

**Michigan State Housing Development Fund
Report to the Legislature:
FY 2008-09 Housing and Community Development Fund**

Sec. 438 of P.A. 251 of 2008 requires the Michigan State Housing Development Authority (MSHDA) report to the subcommittees, fiscal agencies, and the State Budget Director on the status of Housing and Community Development Fund (HCDF) projects. The following describes the status of FY 2008-2009 grants and other information required by the statute.

Status of the FY 2008-2009 Grants

At the time of writing, MSHDA has received applications for the FY 2008-2009 Housing and Community Development Fund (HCDF) grants and is in the process of reviewing and scoring the applications. It is anticipated that the MSHDA Board of Directors will approve the chosen applicants at its May 20, 2009 meeting and that grant awards will be announced shortly thereafter. Please see the attachment for a list of individual applicants.

Allocation Plan

MSHDA is required to develop a biennial plan providing for a formula allocation of the Fund based on the number of persons experiencing poverty, economic, and housing distress in various regions of the state. The 2009 formula allocation relates housing and economic need data by urban and rural areas, and resulted in a requirement that 30% of all HCDF grant funds be allocated to rural areas and small towns and 70% to urban areas. This Allocation Plan was approved by the MSHDA Board on February 25, 2009 after being presented at five public hearings throughout Michigan. A copy of this plan is attached.

Number of Applicants

Applications for funding, which were due to MSHDA in early April, were received by 83 applicants.

Amounts Requested

A total of \$20,917,073 was requested via grant applications, which was nearly ten times greater than the amount of available funding. (The FY 2008-09 HCDF appropriation is \$2,163,400.) The attached spreadsheet shows the grant amounts requested by each of the applicants.

Description of Projects

Projects varied greatly, with some of the most common including the following:

- projects to build or rehabilitate housing units
- foreclosure prevention and housing counseling programs
- downtown projects, such as the restoration of a theater or construction of a social services center

Please see the attached spreadsheet for an applicant-by-applicant list of project.

Amounts Awarded

The amounts awarded have not yet been determined, as grant applications are currently being reviewed. However, the maximum award allowed is \$300,000 per applicant.

Number of Housing Units

A preliminary review of the applications shows that 1,824 new and rehabilitated housing units would be created if all grants were funded. Of these, applications were received for 1,213 new units and 611 preserved/rehabilitated units.

Income levels of HH projected to be served.

All units must be targeted to households earning an income at or below 80% of Area Median Income, with 20% of rental and for-sale homes at or below 60%. However, many proposals are targeted to households at much lower levels.

ATTACHMENT

**Michigan State Housing Development Authority
Michigan Housing and Community Development Fund
2009 Allocation Plan
January 2009**

General Information:

The Michigan State Housing Development Authority Act of 1966, Act 346 of 1966, Part 125.1458a Michigan Housing and Community Development Fund (the "Fund") charges MSHDA with creating and implementing the Michigan Housing and Community development program for the purpose of developing and coordinating public and private resources to meet the affordable housing needs of low income, very low income, and extremely low income households and to revitalize downtown areas and adjacent neighborhoods in Michigan.

Allocation of Funds:

MSHDA is required to develop a biennial plan providing for a formula allocation of the Fund based on the number of persons experiencing poverty, economic, and housing distress in various regions of the state. The 2009 formula allocation relates housing and economic need data by urban and rural areas. The formula includes data on the share of population, cost burden, poverty, unemployment and foreclosures by urban and rural areas. All data is from the 2000 census.

The 2009 allocation is \$2,163,400. The formula allocation is as follows:

AREA	FORMULA %	FORMULA AMOUNT
Rural (Rural + Small Town)	30%	\$ 649,000
Urban (Fringe + Urban)	70%	\$1,514,400

A formula based map identifying rural and urban areas is attached.

