years of age. Approximately 75.5% of the loans went to improve homes that were 40 years of age or older. The Authority met its goal of providing at least \$2,500,000 in PIP loans in FY 2009, but fell slightly short (by 4 loans) of its goal of making 200 loans. Since this program is no longer funded with bonds, the Authority will no longer publish goals for it in this program.

1 Other Information

Social and Economic Benefits

Section 32(16)(b)(c)(d)(e) and (f) requires the Authority to report on the social and economic benefits of MSHDA's housing projects to the immediate neighborhoods and the cities in which they have been constructed, the extent of direct and indirect displacement of lower income persons, and the extent of additional reinvestment activities attributable to the Authority's financing of these projects.

The obvious short-term benefits are the increased availability of quality, affordable housing for low and moderate income people, increased construction contracts and sales for builders and realtors, and increased Community Reinvestment Act production for local lenders. Further,

the multifamily developments financed by the Authority employ people who receive salaries and expend dollars for vendor services.

Developments also provide common space designed to enhance the community. Within these spaces many developments allow local senior citizen groups to provide meal service, medical examinations, and classes of various kinds. In other developments, there are police mini-stations, food cooperatives, book exchanges, craft shows, neighborhood watch programs, senior pal programs, and youth work programs.

The Authority requires, as part of the underwriting process, that relocation planning be performed and implemented in any situation where a MSHDA loan would result in the displacement of lower income people. As a matter of policy, the Authority avoids approval of loans where such displacement cannot be adequately addressed.

Demographic Information

Section 32(16)(g) requires the Authority to report on the age, race, family size, and average income of the tenants in housing projects.

EXHIBITS II AND III DETAIL DEMOGRAPHIC INFORMATION FOR THE SINGLE FAMILY AND PIP PROGRAMS IN FY 2009.

The information for Multifamily projects closed in FY 2009 is unavailable because these developments are still under construction and not yet occupied.

Construction Jobs Created, Wages and Taxes Paid

Section 32(16)(h) requires the Authority to estimate economic impact of its development projects, including the number of construction jobs created, wages paid, and taxes and payments in lieu of taxes paid.

EXHIBIT IV ESTIMATES THE NUMBER OF CONSTRUCTION JOBS CREATED, WAGES PAID, AND TAXES PAID IN FY 2009.

Authority-financed housing created approximately 2,340 jobs, paid approximately \$156 million in wages, and resulted in approximately \$53 million in taxes being collected.

Grants Made to Local Units of Government and Non-Profit Housing Service Providers

In FY 2009, 394 grants were made to Local Units of Government and Non-Profit Housing and Service providers, for a total grant expenditure of \$55 million.

EXHIBIT V DETAILS THE GRANTS MADE TO LOCAL UNITS OF GOVERNMENT AND NON-PROFIT HOUSING AND SERVICE PROVIDERS.

Mobile Home Parks, Non-Profit Housing Projects, and Cooperative Programs

Section 32(16)(i) requires the Authority to report on the progress in developing mobile home parks and mobile home condominium projects, constructing or rehabilitating consumer housing cooperative projects, and in financing construction or rehabilitation of non-profit housing projects.

In FY 2009, no mobile home parks were financed under the Authority's Michigan Mortgage Credit Certificate Program or Single Family Program.

Neighborhood Preservation Program

Section 32(16)(j) requires the Authority to report on the progress in developing the Neighborhood Preservation Program.

The original Neighborhood Preservation Program began in 1989 and financed approximately 429 units of small-scale multi-family housing units. The program was evaluated, changed, and re-introduced in 1998. The goals of the program are to positively impact the image, physical conditions, and market and neighborhood management of the target neighborhoods. Since 1998, approximately \$27,863,180 in grants/loans has been made in 33 communities across the state. Twenty-five grants have been made to the City of Detroit or other communities in Wayne county; 53 to medium to large cities; 15 to UP communities, and the balance to small towns.

Each NPP produces housing units either through new construction, rehabilitation of space for rental units (usually above businesses downtown), or purchase/rehab for resale. In addition, each project includes homeowner rehabilitation, beautification through banners, landscaping and/or neighborhood signs, and marketing activities to improve the image of the neighborhood.

Prepayment of Federally and Authority Assisted Loans

Section 32(16)(k) requires the Authority to report on the status of federal programs that assist low income tenants displaced as a result of prepayment of federally or Authority assisted loans.

The Authority has preservation lending parameters for Section 236, Section 8, and all other federally assisted and MSHDA-financed rental housing. This housing stock, which currently serves Michigan's lowest income citizens and was typically built between 1974 and 1985, is in need of rehabilitation and preservation.

The Authority offers tax-exempt and taxable preservation lending to extend the affordability, viability, and livability of this existing rental housing for a minimum of 35 years. A Preservation Fund loan may be available as additional gap financing for eligible developments in the event the Authority determines the transaction will not adequately address unmet physical needs. No tenants are displaced as a result of these transactions.

Low Income Housing Tax Credit

Section 32(16)(l) requires the Authority to report on the status of the Low Income Housing Tax Credit (LIHTC) allocated under the Qualified Allocation Plan (QAP), including the amount of tax credits allocated, projects that have received tax credits, reasons why projects were denied tax credit, a geographical description of the distribution of tax credits, and a description of any amendments to the allocation plan made during the year.

During FY 2009, the Authority allocated \$23 million in tax credits to 49 developments helping create 2,610 units of affordable housing.

EXHIBITS VI AND VII PROVIDE A GEOGRAPHIC DESCRIPTION OF CREDITS ALLOCATED AND A LIST OF PROJECTS DENIED CREDIT, WITH REASONS FOR DENIAL. EXHIBIT VIII PROVIDES DETAILS ON REVISIONS TO THE AUTHORITY'S ALLOCATION PLAN.

Education and Training Opportunities

Section 32(16)(m) requires the Authority to report on education and training opportunities provided by the Authority including the types of education and training and the amount of funding committed to these activities. Education and training opportunities provided by the Authority primarily include the Contractor's Assistance Program and our Technical Assistance efforts. The Contractors Assistance Program is discussed below.

The Authority provided Technical Assistance to nonprofit housing organizations throughout the state with 43 contracts made to 27 different Technical Assistance providers, at a total cost of \$829,617.

EXHIBIT IX DETAILS GRANTS MADE TO TECHNICAL ASSISTANCE PROVIDERS FOR FY 2009.

Contractors Assistance Program

Section 22(bb) requires the Authority to report on the status of the Contractors Assistance Program (CAP). The CAP was introduced in 1992 to provide business training for small, minority, or women-owned business. Detroit, Grand Rapids and Flint held successful classes. A total of 113 Michigan contractors gained skills in bidding and estimating, bookkeeping and finance, bonding and insurance, wage and labor issues, permits, business planning and marketing, and lead based paint and are eligible to take the Residential Builder's Licensing exam.

Housing Choice Voucher Program

The Housing Choice Voucher (HCV) Program utilizes the private rental market to assist Michigan's extremely low income families to afford decent, safe, and sanitary housing. Residents live in single family or multifamily rental dwellings, paying between 30% and 40% of their gross income for rent. In FY 2009, a total of 24,582 families participated in this program; the average age for the head of household was 44 years, and the average adjusted household income was \$9,837.

MSHDA's HCV Program also has components for Family Self-Sufficiency (FSS) and for homeownership, called Key to Own. MSHDA administers the largest FSS program in the nation with 2,000 allocated slots. The FSS Program provides for coordination of local, community-based resources that promote economic independence for families living in assisted housing. The Key to Own Homeownership Program assists MSHDA HCV families with transferring their rental voucher into a homeownership voucher. Partnering with the FSS Program, the Key to Own Program provides pre/post purchase counseling and additional guidance throughout the homeownership process. In FY 2009 the FSS program graduated 131 program participants and the Key to Own Program closed on their 176th home.

Housing and Community Development Fund

Section 58b(6) requires the Authority to issue an annual report to the Legislature summarizing the expenditure of the Fund for the prior fiscal year, including a description of the grant recipients, the number of housing units that were produced, the income levels of the households that were served, the number of homeless persons served, and the number of downtown areas and adjacent neighborhoods that received financing.

During FY 2008 \$2,163,400 was allocated for Housing and Community Development (HCDF) Grants. A total of 18 grants were made to two private and 16 nonprofit entities which, in turn, created or preserved 309 housing units. Of these 309 units, 146 housed Extremely Low-Income Persons (persons earning below 30% of Area Median Income) and 64 housed households that would otherwise be homeless. From the \$2.2 million appropriation, the HCDF grantees leveraged an additional \$24 million in public and private funds. During FY 2008, downtown areas and adjacent neighborhoods were not yet eligible to receive financing from the Housing and Community Development Fund.

For the FY 2009 HCDF funding round, 83 applications were submitted to MSHDA, and \$20.9 million was requested via the grant applications, nearly ten times the amount of available funding. The applications were reviewed, but, before the winning applicants were chosen, EO 2009-22 was issued eliminating funding for the program.

EXHIBIT X PROVIDES DATA PERTAINING TO THE HOUSING AND COMMUNITY DEVELOPMENT FUND'S GRANT APPLICANTS, HOUSING UNITS, INCOME LEVELS, HOMELESS HOUSEHOLDS, AND OTHER PERTINENT INFORMATION.

Michigan Broadband Development Authority

Section 32(17) requires the Authority to conduct an annual review of all loans and financial instruments that require repayment, or lines of credit with the Michigan Broadband Development Authority (MBDA). The review shall contain an analysis of the MBDA's ability to repay all loans, financial instruments that require repayment, and lines of credit with the Authority and the amount and payment schedule of all current loans, financial instruments that require repayment, and lines of credit with the Authority. The review shall also contain an analysis of the number of Authority assisted or financed developments and homes purchasing high-speed Internet connections at substantially reduced rates as a direct result of loans from the MBDA.

