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January 31, 2025

Amy Hovey Michigan State Housing Finance Agency P.O. Box 30044 Lansing, MI 48909

## RE: Comments on the 2026-2027 MSHDA Low-Income Housing Tax Credit Qualified Allocation Plan

Dear Ms. Hovey:

The BlueGreen Alliance Foundation (BGAF) appreciates the opportunity to provide written comments on Michigan's draft 2026-2027 Qualified Allocation Plan (QAP). Building Clean is a project of the BlueGreen Alliance – a national non-profit, 501(c)(3) organization that was founded in 2006 as a project between the United Steelworkers Union and the Sierra Club to unite labor unions and environmental organizations. Building Clean aims to improve efficiency, health and equity in housing and creating good jobs. We try to accomplish this by investing in the health of residents, workers and communities through the use of building products that are free of hazardous chemicals.

Structuring policies that support the purchase of locally-made, energy-efficient products not only helps maintain good-quality jobs but also generates local economic activity and drives overall economic innovation. We strongly support MSHDA for requiring all projects to incorporate products or goods manufactured by Michigan-based firms. More information on how procurement can boost local economies <u>can be found here</u>.

Below are several areas to strengthen section "XXII - Michigan Products," in MSHDA's QAP.

- Add a quantitative threshold for developers to meet to abide by the local sourcing requirement or incentivize "Buy Michigan" by offering additional points for using statebased building materials. Vermont, for example, includes a provision urging projects to have at least 20 percent of building materials to be locally manufactured.
- Create a database of Michigan-made building products that will inform developers of locally-made materials and determine if an affordable housing project meets MSHDA's "Michigan Products" requirement as cited in section XXII. As an example, Consumers Energy provides a list of Michigan-based companies that manufacture energy-efficient

products in Michigan, making it easier for consumers to claim a rebate for purchasing instate equipment.

To illustrate this last point, Building Clean's manufacturer database - <u>buildingclean.org</u> - lists 118 facilities within the state of Michigan that make building products. These products range from energy efficiency sectors such as lighting, appliances, insulation, sealants, HVAC, plumbing, water filtration systems and roofing. We would welcome the chance to provide a more comprehensive overview of this database and share our data with MSHDA.

Once again, thank you for the opportunity to provide comments for Michigan's 2026-2027 QAP. We look forward to the release of the draft version.

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