Populations Served:

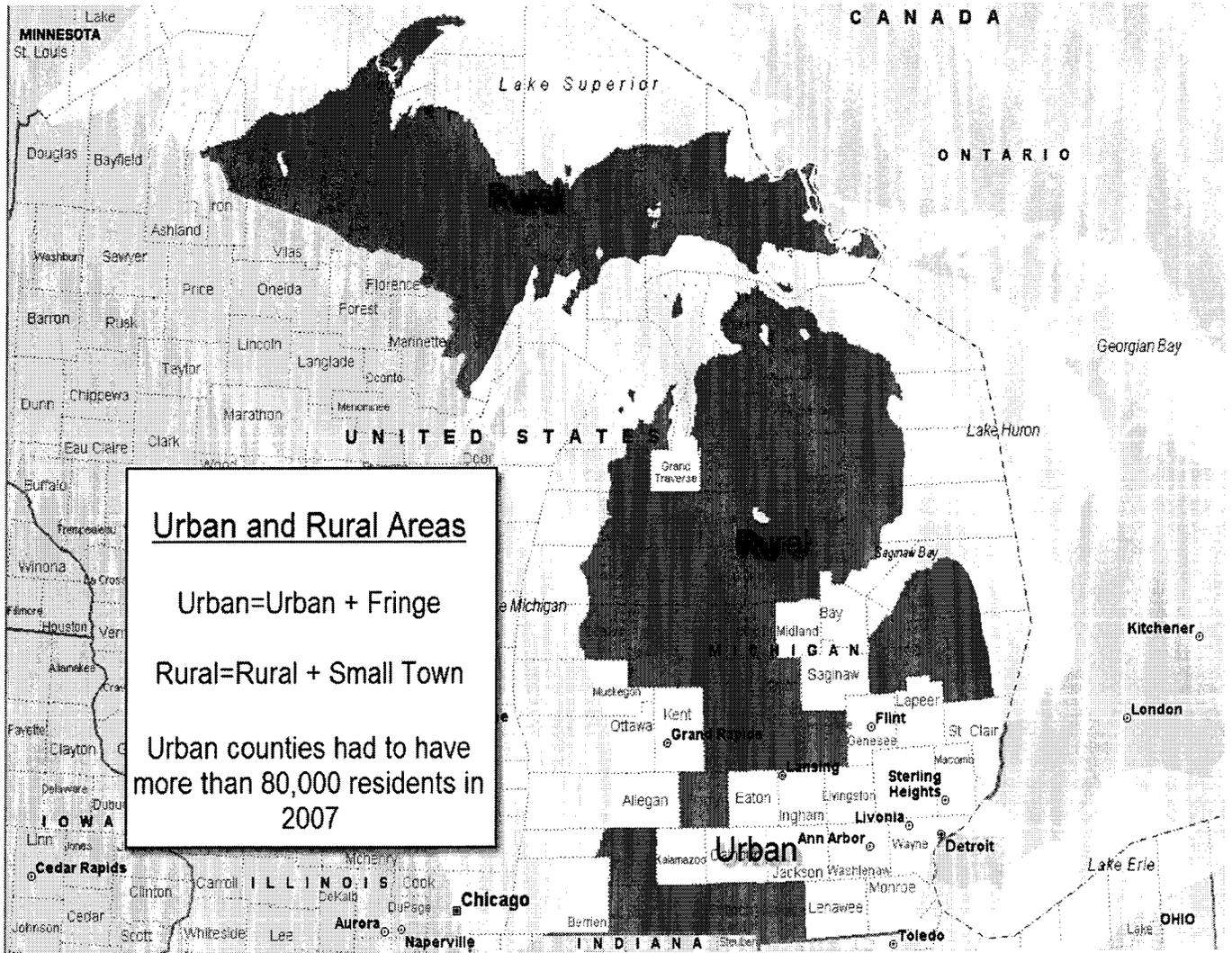
Populations served must be at or below 60% Area Median Income, where applicable.

Preferences:

Based on the applications received, the Authority shall expend:

- Not less than 25% of the fund for rental housing projects that do not qualify under preferences for special population groups, geographic preferences, or other preferences detailed in the NOFA.
- Not less than 30% of the fund for projects that target extremely low income households (30% AMI and below) and include at a minimum developing housing for the homeless.
- A portion of the fund for housing for persons with physical or mental handicaps and persons living in an Eligible Distressed Area (See MSHDA's website for list).

Contact Carolyn Cunningham, 517-335-4661, cunninghamc@michigan.gov, or Julie Hales-Smith, 517-373-6026, halesj@michigan.gov, with any questions.