As of September 30, 2009 the Broadband portfolio had 5 outstanding loans, with a total outstanding principal balance of \$7,055,979. All outstanding commitment amounts were either drawn down, or forfeited by the borrowers, so there are no longer any commitments outstanding. Executive Order No. 2008-20, approved in October of 2008, abolishes the Broadband Authority and transfers any remaining functions to MSHDA.

Exhibit I**FY 2009 AND FY 2010 GOALS**

Program	FY 2009 Goal		FY 2009 Production		FY 2010 Goal	
Multifamily Direct Loans	\$120,000,000	2,000 units	\$59,600,626	1,185 units	\$70,000,000	1,200 units
Modified Pass Through Loans	\$55,000,000	1,030 units	\$0	0	\$0	0 loans
Single Family Loans	\$300,000,000	3,000 loans	\$258,674,692	3,256 loans	\$204,000,000	2,560 loans
Michigan Credit Certificate Program	NA	NA	NA	NA	\$77,900,000	820 Certs.
Property Improvement Program (PIP)*	\$2,500,000	200 loans	\$2,563,415	196 loans	NA	NA
TOTAL	\$477,500,000	6,230 loans	\$320,838,733	4,637 loans	\$351,900,000	4,580

*Since the PIP is no longer funded with bonds, the Authority is not required to publish goals for it in the future. The Modified Pass-Through program is not expected to produce any loans in FY 2010 due to unfavorable conditions in the financial and Low-Income Housing Tax Credit equity markets.

Exhibit II

SINGLE FAMILY PROGRAM PRODUCTION RECORD

FY 2009 (07/01/08 TO 06/30/09)

	<u>New Homes</u>	<u>Existing Homes</u>
# Loans	162	3,094
\$ Volume	\$19,798,767	\$238,875,925
Average Loan	\$122,214	\$77,206
Average Home Sale Price	\$131,577	\$92,183
Average Income of Borrower	\$47,549	\$40,259
Average Age of Borrower	31	30
Average Family Size	1.8	1.8
% Minority Buyers	14%	12%
% Female Headed Household	38%	43%
% Below 55% of Median Income	25%	48%
% First Time Homebuyer	94%	97%

NOTE: The Average Family Size reflects the average for all loans.

Exhibit III

PIP LOAN PROGRAM PRODUCTION RECORD

FY 2009 (07/01/08 TO 06/30/09)

# Loans	196
\$ Volume	\$2,563,415
Average Loan Amount	\$13,079
Average Income Of Borrower	\$39,466
Average Interest Rate	6.668
Average Age Of Borrower	46
Average Family Size	2.3
% Female Borrowers	51.0%
% Borrowers Over Age 45	50.5%
% Minority Borrowers	17.4%
% Homes 40+ Years Old	75.5%
Average Age Of Home	59

Exhibit IV

**CONSTRUCTION JOBS, WAGES, TAXES
FY 2009 (07/01/08 TO 06/30/09)**

	Jobs	Wages	Taxes
<i>Multifamily Direct Loans</i>			
Crosstown Parkway	38	\$2,512,500	\$892,314
Dauner Haus	29	\$1,934,970	\$687,205
Hawk's Ridge	61	\$4,089,064	\$1,386,806
Lincolnshire Village	46	\$3,067,645	\$1,089,474
Maplewood Manor Senior	16	\$1,054,592	\$374,538
Mari-Dan Miller	39	\$2,586,306	\$918,527
Maxwell Place	21	\$1,406,123	\$476,887
Piquette Square	88	\$5,836,294	\$1,979,379
Ridgewood Vista	40	\$2,695,611	\$957,346
Multifamily Subtotal	378	\$25,183,105	\$8,762,476
<i>Single Family Loans</i>	1,942	\$129,337,346	\$43,864,761
<i>Property Improvement Loans</i>	19	\$1,281,708	\$470,579
TOTAL	2,340	\$155,802,158	\$53,097,816

Exhibit V

NON-PROFIT AND LOCAL GOVERNMENT GRANTS

FY 2009 (07/01/08 TO 06/30/09)

Grantee Name	City	County	Grant Amount
HOMELESS GRANTS			
ACSET	Grand Rapids	Kent	\$37,000
Adult Comfort Living Housing Foundation	Wayne	Wayne	8,282
Advent House Ministries	Lansing	Ingham	25,000
Alliance Against Violence and Abuse, Inc.	Escanaba	Delta	23,730
Alliance Against Violence and Abuse, Inc.	Escanaba	Delta	7,000
Alternatives for Girls	Detroit	Wayne	15,750
American Red Cross	Bay City	Bay	39,400
Arbor Circle Corporation	Grand Rapids	Kent	10,000
Avalon Housing, Inc.	Ann Arbor	Washtenaw	110,900
Aware, Inc.	Jackson	Jackson	5,000
Aware, Inc.	Jackson	Jackson	45,642
Baraga County Shelter Home	L'Anse	Baraga	22,488
Barbara Kettle Gundlach Shelter Home for Abused Women	Calumet	Houghton	17,160
Barry County United Way	Hastings	Barry	10,300
Battle Creek Community Foundation	Battle Creek	Calhoun	13,500
Bay Area Women's Center	Bay City	Bay	47,794
Bay Area Women's Center	Bay City	Bay	30,000
Bethany Housing Ministries, Inc.	Muskegon	Muskegon	21,733
Blue Water Center for Independent Living	Port Huron	St. Clair	23,877
Blue Water Center for Independent Living	Port Huron	St. Clair	45,000
Branch Area Chamber of Commerce	Coldwater	Branch	5,000
Branch County Coalition Against Domestic Violence	Coldwater	Branch	42,400
Branch Interfaith Hospitality Network	Coldwater	Branch	35,000
Cadillac Area OASIS/Family Resource Center	Cadillac	Wexford	29,000
Capital Area Community Services	Lansing	Ingham	23,440
Capital Area Community Services	Lansing	Ingham	43,505
Capital Area Community Services	Lansing	Ingham	46,491
Capital Area Community Services	Lansing	Ingham	40,439
Caring House, Inc.	Iron Mountain	Dickinson	80,000
Cass Community Social Services	Detroit	Wayne	10,000
Catholic Charities West Michigan	Grand Rapids	Kent	32,046
Catholic Family Services	Kalamazoo	Kalamazoo	10,200
Catholic Social Services of Washtenaw County	Ann Arbor	Washtenaw	23,141

Grantee Name	City	County	Grant Amount
Catholic Social Services of Wayne County	Detroit	Wayne	19,000
Catholic Social Services of Wayne County	Detroit	Wayne	20,000
Center for Women In Transition	Holland	Ottawa	79,000
Channel Housing Ministries, Inc./D.B.A. Oceana's Home Partnership	Hart	Oceana	24,400
Channel Housing Ministries, Inc./D.B.A. Oceana's Home Partnership	Hart	Oceana	30,000
Child and Family Services of Southwestern Michigan	Benton Harbor	Berrien	23,000
Child and Family Services of Upper Peninsula, Inc.	Marquette	Marquette	31,352
Choices of Manistee County Inc	Manistee	Manistee	74,500
Christian Neighbors	Plainwell	Allegan	19,000
City Rescue Mission of Saginaw Inc.	Saginaw	Saginaw	55,370
City Rescue Mission of Saginaw Inc.	Saginaw	Saginaw	25,000
Coalition on Temporary Shelter	Detroit	Wayne	20,000
Common Ground Sanctuary	Bloomfield Hills	Oakland	30,710
Communities Overcoming Violent Encounters	Ludington	Mason	23,000
Community Action	Battle Creek	Calhoun	18,300
Community Action	Battle Creek	Calhoun	52,500
Community Action Agency	Jackson	Jackson	7,500
Community Action Agency	Jackson	Jackson	17,159
Community Action Agency	Jackson	Jackson	73,274
Community Action Agency	Jackson	Jackson	30,000
Community Action Agency	Jackson	Jackson	250,000
Community Action House	Holland	Ottawa	51,500
Community Care Services	Lincoln Park	Wayne	28,269
Community Healing Center	Three Rivers	St. Joseph	7,000
Community Housing Network	Troy	Oakland	31,800
Community Living Services, Inc.	Wayne	Wayne	19,000
Community Rebuilders, Inc.	Grand Rapids	Kent	97,730
Comprehensive Youth Services, Inc	Mt. Clemens	Macomb	5,000
Comprehensive Youth Services, Inc	Mt. Clemens	Macomb	33,200
Corporation for Supportive Housing	Brighton	Livingston	40,000
Corporation for Supportive Housing	Brighton	Livingston	206,666
Corporation for Supportive Housing	Brighton	Livingston	168,000
Corporation for Supportive Housing	Brighton	Livingston	408,000
Council on Domestic Violence and Sexual Assault	Midland	Midland	38,600
Council on Domestic Violence and Sexual Assault	Midland	Midland	5,000
D.I.S.H., Inc.	Battle Creek	Calhoun	43,200
Department of Human Services	Lansing	Ingham	78,700
Detroit Central City CMH	Detroit	Wayne	18,000
Detroit Rescue Mission Ministries	Detroit	Wayne	18,000

Grantee Name	City	County	Grant Amount
Diane Pepler Resource Center	Sault Ste. Marie	Chippewa	20,200
Domestic and Sexual Abuse Services	Three Rivers	St. Joseph	5,000
Domestic and Sexual Abuse Services	Three Rivers	St. Joseph	20,000
Domestic and Sexual Abuse Services	Three Rivers	St. Joseph	10,000
Domestic Harmony	Hillsdale	Hillsdale	27,541
Domestic Violence Coalition, Inc.	Paw Paw	Van Buren	13,353
Domestic Violence Escape(DOVE)	Ironwood	Gogebic	17,600
Domestic Violence Project Inc./SAFEHouse Center	Ann Arbor	Washtenaw	64,612
Eastside LAND, Inc.	Detroit	Wayne	250,000
Eightcap, Incorporated	Greenville	Montcalm	13,000
Eightcap, Incorporated	Greenville	Montcalm	14,000
Emergency Shelter Services, Inc.	Benton Harbor	Berrien	75,600
EVE, Inc. (End Violent Encounters)	Lansing	Ingham	26,455
Every Woman's Place, Inc.	Muskegon	Muskegon	11,181
Every Woman's Place, Inc.	Muskegon	Muskegon	16,424
Every Woman's Place, Inc.	Muskegon	Muskegon	10,000
Every Woman's Place, Inc.	Muskegon	Muskegon	320,000
Every Woman's Place, Inc.	Muskegon	Muskegon	21,733
Family Counseling & Children's Services of Lenawee Co.	Adrian	Lenawee	39,150
Family Counseling & Shelter Services of Monroe County	Monroe	Monroe	77,603
Family Services, Inc	Detroit	Wayne	19,000
First Step	Plymouth	Wayne	45,004
Freedom House	Detroit	Wayne	10,000
Friendship Shelter	Gaylord	Otsego	81,600
Gateway Community Services	East Lansing	Ingham	17,688
Genesee County Youth Corporation	Flint	Genesee	66,639
Gogebic-Ontonagon Community Action Agency	Bessemer	Gogebic	31,300
Good Samaritan Ministries	Holland	Ottawa	34,000
Goodwill Industries of Northern Michigan, Inc	Traverse City	Traverse Grand	30,000
Goodwill Industries of Northern Michigan, Inc	Traverse City	Traverse	130,623
Goodwill Industries of West Michigan	Muskegon	Muskegon	30,000
Grand Rapids Housing Commission	Grand Rapids	Kent	54,378
Green Gables Haven	Hastings	Barry	10,000
HAVEN House	East Lansing	Ingham	32,245
Haven of Rest Ministries of Battle Creek	Battle Creek	Calhoun	10,000
Haven of Rest Ministries of Battle Creek	Battle Creek	Calhoun	1,669
HAVEN, Inc.	Bloomfield Hills	Oakland	46,431
Helping Unite Mothers And Children	Detroit	Wayne	2,481
Helping Unite Mothers And Children	Detroit	Wayne	13,000

Grantee Name	City	County	Grant Amount
Hispanic Service Center	Imlay City	Lapeer	26,500
Homeless Action Network of Detroit	Highland Park	Wayne	20,000
HOPE Hospitality & Warming Center, Inc.	Pontiac	Oakland	12,920
Housing Resource Center of Allegan County	Allegan	Allegan	350,000
Housing Resource Center of Allegan County	Allegan	Allegan	45,000
Housing Resource Center of Allegan County	Allegan	Allegan	69,919
Housing Resources, Inc.	Kalamazoo	Kalamazoo	50,000
Housing Resources, Inc.	Kalamazoo	Kalamazoo	190,545
Housing Resources, Inc.	Kalamazoo	Kalamazoo	150,000
Housing Services for Eaton Co.	Charlotte	Eaton	45,646
Human Development Commission	Caro	Tuscola	27,000
Human Development Commission	Caro	Tuscola	100,000
Human Development Commission	Caro	Tuscola	9,000
Human Resource Authority	Escanaba	Delta	21,375
Interfaith Hospitality Network of Washtenaw County	Ann Arbor	Washtenaw	28,941
Jewish Vocational Service	Detroit	Wayne	19,000
Kalamazoo Community Mental Health and Substance Abuse Services	Nazareth	Kalamazoo	40,100
KeyStone Place, Inc.	Centreville	St. Joseph	89,600
Lapeer Area Citizens Against Domestic Assault	Lapeer	Lapeer	39,500
Legal Services of Eastern MI	Flint	Genesee	51,064
Lenawee Emergency and Affordable Housing Corp.	Adrian	Lenawee	39,150
Lenawee Emergency and Affordable Housing Corp.	Adrian	Lenawee	30,000
Lighthouse of Oakland Co., Inc	Pontiac	Oakland	68,340
Livingston Area Council Against Spouse Abuse	Howell	Livingston	25,698
Livingston Family Center	Pinckney	Livingston	18,082
Loaves & Fishes Ministries	Lansing	Ingham	25,790
Local Initiatives Support Corporation	Kalamazoo	Kalamazoo	7,525
Looking For My Sister	Detroit	Wayne	15,650
Lutheran Social Services of Michigan	Detroit	Wayne	32,670
Lutheran Social Services of Wisconsin and Upper Michigan	Appleton	Marquette	36,100
Lutheran Social Services of Wisconsin and Upper Michigan	Appleton	Marquette	8,170
Macomb County Rotating Emergency Shelter Team	Roseville Clinton	Macomb	30,200
Macomb Homeless Coalition	Township	Macomb	7,500
Manistique Housing Commission	Manistique	Schoolcraft	21,300
Mariners Inn	Detroit	Wayne	19,000
Matrix Human Services	Detroit	Wayne	18,000
Metro Housing Partnership	Flint	Genesee	200,000

Grantee Name	City	County	Grant Amount
Metro Housing Partnership	Flint	Genesee	7,500
Michigan Ability Partners	Ann Arbor	Washtenaw	18,427
Michigan Coalition Against Homelessness	Lansing	Ingham	640,500
Michigan Coalition Against Homelessness	Lansing	Ingham	162,000
Michigan Coalition Against Homelessness	Lansing	Ingham	100,000
Michigan Coalition Against Homelessness	Lansing	Ingham	77,863
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	63,000
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	24,706
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	15,000
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	262,800
Mid Michigan Community Action Agency, Inc.	Farwell	Clare	400,000
Monroe County Opportunity Program	Monroe	Monroe	68,481
Monroe County Opportunity Program	Monroe	Monroe	300,000
National Council on Alcoholism Lansing Regional Area	Lansing	Ingham	26,911
Neighborhood Service Org.	Detroit	Wayne	18,000
New Bethel Outreach Ministry, Inc.	Pontiac	Oakland	44,559
New Bethel Outreach Ministry, Inc.	Pontiac	Oakland	8,334
Newaygo County Community Services	Fremont	Newaygo	30,000
Newaygo County Community Services	Fremont	Newaygo	37,000
Newaygo County Community Services	Fremont	Newaygo	85,514
North Country Community Mental Health	Petoskey	Emmet	5,000
Northeast Michigan Community Service Agency, Inc.	Alpena	Alpena	92,950
Northeast Michigan Community Service Agency, Inc.	Alpena	Alpena	400,000
		Grand	
Northwest Michigan Community Action Agency	Traverse City	Traverse	105,533
		Grand	
Northwest Michigan Community Action Agency	Traverse City	Traverse	38,500
		Grand	
Northwest Michigan Community Action Agency	Traverse City	Traverse	17,000
Oakland Livingston Human Service Agency	Howell	Oakland	45,000
Oakland Livingston Human Service Agency	Howell	Oakland	40,520
Oakland Livingston Human Service Agency	Howell	Oakland	35,781
Open Door and Next Door Shelters	Kalamazoo	Kalamazoo	9,530
Ottawa County	Holland	Ottawa	17,500
Ozone House, Inc.	Ann Arbor	Washtenaw	56,534
Pear Street Apartments LDHA LP	Ann Arbor	Washtenaw	189,100
Pines Behavioral Health	Coldwater	Branch	25,000
Proaction Behavioral Health Alliance	Grand Rapids	Kent	24,000
Rainbow House Domestic Abuse Services, Inc.	Marinette	Menominee	21,375
Relief After Violent Encounter (R.A.V.E.)	St. Johns	Clinton	27,195
Relief After Violent Encounter (R.A.V.E.)	St. Johns	Clinton	49,960

Grantee Name	City	County	Grant Amount
Relief After Violent Encounter Ionia/Montcalm, Inc	Ionia	Ionia	30,000
Relief After Violent Encounter Ionia/Montcalm, Inc	Ionia	Ionia	83,100
Residential Services of Southwestern Michigan, Inc.	Niles	Berrien	14,000
River House, Inc.	Grayling	Crawford	62,000
S.A.F.E. Place	Battle Creek	Calhoun	10,000
Safe Horizons	Port Huron	St. Clair	100,000
Safe Horizons	Port Huron	St. Clair	200,000
Saginaw County Community Mental Health Authority	Saginaw	Saginaw	99,478
Saginaw County Youth Protection Council	Saginaw	Saginaw	72,020
Sanilac Area Violence Elimination Council	Sandusky	Sanilac	20,123
Sault Ste. Marie Housing Commission	Sault Ste. Marie	Chippewa	44,600
Sault Ste. Marie Housing Commission	Sault Ste. Marie	Chippewa	45,000
Shelter Association of Washtenaw County	Ann Arbor	Washtenaw	60,019
Shelter of Flint, Inc.	Flint	Genesee	99,963
Shelter, Inc.	Alpena	Alpena	5,274
Shelter, Inc.	Alpena	Alpena	67,400
Shiawassee County	Corunna	Shiawassee	6,000
Simon House, Inc.	Detroit	Wayne	18,000
SIREN/Eaton Shelter, Inc.	Charlotte	Eaton	31,815
SOS Community Services	Ypsilanti	Washtenaw	142,725
South Oakland Shelter	Royal Oak	Oakland	33,759
Southwest Counseling Solutions, Inc.	Detroit	Wayne	20,000
Southwest Housing Solutions Corporation	Detroit	Wayne	300,000
Southwest Housing Solutions Corporation	Detroit	Wayne	18,000
Southwest Michigan Community Action Agency	Benton Harbor	Berrien	47,280
Southwest Michigan Community Action Agency	Benton Harbor	Berrien	6,500
Southwest Michigan Community Action Agency	Benton Harbor	Berrien	33,600
Southwest Michigan Community Action Agency	Benton Harbor	Berrien	7,667
Southwest Michigan Community Action Agency	Benton Harbor	Berrien	30,000
St. Clair County Community Mental Health Authority	Port Huron	St. Clair	7,500
St. Vincent Catholic Charities	Lansing	Ingham	27,569
Staircase Youth Services, Inc.	Ludington	Mason	23,000
Sunrise Mission	Alpena	Alpena	38,000
Sylvia's Place	Allegan	Allegan	63,181
The Refuge	Lapeer	Lapeer	5,000
The Salvation Army	Ludington	Mason	13,900
The Salvation Army	Benton Harbor	Berrien	14,000
The Salvation Army	Alpena	Alpena	10,150
The Salvation Army	Escanaba	Delta	7,500
The Salvation Army	Escanaba	Delta	15,000