FY 2008-09 Michigan Housing and Community Development Fund Applications

Agency	County	Project Description	Total Units	New Units	Rehab. Units	Amount Requested
Amandla CDC	Detroit	10 acre site development	98	98		\$225,000
Avalon Housing	Washtenaw	Partkhurst Apts-Supportive Housing	64		64	\$300,000
Barrier Busters Action Group	Washtenaw	Emergency financial assistance	0			\$82,500
Berrien C. LB Authority	Berrien	Land Bank - building demolition	0			\$300,000
Better Built Community Dev Corp	Detroit	Rehabilitate commercial building	0			\$270,000
Brighthouse, LLC	Wayne	Rehabilitate single family homes	5		5	\$300,000
CARE House of Oakland County	Oakland	Build child abuse service center	0			\$300,000
Cass Community Social Svcs	Detroit	Cass Apartments - gut rehab	42		42	\$300,000
CEDAM for (MI Forecl. Task Force)	statewide	Foreclosure Prevention Capacity	0			\$300,000
Chippewa-Luce-Mackinac CAA	Luce	Community Center	0			\$246,343
CHUD (proposal for Metro Det)	Oakland	Housing counsel/outreach	0			\$300,000
Cindy's House LLC	St. Clair	Renovate a B & B	0			\$225,000
City of Coldwater	Branch	Redevelop downtown historic bldg	9	9		\$300,000
City of Dearborn Heights	Wayne	Homeowner rehab -- energy eff.	0			\$300,000
City of Gladwin	Gladwin	Improve city park and campground	0			\$97,000
City of Hamtramck	Wayne	Center for human service provision	0			\$300,000
City of Highland Park	Wayne	Renovate McGregor Library	0			\$300,000
City of Ionia	Ionia	Purchase, rehab, and sell homes	4		4	\$300,000
City of Iron River	Iron	Redevelop school bldg into housing	22	22		\$297,000
City of Jackson	Jackson	ArtsWalk Walking Path	0			\$300,000
City of Ludington	Mason	New fire station	0			\$1,284,000
Clare County	Clare	Homeowner rehab	10		10	\$82,000
Clare County enterprise Community	Clare	Foreclosure prevention	0			\$51,500
Creekside CDC	Detroit	Lease/purchase vacant homes	13		13	\$150,000
Emmaus House of Saginaw	Saginaw	Resource Distribution Center	0			\$140,000
Flint NIPP	Genesee	Downtown grocery store	0			\$250,000
Fonosynthesis, Inc.	Detroit	Recording studio	0			\$300,000
GDC-NCC LHDA, LP	Detroit	New Center Commons	71		71	\$300,000
Grand Ledge Area District Library	Eaton	Library expansion	0			\$210,600
Grandmont Rosedale Dev. Corp	Detroit	Foreclosure prevention	0			\$100,000
Gratiot McDougall United CDC	Detroit	Foreclosure prevention	0			\$300,000
GVB Development Group, LLC	Ottawa	Infrastructure for housing development	59	59		\$300,000
Habitat for Hum Michigan	Various	Home construction	26	26		\$300,000
Haddon Estates	Wayne	Mortgage voucher program	32	32		\$288,000
Hancock Housing Foundation	Hancock	Quincy Haven Apartments	24	24		\$300,000
Heartside Nonprofit Hsg Corp.	Kent	Goodrich Apts - rehab	14		14	\$300,000
HomeStretch Nonprofit Hsg Corp	Gd Traverse	Whiting Hotel (downtown TC)	11	11		\$260,000
Human Development Com'n	Sanilac	Croswell Country Manor - rehab	32		32	\$280,000
Human Development Com'n	Lapeer	Lapeer Co Hml-to-hsg	0			\$20,000
ICCF	Kent	Construct mixed-use building	200	200		\$300,000
Imlay City DDA	Lapeer	Infrastructure improvements	0			\$300,000
Jackson Affordable Housing corp	Jackson	Foreclosure prevention & acq. Rehab. Foreclosure prevention & acquisition rehab	2	2		\$90,816
Joy-southfield CDC, Inc.	Detroit	rehab	54		54	\$51,200
Kalamazoo Area Housing corp	Kalamazoo	Rickman House - gut rehab	46		46	\$300,000
Liberty Hill Housing Corp	Wayne	Hix Rd Project-2 new rentals	2	2		\$125,000
Lighthouse Communities, Inc.	Kent	Lighthouse Dev Center	0			\$250,000
Lighthouse Community Dev.	Oakland	Payoff loans for conversion to rental	6		6	\$180,000
Looking for my Sister	Detroit	Renov. housing for DV victims	13		13	\$265,170
Lutheran Child/Fam Svcs of MI	Wayne	Oakman Place - Supportive Housing	24	24		\$300,000