Grantee Name	City	County	Grant Amount
The Salvation Army	Wauwatosa	Dickinson	53,500
The Salvation Army	Alma	Gratiot	15,000
The Salvation Army	Alma	Gratiot	20,500
The Salvation Army	Detroit	Wayne	20,000
The Salvation Army	Mt. Pleasant	Isabella	5,000
The Salvation Army	Jackson	Jackson	25,984
The Salvation Army	Detroit	Wayne	19,000
The Salvation Army	Grand Rapids	Kent	7,500
The Salvation Army	Big Rapids	Mecosta	15,000
The Salvation Army	Big Rapids	Mecosta	30,000
The Salvation Army - MATTS	Warren	Macomb	26,000
The Salvation Army of Cheboygan County	Cheboygan	Cheboygan	38,600
The Salvation Army of Livingston County	Howell	Livingston	5,000
The Salvation Army-Grand Haven	Grand Haven	Ottawa	18,000
Training and Treatment Innovations, Inc.	Jackson	Jackson	19,200
Travelers Aid Society of Detroit	Detroit	Wayne	14,000
Tri-City Area United Way	Marinette	Menominee	14,850
Turning Point Inc.	Mt. Clemens	Macomb	21,000
U.P. Community Services	Iron Mountain	Dickinson	5,400
Underground Railroad, Inc.	Saginaw	Saginaw	75,510
United Community Housing Coalition	Detroit	Wayne	19,000
United Way of Chippewa County	Sault Ste. Marie	Chippewa	6,200
United Way of Lapeer County	Lapeer	Lapeer	29,500
United Way of Monroe County	Monroe	Monroe	8,716
United Way of Otsego County	Gaylord	Otsego	10,000
United Way of Saginaw County	Saginaw	Saginaw	7,500
Venture, Inc.	Pontiac	Oakland	119,700
Volunteers of America of Michigan	Southfield	Oakland	35,951
Washtenaw Housing Alliance	Ann Arbor	Washtenaw	7,503
Wayne Co. Neighborhood Legal Services/Neighborhood Legal Serv. of MI	Detroit	Wayne	14,000
Wayne Co. Neighborhood Legal Services/Neighborhood Legal Serv. of MI	Detroit	Wayne	17,000
Wayne-Metropolitan Community Action Agency	Wyandotte	Wayne	44,975
Well House	Grand Rapids	Kent	14,544
West Michigan Community Mental Health System	Ludington	Mason	8,000
West Michigan Therapy, Inc.	Muskegon	Muskegon	50,000
West Michigan Therapy, Inc.	Muskegon	Muskegon	21,733
Women's Aid Service, Inc.	Mt. Pleasant	Isabella	10,000
Women's Aid Service, Inc.	Mt. Pleasant	Isabella	23,800
Women's Aid Service, Inc.	Mt. Pleasant	Isabella	5,900

Grantee Name	City	County	Grant Amount
Women's Center	Marquette	Marquette	47,000
Women's Information Service	Big Rapids	Mecosta	20,000
Women's Information Service	Big Rapids	Mecosta	3,730
Women's Information Service	Big Rapids	Mecosta	19,322
Women's Resource Center	Traverse City	Grand Traverse	80,544
Women's Resource Center of Northern Michigan, Inc.	Petoskey	Emmet	43,600
Young Women's Christian Association of Kalamazoo	Kalamazoo	Kalamazoo	62,800
YWCA of Greater Flint	Flint	Genesee	50,634
YWCA West Central Michigan	Grand Rapids	Kent	62,000
Total Homeless Grants			\$13,726,635

Grantee Name	City	County	Grant Amount
TARGETED REVITALIZATION FUND			
University Cultural Center Association	Detroit	Wayne	\$111,100
City of Alpena	Alpena	Alpena	60,000
NCCS Center for Nonprofit Housing	Fremont	Newaygo	60,000
Community Action Agency	Jackson	Jackson	53,947
Habitat for Humanity of Michigan	Lansing	Ingham	245,000
Franklin Street Community Housing Corporation	Lansing	Ingham	45,250
Northern Homes Community Development Corporation	Boyne City	Charlevoix	60,000
Bay Area Housing, Inc.	Bay City	Bay	162,000
Lighthouse Communities, Inc.	Grand Rapids	Kent	162,000
Heartside Non-Profit Housing Corporation	Grand Rapids	Kent	31,761
Grandmont/Rosedale Development Corporation	Detroit	Wayne	60,000
Habitat for Humanity of Michigan	Lansing	Ingham	-
City of Cadillac	Cadillac	Wexford	100,000
Lighthouse Communities, Inc.	Grand Rapids	Kent	60,000
Benzie Housing Council	Honor	Benzie	60,000
Flint Neighborhood Improvement & Preservation Project, Inc	Flint	Genesee	162,000
Total Targeted Revitalization Fund Grants			\$ 1,433,058

Grantee Name	City	County	Grant Amount
COMMUNITY DEVELOPMENT BLOCK GRANTS			
City of Ludington	Ludington	Mason	\$256,100
Otsego County Housing Committee	Gaylord	Otsego	243,900
Ingham County	Mason	Ingham	256,100
City of Cheboygan	Cheboygan	Cheboygan	122,000
City of St. Johns	St. Johns	Clinton	243,900
Arenac County	Standish	Arenac	50,000
Alcona County	Harrisville	Alcona	50,000
Alpena County	Alpena	Alpena	50,000
Otsego County Housing Committee	Gaylord	Otsego	50,000
Ionia County	Ionia	Ionia	50,000
Presque Isle County	Rogers City	Presque Isle	50,000
Baraga County	L'Anse	Baraga	50,000
Chippewa County	Sault Ste. Marie	Chippewa	50,000
Houghton County	Houghton	Houghton	50,000
Keweenaw County	Eagle River	Keweenaw	50,000
Mackinac County	St. Ignace	Mackinac	50,000
Monroe County	Monroe	Monroe	50,000
Osceola County	Reed City	Osceola	50,000
Ontonagon County	Ontonagon	Ontonagon	50,000
Marquette County	Marquette	Marquette	50,000
Dickinson County	Iron Mountain	Dickinson	50,000
Clare County	Harrison	Clare	50,000
Lapeer County	Lapeer	Lapeer	50,000
Barry County	Hastings	Barry	50,000
Shiawassee County	Corunna	Shiawassee	50,000
Kalamazoo County	Nazareth	Kalamazoo	50,000
Oscoda County	Mio	Oscoda	50,000
Leelanau County	Suttons Bay	Leelanau	50,000
Menominee County	Menominee	Menominee	50,000
Roscommon County	Roscommon	Roscommon	50,000
Branch County	Coldwater	Branch	50,000
Ingham County	Mason	Ingham	50,000
Antrim County	Bellaire	Antrim	50,000
City of Ironwood	Ironwood	Gogebic	170,700
City of Menominee	Menominee	Menominee	457,300
City of Imlay City	Imlay City	Lapeer	356,100
City of Scottville	Scottville	Mason	256,100
City of Leslie	Leslie	Ingham	256,100
Midland County	Midland	Midland	50,000

Grantee Name	City	County	Grant Amount
City of Adrian	Adrian	Lenawee	359,700
Livingston County	Howell	Livingston	50,000
Total Community Dev. Block Grants			\$4,478,000

Grantee Name	City	County	Grant Amount
HOME GRANTS			
Lighthouse Communities, Inc.	Grand Rapids	Kent	\$343,750
City of Hancock	Hancock	Houghton	305,500
Habitat for Humanity of Michigan	Lansing	Ingham	3,602,487
Community Action Agency	Jackson	Jackson	74,676
Gogebic-Ontonagon Community Action Agency	Bessemer	Gogebic	151,000
HOME of Mackinac County	St. Ignace	Mackinac	163,000
City of Alpena	Alpena	Alpena	250,000
Calumet, Village of	Calumet	Houghton	222,200
Roscommon County	Roscommon	Roscommon	544,000
City of Monroe	Monroe	Monroe	163,900
Bay Area Housing, Inc.	Bay City	Bay	111,000
Creekside CDC	Detroit	Wayne	233,300
Bay Area Housing, Inc.	Bay City	Bay	330,000
Barry County	Hastings	Barry	200,000
City of Belding	Belding	Ionia	115,000
U.P. Community Services	Iron Mountain	Dickinson	200,000
Human Development Commission	Caro	Tuscola	580,700
City of Ironwood	Ironwood	Gogebic	222,200
Leelanau County	Suttons Bay	Leelanau	350,000
Flint Neighborhood Improvement and Preservation Project, Inc	Flint	Genesee	233,300
Total HOME Grants			\$8,396,013

Community Development Neighborhood Stabilization Grants

Grantee Name	City	County	Grant Amount
City of Battle Creek	Battle Creek	Calhoun	\$1,072,500
City of Dearborn Heights	Dearborn Heights	Wayne	880,000
City of Jackson	Jackson	Jackson	953,700
City of Muskegon	Muskegon	Muskegon	570,460
City of Muskegon Heights	Muskegon Heights	Muskegon	193,820
City of Royal Oak	Royal Oak	Oakland	250,000
City of Roseville	Roseville	Macomb	500,000
City of Port Huron	Port Huron	St. Clair	500,000

City of Bay City	Bay City	Bay	375,000
City of Benton Harbor	Benton Harbor	Berrien	133,400
City of Wyoming	Wyoming	Kent	454,410
MI Land Bank Fast Track Authority	Lansing	Eaton	10,000,000
City of St. Clair Shores	St Clair Shores	Macomb	250,000
City of Ann Arbor	Ann Arbor	Washtenaw	300,000
City of Kalamazoo	Kalamazoo	Kalamazoo	770,000
City of Farmington Hills	Farmington Hills	Oakland	550,000
Total CD Neighborhood Stabilization Fund Grants			\$17,753,290

Grantee Name	City	County	Grant Amount
CITIES OF PROMISE GRANTS			
City of Hamtramck	Hamtramck	Wayne	\$90,100
City of Highland Park	Highland Park	Wayne	\$30,000
American Civil Liberties Union	Detroit	Wayne	\$25,000
City of Saginaw	Saginaw	Saginaw	\$15,000
City of Benton Harbor	Benton Harbor	Berrien	\$64,250
Local Initiatives Support Corporation	Kalamazoo	Kalamazoo	\$239,147
American Civil Liberties Union Fund of Michigan	Detroit	Wayne	\$25,000
University of Detroit Mercy	Detroit	Wayne	\$100,000
Muskegon Heights Downtown Development Auth.	Muskegon Heights	Muskegon	\$20,000
City of Muskegon Heights	Muskegon Heights	Muskegon	\$60,000
Detroit MicroEnterprise Fund	Detroit	Wayne	\$10,000
Acts 29 Fellowship	Hamtramck	Wayne	\$52,427
City of Flint	Flint	Genesee	\$50,000
City of Hamtramck	Hamtramck	Wayne	\$50,000
City of Pontiac	Pontiac	Oakland	\$15,000
City of Highland Park	Highland Park	Wayne	\$60,000
Neighborhood Renewal Services	Saginaw	Saginaw	\$10,000
City of Muskegon Heights	Muskegon Heights	Muskegon	\$10,000
City of Saginaw	Saginaw	Saginaw	\$10,000
Flint Neighborhood Improvement Program	Flint	Genesee	\$135,000
Total Cities of Promise Grants			\$1,130,924

COOL CITIES GRANTS	City	County	Grant Amount
Michigan Suburbs Alliance	Ferndale	Oakland	\$248,000
MSU Land Policy Institute	East Lansing	Ingham	\$32,000
Total Cool Cities Grants			\$280,000

Grantee Name	City	County	Grant Amount
BLIGHT ELIMINATION GRANTS			
City of Highland Park	Highland Park	Wayne	\$1,500,000
City of Hamtramck	Hamtramck	Wayne	140,000
City of Benton Harbor	Benton Harbor	Berrien	242,215
City of Muskegon Heights	Muskegon Heights	Muskegon	105,000
City of Detroit	Detroit	Wayne	2,663,229
City of Flint	Flint	Genesee	1,770,000
City of Saginaw	Saginaw	Saginaw	1,840,000
Total Blight Elimination Grants			\$8,260,444

NOTE: \$2.3 million of the Blight Elimination Grants were funded from MSDHA; \$6 million was funded from federal Neighborhood Stabilization Funds.

TOTAL OF ALL FY 2009 GRANTS **\$55,178,364**

Exhibit VI

**LOW INCOME HOUSING TAX CREDITS ALLOCATED
FY 2009 (07/01/08 TO 06/30/09)**

Project Name	Location	Type	Units	Credit
101 South Division Lofts Apartments	Grand Rapids	Family	20	\$492,163
Abigail, The	Lansing	Elderly	44	862,531
Across The Park Apartments	Detroit	Elderly	200	746,776
Arbor Glen Apartments	St Charles	Family	48	144,822
Armory Arts Commons Senior Residence	Jackson	Elderly	49	491,982
Ballentine Apartments	Lansing	Family	18	93,456
Beacon Housing II	Pontiac	Family	44	765,073
Benton Harbor HOPE VI-Phase IV Harbor Bluffs	Benton Harbor	Family	52	813,798
Bridge Street Place	Grand Rapids	Family	16	276,830
Chalmers Square	Detroit	Family	49	715,967
Chapita Hills Apartments	Shelby	Family	24	75,231
Edge Of The Woods Apartments	Sault Ste Marie	Family/Elderly	80	478,453
Fourth Street Senior Housing	Clare	Elderly	24	211,371
Gardenview Estates Phase II A	Detroit	Family	45	775,997
Gardenview Estates Phase II B	Detroit	Family	45	775,997
Gateway Manor	Linden	Family	32	115,150
Gray Street Affordable Housing Phase II	Detroit	Family	24	592,444
Green Meadows Apartments	Springport	Family	24	104,262
Highland Manor Apartments	Highland Park	Family	48	541,463
Keystone Village Apartments	Garfield Twp	Family	24	276,491
Lanier Court Apartments	Detroit	Family	23	387,016
L'Vogue Square	Detroit	Family	41	609,808
Maple Tree Apartments	East Tawas	Family	48	87,662
Maxwell Homes	Detroit	Family	30	607,731
Mayville Apartments	Mayville	Family	20	42,236
Medical Center Village - Senior	Detroit	Elderly	190	1,000,000
NDNI Elderly	Detroit	Elderly	48	803,307
New Center Commons	Detroit	Family	71	342,127
Northwest Unity Homes II	Detroit	Family	45	865,889
Oakman Place	Detroit	Family	24	460,631
Park Place City Center	Sault Ste Marie	Family	27	556,591
Patterson Crossing	Frankfort	Family	56	617,355
Phoenix Place Apartments	Pontiac	Elderly	200	1,000,000
Quincy Haven Apartments	Hancock	Family	24	421,111
Red Flannel Acres	Cedar Springs	Family	48	114,529
Renaissance Court	Pontiac	Family	56	64,693
Rivercrest Apartments	Croswell	Family	24	50,855
Sankofa Village	Detroit	Family	24	492,077
Spring Lake Village	Pontiac	Family	250	1,000,000
Springview Manor II	Evart	Family	24	67,985
St. Aubin Square	Detroit	Family	49	808,972

St. John Homes II	Detroit	Family	45	865,889
Townsend Homes	Detroit	Family	30	607,731
Traverse Woods	Petoskey	Family	128	327,276
Village Commons	Lawton	Family	58	82,116
West Oakland Homes	Detroit	Family	45	865,889
Wexford Manor	Onsted	Elderly	24	91,683
Wickes Park Homes	Saginaw	Family	24	492,163
Yale Apartments	Yale	Family	24	51,219
Total: 49 Developments			2,610	\$23,134,798

Tax Exempt Projects Not Funded From Tax Credit Cap:

Project Name	Location	Type	Units	Credit
Crosstown Apartments	Kalamazoo	Elderly	201	\$432,799
Dauner Haus III Apartments	Fenton	Family	150	379,770
Gardenview Estates Phase I	Detroit	Family	96	846,197
Hawks Ridge Apartments	Bath Township	Family	136	427,840
Maplewood Manor	West Branch	Elderly	51	93,225
Piquette Square	Detroit	Family	150	808,980
Ridgewood Vista Apartments	Leoni Twp	Family	150	503,871
Total: 7 Developments			934	\$3,492,682

Exhibit VII**LOW INCOME HOUSING TAX CREDIT APPLICATIONS DENIED
FY 2009 (07/01/08 TO 06/30/09)**

Project	City	Reason
8900 Gratiot	Detroit	Low Score
Aldersgate Apartments	Oscoda Twp	Low Score
Allegan Senior Apartment Homes	Allegan	Did Not Meet Threshold
Alpine Village	Kalamazoo	Did Not Meet Threshold
Auburn 24 East	Williams Twp	Low Score
Blair Park Townhomes	Jackson	Withdrew
Bonnie Bridge	Detroit	Did Not Meet Threshold
Bradby Of Elmwood Park Senior Apts	Detroit	Did Not Meet Threshold
Britton Apartments	Britton	Did Not Meet Threshold
Brookfield Apartments	Bronson	Did Not Meet Threshold
Brookwood Gardens Apartments	Clare	Low Score
Brush Estates	Detroit	Did Not Meet Threshold
Campau Manor Apartments	Hamtramck	Did Not Meet Threshold
Chidester Place	Ypsilanti	Withdrew
Comstock Village	Kalamazoo	Low Score
Copper Hills Apartments	Lake Linden/Houghton	Low Score
Coronado Apartments	Detroit	Did Not Meet Threshold
Croydon Commons	Oshtemo Twp	Low Score
Cutler View	Spring Lake	Low Score
Deer Run Apartments	Deerfield	Did Not Meet Threshold
Dickerson Manor Apartments	Detroit	Low Score
East Wind Apartments	Coldwater	Did Not Meet Threshold
Eldorado Square	Detroit	Low Score
Fieldstone Village Family & Senior Apts	St. Johns	Did Not Meet Threshold
Forge, The	Detroit	Low Score
Harbor Village Apartments	Holland	Withdrew
Harbor Villas Apartments	Port Austin	Did Not Meet Threshold
Hattie Beverly Apartments and Homes	Grand Rapids	Did Not Meet Threshold
Hidden Glen Apartments	Laingsburg	Did Not Meet Threshold
Hidden Hollow Apartments	Columbiaville	Low Score
Kendall Homes II	Detroit	Did Not Meet Threshold
Madison Manor Apartments	Jackson	Did Not Meet Threshold
Metropolitan, The	Detroit	Did Not Meet Threshold
Morrison Apartments	Calumet	Did Not Meet Threshold
New Center Square	Detroit	Did Not Meet Threshold
Newport Apartments	Mt. Clemens	Low Score
Northwind/Hilltop Apartments	Kalamazoo	Did Not Meet Threshold
NSO Bell Housing	Detroit	Did Not Meet Threshold
Park Place South Apartments	Hemlock	Did Not Meet Threshold
Parks North, The	Taylor	Did Not Meet Threshold
Penrose Village Phase II	Detroit	Low Score