FY 2008-09 Michigan Housing and Community Development Fund Applications

Agency	County	Project Description	Total Units	New Units	Rehab. Units	Amount Requested
Lutheran Hsg Corp -- Adrian	Lenawee	Adrian Village Apts - rehab	112		112	\$252,712
MAP HDC, LLC	Washtenaw	Homeless rental	40		40	\$117,800
Mark Harper	Wayne	Rehabilitation of vacant homes	13		13	\$300,000
Michigan 2-1-1-	state-wide	Foreclosure. Prevention hotline	0			\$265,000
Mid Michigan CAA	Clare	4th St. Senior Housing	24	24		\$300,000
Monroe County Opportunity Prog	Monroe	Neighborhood clean-up/weatherization	0			\$81,000
MSU Extension	Oakland	Housing education	0			\$243,850
Nailah LLC	Detroit	Nailah Commons - new construction	38	38		\$248,540
Neighborhood Service Organization	Detroit	Bell Building - redevelop into housing 3 LIHTC projects - rehab and new constr.	155	155		\$300,000
Northwest Det Neigh'hood Dev.	Wayne		147	147		\$300,000
Northwest Michigan CAA	Grand Traver	Foreclosure counseling and case mgt.	0			\$140,867
Oakl'd/Living Human Svc Agy	state-wide	Individual Development Accounts	116	116		\$300,000
Personal Assisted Living Services	Wayne	Preserve 3 homes for disabled	28		28	\$188,000
Phoenix Housing & counseling	Detroit	Housing counseling	0			\$225,000
Pontiac Growth Group	Oakland	Restore Strand Theater	0			\$300,000
PW Comm Dev & Nonprof Hsg Corp	Detroit	Training/education	0			\$200,000
Sanborn Gratiot Memorial Home	St. Clair	Improve a assisted living facility	15		15	\$300,000
Serenity Center, Inc	Wayne	Rehab foreclosed homes	3		3	\$300,000
Solid Ground, Inc.	Macomb	Bldg rehab for services to homeless	0			\$210,000
Southwest Housing Solutions	Wayne	Creative Arts Center	0			\$300,000
Southwest Housing Solutions/2	Wayne	150 1br apartments - homeless vets	150	150		\$300,000
Spring Harbor Management Corp.	Washtenaw	Assistance to mfg home community	0			\$300,000
Springhill Housing Corp	Oakland	Acquire & rehab homes for suptv. hsg.	4		4	\$100,000
Steve Ostrowitz	Wayne	Home rehabilitation	12		12	\$300,000
The Piast Institute	Wayne	Down payment assistance	0			\$220,000
Tibbits Opera Fndtn & Arts Council	Branch	Repair house for low-income artists	1		1	\$10,000
United Way for Southeastern MI	Detroit	Coordinate forecl.prevention services	0			\$300,000
U-SNAP-BAC, Inc.	Detroit	Hsg Resource Center	0			\$200,000
Utopia Development CBJ, LLC	Wayne	Brownstown, MI	5		5	\$300,000
Village of Newberry	Luce	Historic prop renovation	2	2		\$300,000
Washtenaw County	Washtenaw	Foreclosure prevention collaboration	0			\$96,175
Wayne County	Wayne	Foreclosure prevention	0			\$300,000
West Investment Group, LLC	Oakland	Downtown Pontiac - new housing	72	72		\$300,000
West Michigan Therapy, Inc.	Muskegon	Gateway Program	4		4	\$297,000
TOTAL			1,824	1,213	611	\$20,917,073