Pine Bluff Apartments	Kingsford	Low Score
Ponds North, The	Taylor	Did Not Meet Threshold
Rolling Brook Apartments	Algonac	Low Score
Sault Tribe of Chippewa Indians Proj. I	Sault Ste Marie	Did Not Meet Threshold
Sinclair Manor Apartments	Detroit	Did Not Meet Threshold
Smith Street Homes	Detroit	Low Score
Southtown Square	Grand Rapids	Low Score
St. Joseph Senior Village of Detroit	Detroit	Did Not Meet Threshold
Village at Gratiot Place	Detroit	Did Not Meet Threshold
Wellington Commons	Detroit	Did Not Meet Threshold

Exhibit VIII. Changes to Qualified Action Plan (QAP)

The text below is taken from the Preamble to the revised 2009 QAP. It discusses the major changes to the QAP from the FY 2008 version.

MSHDA 2009 Qualified Allocation Plan: Preamble

Introduction

LIHTC market correction

The LIHTC market is undergoing the single biggest correction since the creation of the program. Macroeconomic and program-specific factors have converged to create this disruption:

- Global credit crisis, as banks and other providers of liquidity reassess risk.
- Recession, which began in December of 2007.
- Shrinkage of LIHTC investor interest, due to consolidation in the banking sector, federal takeover of Fannie Mae and Freddie Mac, and overall reduction in buyers anticipating tax burdens.

The result is falling credit prices. Credit prices that were once \$0.90 per dollar of credit are now closer to \$0.70 in areas of high investor demand, and even lower in less attractive markets. The LIHTC and affordable housing world in 2009 will be vastly different than the equilibrium which prevailed through the end of 2007. We do not know when the market will reach a new equilibrium, nor at what price.

Allocation in disequilibrium

MSHDA is committed to making full use of its federal allocation of LIHTC, even during this disruption. That means making sure all of Michigan's LIHTC is both allocated to sustainable projects and sold to investors. To do otherwise would be to waste a valuable federal stimulus in the midst of a recession.

For many years, LIHTC enjoyed a rising market. Investor demand appeared endless, creating an expectation that every viable project would, eventually, get done. As credit prices rose, LIHTC allocating agencies could gradually increase requirements, relying on competition among investors to drive credit prices up and provide subsidy to absorb required costs.

Now, we are abruptly shifting to a LIHTC market where the controlling feature is equity investment. Properties are chasing equity rather than equity chasing properties, and the market has yet to clear. Prices will eventually settle, but certainly at a lower level than previously, and likely with greater price differentiation around location, sponsor capability, financing complexity, and asset quality.

Lower tax credit prices means each dollar of credit allocated provides less subsidy for housing. Therefore, more resources will be needed for each property. Some of this can be made up through soft debt and similar gap-filler resources, but these are finite and in many ways already stretched thin. Some of the credit ceiling may now be exchanged for direct gap-filler resources, under authority newly granted under the American Recovery and Reinvestment Act of 2009. More credits can be allocated per property, particularly with the discretionary 30% basis boost, but this too has its limits. In the end, fewer properties and units will be produced.

MSHDA has designed this QAP to address this disequilibrium directly. Our aim is to make Michigan a desirable state for equity investors and to award credits to projects in which those investors prefer to invest.

Guiding principles

The QAP and the allocation round are guided by a few principles:

- **Fully utilize Michigan’s federal LIHTC allocation**, either through credit allocations or awards of gap-filler from exchanged LIHTC funds, particularly during this economic recession.
- **Make Michigan desirable for equity investors**, in terms of process and asset strength.
- **Support Michigan’s overall long-term policy goals**. Among the concerns that motivate the distribution of LIHTC are:
 - Supporting MSHDA’s work under its Consolidated Plan to expand the supply of affordable rental housing, improve neighborhoods, aid the homeless, and expand economic opportunity.
 - Providing a common vision and voice for affordable housing through Michigan’s 5-Year Affordable Housing Community Action Plan.
 - Maintaining consistency with MSHDA’s Public Housing Agency and Administrative Plans.
 - Observing Michigan’s Land Use Leadership Council Ten Growth Tenets.
 - Encouraging the development of Michigan’s Economy and Vibrant Communities.
 - Supporting Michigan’s Campaign to End Homelessness.
 - Ameliorating poverty in Michigan.
 - Preserving affordable housing in Michigan.
 - Fulfilling the requirements of the federal statutes for the LIHTC program.
- **Provide a process that is easier for participants**. Now that participants have experienced one round under this approach, new applications should be even easier to prepare.
- **Rely on competitive scoring** as the ultimate basis for allocation. MSHDA will allocate credits to the properties that best meet the stated goals. This is deliberate. Competitive scoring encourages program participants to find ways to fulfill the social objectives articulated in the QAP, which results in better social outcomes.
- **Encourage investment in Detroit-Hamtramck-Highland Park** via a priority scoring Target Percentage. (Within DHHP, the Next Detroit Neighborhoods are also advantaged.)
- **Maintain Permanent Supportive Housing as a central objective, but not a property cost**. Continue Michigan’s commitment to serving those who need supportive services as a permanent part of their housing. Particularly in the PSH units created as a threshold requirement, make it clear that services must have a dedicated funding source separate from the property, and that a safety valve exists to protect the property if service funding is unavailable.

Mechanisms to encourage equity investment

With this QAP, MSHDA has proposed several changes designed specifically to address the equity bottleneck by encouraging projects that appeal to equity investors. Allocations to projects that cannot attract investment have potentially negative value to the state of Michigan. Such credits will, eventually, be returned, and if unused, will be used by other states via the national pool. Therefore, the changes to the allocation mechanisms seek to specifically advantage projects that can demonstrably and quickly close on equity investments.

Points for hard equity commitment

The single largest point items—100 points—in the Scoring Summary is for a hard equity commitment.

Requirements to earn the points are quite high:

- At application, a binding commitment (which can be conditioned on receiving an award of LIHTC) identifying both syndicator and investor, documentation of the price, and commitment to a closing within 60 days of award.
- Within 60 days of award, updated documentation of the equity commitment including a signed partnership agreement.

These requirements are intentionally stringent. Projects that can show a hard equity commitment will score much higher and be extremely likely to receive an allocation. Only those projects that really do have a hard equity commitment should, in effect, move to the front of the line. Projects that claim a hard equity commitment and receive an award based on that must then fulfill their commitment quickly, or else forfeit their award, lose nonrefundable fees, and risk negative points in future rounds.

Additional LIHTC to aid existing allocations

In this environment of falling credit prices, properties with allocations from past rounds are struggling to close. Affordability resources will need to concentrate in fewer properties to ensure that those properties succeed. MSHDA is therefore providing additional LIHTC to projects that have received an allocation of tax credit from previous rounds. Properties applying for additional credit that have a hard equity commitment will receive consideration for funding before all other projects.

Again, the key element is a hard equity commitment. It is an effective use of additional LIHTC to make sure a previous allocation closes on equity investment and does so quickly.

Capabilities of development and management team

It has become clear that in this environment, the strength of a property's developer and manager are even more critical both to the property's operational success and its attractiveness to equity investment. We have therefore:

- doubled the points available for Sponsor and Management Agent Characteristics, and
- allowed multiple properties to count toward the total points.

Applicants who have successfully developed multiple properties and managed them successfully for several years can earn up to 40 points.

Basis boost

The federal Housing and Economic Recovery Act of 2008 granted states the ability to apply a 30% basis boost (equivalent to being located in a DDA) to ensure financial feasibility. MSHDA has determined the following criteria, any one of which is sufficient for properties eligible for the 30% basis boost:

1. High Cost Areas – Projects where the eligible basis (without the boost) would be a low percentage of the total development costs due to either high land costs or the necessity of extensive site preparation and/or off-site costs.
2. Permanent Supportive Housing – Projects receiving allocations under the set-aside.
3. Financial Feasibility – Projects that demonstrate, to the Authority's satisfaction, that they are financially infeasible without a boost, based on such factors as: market conditions that make it difficult in obtaining debt financing and equity commitments, income and expense expectations affected by economic conditions, and other subsidy resources already committed to the project.
4. Historic tax credits – Projects receiving an award of federal or state historic tax credits.

5. Green Community/New Urbanism – Projects that achieve a score of 10 points or greater in the category.
6. Deep income targeting – Projects serving very low income tenants (50% AMGI or less).
7. Preservation projects – Projects meeting the threshold requirements for preservation.

Underwriting changes

Evaluating the feasibility of applications in a declining economic environment requires adjustment of underwriting parameters. For properties to be sustainable long term (and therefore of interest to equity investment), they will require sufficient cushion to withstand negative economic events. Therefore, we have changed:

- Debt service coverage ratio: 1.25 for all projects, unless circumstances warrant the use of an alternative standard (e.g. RHS-financed projects).
- Vacancy rate: 8%

By necessity, this will require greater concentration of subsidy resources, thereby reducing the total number of units produced. This is a necessary tradeoff to ensure that allocations made are used successfully in sustainable properties.

Points for historic properties/historic credits

Historic tax credits are in some ways more attractive to investors than the LIHTC. Historic credits are available up front, properties have a shorter compliance period, and compliance is more easily verifiable. Properties combining both LIHTC and historic credits are particularly attractive to investors. Furthermore, the federal Housing and Economic Recovery Act of 2008 requires that QAPs address the historic character of properties. Therefore, we have allowed historic projects to earn 10 points if they also use state or federal historic credits.

We recognize that there may be properties of historic character that do not have an award of historic credits. However, to establish objective criteria and focus allocations on properties attractive to equity, we have chosen to rely on a parallel award of state or federal historic credits to implement this criterion.

Credits reserved for post-round rolling allocations

MSHDA recognizes that the process of assembling the many elements of a successful project are even more difficult in this disrupted equity environment. To encourage stronger equity commitments to emerge even after the initial round, MSHDA is reserving approximately 25% of its allocation ceiling to be awarded on a rolling basis to projects that have a hard equity commitment, meet threshold requirements, and a minimum score.

The process is designed to be simple but flexible, so applicants need not worry about how or when to apply. The sooner an application with hard equity comes in, the better. The mechanism, described in detail in the QAP, follows these principles:

- **Single track process.** Applications received before the May 1 deadline will be considered for the competitive round, as described. Applications received after May 1 and until September 30 with a hard equity commitment may receive allocations on a rolling basis, provided they meet a minimum score.
- **Hard equity gets quick response.** Those that apply to the initial round with a hard equity commitment will receive all of the advantages described above and may well be awarded credits very early in the initial round. Applications with hard equity that arrive later will be addressed first-come, first-served.
- **Rolling process is only for hard equity.** MSHDA is specifically reserving credits to encourage applications with equity commitments even after the initial funding round ends. As with the points for hard equity in the

competitive round, applying with hard equity brings with it requirements for nonrefundable fees, requirement for quick closing, and risk of penalties for failing to fulfill.

PSH is priority, not a property cost

At the highest levels of government, Michigan has declared its desire to serve one of the neediest populations in the state—those who need supportive services as a permanent part of their housing. LIHTC is a powerful resource that can provide permanent supportive housing (PSH) to aid individuals with different levels of need, as long as the LIHTC resource is coupled with funded service providers in a well-defined set of relationships.

Particularly in this difficult LIHTC marketplace, we should be clear that PSH obligations are not a property cost. Properties providing PSH are obligated to provide housing and accept services, but funding for those services must be provided separately.

Two types of PSH: deconcentrated and service-enriched

Some PSH residents will benefit from integration into a mainstream community via deconcentrated housing interspersed with market apartments. Other PSH residents require a comprehensive service environment and function best in a community that is predominantly service-enriched, which in turn implies a property that has a concentration of such residents to allow common facilities.

Therefore, Michigan has chosen two mechanisms to create permanent supportive housing:

1. Broad-based inclusion of 10% PSH units as a threshold requirement for every (non-elderly) LIHTC development, with appropriate roles, responsibilities, and operational safety valves.
2. A set-aside for higher-density PSH developments.

For each, the QAP draws on Michigan's examples of successful PSH development, which has produced over 1,300 units of PSH housing, as well as North Carolina's model for PSH, which has functioned well for several years.

Roles, responsibilities, and operational safety valves

Roles and responsibilities. Core to making PSH work is a proper allocation of the 'new' roles (to a rental apartment) of the servicer provider and referring agency.

- Owners and managers must hold PSH units available for PSH applicants sent to them by servicer providers. (Details are provided below.)
- All PSH tenants must pay the same rent and abide by the same conditions of occupancy as other tenants. Subsidy, if not attached to the apartment and necessary for the resident to afford the apartment, must accompany the PSH tenant.
- Service provision (and funding for such services) is not the owner or manager's responsibility, it is that of the servicer provider.

These roles require collaboration documented in a Memorandum of Understanding (MOU) among the applicant, management agent and service organization detailing the services that will be provided. Owners and management agents will partner with service organizations skilled in servicing Supportive Housing Tenants. MSHDA will coordinate and assist applicants in identifying quality service organizations and will also facilitate the execution of the MOU.

This threshold requirement was new in 2008, which means that property managers and service providers are still

developing working relationships to deliver services and subsidy resources to tenants within properties that serve a market beyond just supportive housing tenants. Developing those relationships and the ways of doing business is ongoing, and participants are learning from experience and from each other as they are developed.

MSHDA has the authority to extend the deadlines for MOU between service providers and property owners, if extensions are needed to make the process work.

Availability, rental, and re-rental. Allowing PSH units to remain vacant other than for normal turnover is not an acceptable result; hence the PSH threshold requirement is predicated on the service provider and referring agency providing qualified rental applicants. To protect operational viability, the 2008 QAP includes a safety valve for supportive housing units:

- Properties must make PSH units available to PSH tenants supplied by the service provider.
- If a lease-qualified PSH tenant is not available within a normal rental interval, the property may rent the unit to a non-PSH tenant under the property's other applicable use restrictions.
- If at any time the property has fewer PSH tenants than its threshold, the next-available-vacancy must be made available to a PSH tenant.

Overall impact of the safety valve. This safety valve works for all participants:

- Properties will receive rent for units, either occupied by PSH tenants or other low-income tenants, and thus will remain financially viable.
- Tenants will have access to PSH units throughout the property's affordability commitment.
- Service providers will have time to assemble resources and deliver services, but also an incentive to do so quickly, as the sooner qualified tenants can be delivered, the sooner PSH tenants can be assisted.

Rent levels, income targeting, and subsidy. To enable MSHDA's LIHTC to serve the maximum number of households, PSH units do not have intrinsic separate or lower income ceilings. Rents for PSH units are thus to be set by sponsors in the normal fashion. This is a deliberate choice designed to use complementary resources as they were designed, because:

- The LIHTC subsidy does not efficiently reach deep enough to target below 50% AMI; deeper income targeting requires income assistance such as Section 8.
- Even at very low income ceilings (e.g. 30% of Area Median Income), many PSH applicants cannot afford such rents without income subsidy.
- Tying deep income targeting to the LIHTC subsidy risks confusion about appropriate rent levels when subsidies overlap.

Deep income targeting is not an intrinsic function of the LIHTC award for PSH units, but can be achieved through additional subsidy such as income supplement (e.g. Section 8 or Housing Choice Vouchers), or sinking funds established by additional local sources. MSHDA encourages applicants to seek awards of project-based vouchers to support PSH units.

Safety valve for deep income targeting

Particularly in a recession, providing affordable housing to very low-income residents of Michigan is a priority for State of Michigan. Properties that commit to deep income targeting are advantaged in the scoring.

However, we also recognize that imposing unfunded additional costs on properties already under severe financial stress can undermine the sustainability of properties and deter equity investors. The QAP therefore continues its commitment to deep income targeting while ensuring that the property-level commitments have a safety valve to protect financial sustainability.

In most markets, rents affordable to residents at 30% of AMI are equivalent to zero net operating income—barely sufficient to pay operating costs even with no debt service. In weaker rental markets with slower income and rent growth, the zero-NOI level can be even higher. To operate sustainably properties with deep income targeting need rental subsidy, such as project-based Section 8, in addition to capital subsidy, such as LIHTC.

Project-based rental subsidy makes properties more sustainable, but it also adds a level of risk to which equity investors and lenders are sensitive. For instance, project-based Section 8 contracts are subject to annual appropriations risk—if Congress does not appropriate sufficient funds, subsidy can be cut. This has never happened, but it is possible under the subsidy contracts. Were it to happen, equity investors and lenders are rightly concerned that a property could be required under a use agreement to target very low income tenants without the expected subsidy.

The 2009 QAP therefore incorporates a safety valve for projects that commit to deep income targeting and choose to rely on project-based rental assistance to achieve financial feasibility. If the project-based rental assistance ends due to events outside the owner's control, the rent and income restrictions revert to the 50% or 60% level as selected by the owner. This preserves the ongoing sustainability of the property to serve low-income tenants even if the rental subsidy that allows deep income targeting ends.

Preservation is a priority

In general, the challenges facing Michigan require not more housing units in total, but higher-quality housing and the reinvestment in Michigan's cities. This QAP therefore encourages preservation in the general competition. It also clarifies that redevelopment of public housing is an eligible preservation transaction, regardless of whether it occurs through the HOPE VI program.

Green Communities/New Urbanism remain point options

Although energy conservation, green initiatives, and new urbanist design are important priorities for use of public investment capital, they are still relatively new to Michigan—2008 was their first introduction in Michigan. The initial experience with 2008 awards suggest many of the Green Communities/New Urbanism add value to properties without much, if any, added cost. The 2009 QAP doubled the points available for Green Communities/New Urbanism criteria.

Program participants who have remaining concerns about these streamlined green requirements are particularly invited to submit specific comments on particular elements, together with recommended alternatives. Based on comments in the previous round and MSHDA's own observations, we have modified the list of requirements for this round. Further comments will be useful for this and subsequent rounds of LIHTC allocation.

No penalty for returning credits

Because of the disruption in equity markets, some 2007 allocations and many 2008 allocations have yet to close. Developers should make a realistic assessment of their ability to close and consider returning credits that cannot be used in a timely fashion. It is of paramount importance that Michigan put its LIHTC to work quickly.

There is no penalty for voluntarily returning credits. Developers who do so will be doing a service to the state, as it helps no one to hold on to allocations that could be used in other, ready projects. Applications can be resubmitted in later rounds, when the project is more ready to proceed. Doing so would be much better than

having an allocation rescinded by MSHDA for failure to close, which could result in a penalty to the developer.

Credit exchange should provide additional gap-filler

New federal legislation signed just days before this QAP was issued provides an innovative new tool: MSHDA can exchange a portion of its LIHTC allocation ceiling for gap-filler funds to be allocated to LIHTC properties. MSHDA moved quickly to implement the LIHTC exchange and use the resources provided to support sustainable affordable housing preservation and development in Michigan. Specific guidelines were developed, guided by the following principles:

- **LIHTC exchange funds are gap-fillers to create more sustainable properties.** The LIHTC exchange provides a much-needed mechanism for concentrating subsidy into a necessarily smaller number of more sustainable properties.
- **Allocations of exchange funds carry LIHTC compliance requirements.** They may also create additional asset management requirements for MSHDA to fulfill, which may require property-level fees.
- **Allocations will be competitive,** just like LIHTC. Even with this new mechanism, Michigan has finite resources that are over-subscribed. Competitive allocation directs those resources to where they can best serve the state's affordable housing needs. Just because a property has an existing (but unsold) allocation of LIHTC does not mean it will automatically qualify for exchange funds.
- **Michigan will maximize the value of its federal resource.** That means balancing the likely higher per-credit dollar price obtainable via the exchange against the demonstrated efficiencies of syndicated LIHTC, all in the context of a disrupted syndication market. As market conditions shift, so too will the value of various options.

Conclusion: drawing equity investment to Michigan

This QAP is, as before, an exercise in practicality, seeking mechanisms to attract equity investment to Michigan in service to the state's policy goals. MSHDA invites stakeholders to provide comments in the same spirit, focusing on rapid, full utilization of MSHDA's scarce and valuable resource.

As part of improving the 2009 QAP, MSHDA intends that:

1. **MSHDA will be a leader in cooperative efforts to fully utilize Michigan's LIHTC allocation.** Resources are finite and in this difficult environment all parties to a transaction must contribute to make the property succeed. MSHDA will use its available resources, pioneer new mechanisms such as the LIHTC exchange, be flexible in its policies, and encourage all other parties to cooperate in fully utilizing the tax credit resource.
2. **Allocation will be transparent.** MSHDA will make all scores and the methodology for making awards public.
3. **The process will adapt.** The market is moving faster than annually-reviewed policies can react. As those shifts continue, MSHDA will use all the tools available to it to encourage the full use of the LIHTC resource and the development of affordable housing in Michigan. This will likely mean more waivers, quicker implementation, policy bulletins guiding new mechanisms, and an overall more flexible process focused on the end goal of creating sustainable affordable housing properties.
4. **Improvements will be made.** MSHDA anticipates an ongoing review and revision of the QAP to keep the LIHTC program in step with changing economic conditions and policy priorities. Active participation by stakeholders is essential to that process.

Exhibit IX**TECHNICAL ASSISTANCE PROVISION****FY 2009 (07/01/08 TO 06/30/09)**

Consultant	Organization Receiving TA	Type of TA	Contract Amount
Abraham & Gaffney PC	MSHDA (Audit - GNCCDC)	HOME ADMIN	\$15,000
Brickley DeLong, PLC	MSHDA (CD-Income Ver. Audit)	HOME ADMIN	\$4,640
Bruce Johnston Enterprise	Gladwin City Housing Commission	CDBG	\$3,058
Bruce Johnston Enterprise	MSHDA (Rental Rehab Training)	HOME - Capacity Building/In-direct TA	\$3,920
Bruce Johnston Enterprise	St. Clair County	CDBG	\$2,032
C of C Strategic Support, LLC	MSHDA (Rental Dev. & SPI)	Supportive Housing Capacity	\$73,836
Capital Access, Inc.	City of Benton Harbor	Building/Direct TA	\$6,620
Capital Access, Inc.	MSHDA (NSP Trainings)	Capacity Building/In-direct TA	\$9,500
Capital Access, Inc.	People's Community Services	Capacity Building/Direct TA	\$75,000
Comm. Revitalization Training Center	MSHDA (3-day Residential Rehab Training)	HOME - Capacity Building/In-direct TA	\$12,914
Community Dev. Consultant Group	Sturgis Neighborhood Program	CHDO Direct TA	\$2,713
Community Development Strategies	MSHDA (Sault Ste Marie, MCOP, NIC)	Capacity Building/Direct TA	\$10,945
Community Legal Resources	MSHDA (Strategic Planning)	Capacity Building/In-direct TA	\$40,000
Corporate FACTS	Avalon Housing Corporation	Capacity Building/Direct TA	\$28,750
Corporate FACTS	MSHDA (Benton Harbor - COP)	Cities of Promise	\$38,402
Corporate FACTS	MSHDA (Detroit - COP)	Cities of Promise	\$49,399
Corporate FACTS	Next Detroit Neighborhood Initiative (NDNI)	Capacity Building/Direct TA	\$11,875
Creative Consulting, LLC	MSHDA (Hamtramck/Arts - COP)	Cities of Promise	\$23,705
DYNS Services, Inc.	MSHDA (Rental Dev. & Special Housing)	HOME ADMIN	\$130,002
Franke Consulting Group	MSHDA (HOME, CDBG & LBP)	Capacity Building/In-direct TA	\$15,000

Consultant	Organization Receiving TA	Type of TA	Contract Amount
Gladwin City Housing Comm.	Clare County Housing Comm.	CDBG Capacity	\$3,920
Hager Consulting	Benzie Housing Council Court Street Village	Building/Direct TA	\$5,158
Hager Consulting	Nonprofit MSHDA (HCV Program Inspections)	CHDO Direct TA Housing Voucher Programs	\$8,823
JDG Associates, LLC	MSHDA (Housing Needs)	CDBG	\$2,732
McKenna Associates, Inc.	MSHDA (Housing Conference Organization)	CDBG	\$12,500
Organizational Services, Inc.	Community Housing Alternatives (CHA)	HOME ADMIN	\$110,000
P.S. Equities	MSHDA (HCV Program Inspections)	HOME ADMIN Housing Voucher Programs	\$2,138
Pro-Tec Inspections	MSHDA (HQS Training)	HOME - Capacity Building/In-direct TA	\$3,450
Shouldice Home Inspection, LLC	MSHDA (HQS Trainings)	HOME ADMIN	\$7,150
Shouldice Home Inspection, LLC	MSHDA (HCV Program Inspections)	Housing Voucher Programs	\$1,515
Shouldice Home Inspections, Inc.	MSHDA (HQS Trainings)	Construction Management	\$2,871
Shouldice Home Inspections, LLC	MSHDA (HCV Program Inspections)	Housing Voucher Programs	\$4,943
St. Clair Rental Assistance, LLC	MSHDA (Flint - COP)	Cities of Promise	\$14,865
Strategic Planning Services	MSHDA (Pontiac - COP)	Cities of Promise	\$26,400
Strategic Planning Services Sturgis Neighborhood Planning	Housing Development Corp Grand Traverse County Land Bank & Homestretch	CHDO Direct TA Capacity Building/Direct TA	\$33,000
The Protogenia Group, LLC	MSHDA (CAP Training Assessment)	Construction Management Capacity	\$3,928
United Consulting Services, LLC	Grandmont Rosedale Dev	Building/Direct TA HOME - Capacity	\$3,500
WareHouse Enterprises	City of Benton Harbor	Building/In-direct TA	\$2,087
WareHouse Enterprises	Community Action	CDBG	\$2,476
WareHouse Enterprises	Creekside Comm. Dev. Corp	CDBG	\$3,522
WareHouse Enterprises	Rural Michigan CDC	CHDO Direct TA	\$2,703
TOTAL		CHDO Direct TA	\$1,076
			\$829,617

Exhibit X

FY 2008 HOUSING AND COMMUNITY DEVELOPMENT FUND GRANTS

Grant Recipient	Description	City	Grant Amount	Units	Home-less House-holds Served	Extremely Low Inc. House-holds Served	Dollars Leveraged
Avalon Housing Community Housing Network	Nonprofit	Ann Arbor	\$300,000	117	30	20	\$3,214,100
Eastside LAND	Nonprofit	Hazel Park & Ferndale	\$31,800	12	0	29	\$3,042,760
Habitat for Humanity	For-profit	Detroit	\$250,000	16	0	12	\$251,230
Habitat for Humanity	Nonprofit	Bay City	\$34,000	2	0	16	\$102,000
Habitat for Humanity	Nonprofit	Detroit	\$162,408	20	0	0	\$1,840,000
Habitat for Humanity	Nonprofit	Flint	\$60,000	4	3	0	\$240,000
Habitat for Humanity	Nonprofit	Grand Rapids	\$60,000	2	0	2	\$106,000
Habitat for Humanity	Nonprofit	Lansing	\$24,342	3	0	0	\$344,543
Habitat for Humanity	Nonprofit	Clinton Township	\$33,000	1	0	3	\$66,200
Habitat for Humanity	Nonprofit	Monroe	\$17,000	1	0	1	\$108,000
Habitat for Humanity	Nonprofit	Muskegon Hgts Benton	\$8,350	1	0	1	\$72,050
Habitat for Humanity Housing Resources, Inc.	Nonprofit	Charter Twp.	\$100,000	9	0	1	\$900,000
Mid Mich. Comm. Action Agency	Nonprofit	Kalamazoo	\$50,000	25	25	0	\$165,000
Southwest Housing solutions	Nonprofit	Clare	\$262,800	24	0	25	\$150,000
Venture, Inc.	Nonprofit	Detroit	\$300,000	18	2	24	\$7,695,008
Village View Housing Partners	Nonprofit	Linden	\$119,700	32	0	2	\$2,020,975
West Michigan Therapy	For-profit	Garfield Township	\$300,000	18	0	10	\$3,223,143
	Nonprofit	Muskegon Hgts.	\$50,000	4	4	0	\$500,000
TOTALS			\$2,163,400	309	64	146	\$24,041,009

NOTE: "Extremely Low Income Households" earn below 30% of Area Median Income.