

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
Low Income Housing Tax Credit Program

POLICY STATEMENT

DEFINITIONS

Adaptive Reuse:

In order for a building(s) to qualify as adaptive re-use developments, the building(s) must be different from its original or previous use, involving conversion to either 100% affordable housing, or some mix of affordable housing and other compatible uses. Adaptive reuse allows structures to retain their historical integrity while providing for the occupants' modern needs. Through changing and converting certain elements of a building, a structure can become a residential affordable housing building or a mixed use (commercial and affordable housing) building. Adaptive reuse developments may also involve some demolition of the old infrastructure, extensive retrofitting to current building codes that may not have been in effect when the building was first constructed.

Affordable Assisted Living:

Residential developments for low- to moderate-income seniors that provide individual apartments in tandem with supportive services that support functional capacity and maximize independence and choice in a physically accessible environment thereby allowing seniors to age in place. Assisted living promotes independence and ensures the dignity of seniors through the concept of "person centered planning" (PCP) which leaves decision making capacity with the senior and their chosen advisers in terms of decisions related to the choice of supports coordinator, the development of a supports plan, choice of service providers, and choice of residency.

Assisted living developments may be stand alone developments or part of a larger Continuous Care Retirement Community which provides the full spectrum of senior housing and health care options, from independent living to licensed skilled nursing care on the same general site. Affordable assisted living units may also be contained in mixed income developments provided that the affordable units and market rate units are indistinguishable from each other in terms of physical attributes, layout, etc. Developments may be new construction or retrofit of an existing facility.

Chronically Homeless: See Addendum III

Community Development Corporations:

In order to qualify as a Community Development Corporation (CDC) an Applicant must be one of the following, a non-profit corporation, community action agency, or public housing commission having a prescribed geographic focus for its affordable housing

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activities with a minimum 3 year track record evidencing experience and capacity in developing affordable housing including but not limited to LIHTC projects. If the CDC is a non-profit corporation, it must be duly formed and operating under applicable Michigan law and must also be recognized by the IRS as a 501(c)(3) or (4) organization under the IRS Code. A CDC may not be controlled by, no under the direction of, individuals or entities seeking to derive profit or gain from the CDC.

Community Revitalization Plan:

A published document, approved and adopted by the local governing body by ordinance or resolution, that targets specific geographic areas for low-income residential developments serving residents at or below 60% of the area median income.

Domestic Violence Survivor: See Addendum III

Hard Equity Commitment:

A binding commitment (that may be conditioned upon an award of LIHTC) identifying syndicator and investor, submission of documentation showing the equity price to be paid, and a commitment to make an escrow deposit of 5% of the investment within 45 days of award.

Homeless: See Addendum III

New Economy/Downtown:

In order to qualify as a New Economy/Downtown development, the development must be mixed-use, pedestrian friendly, limited to no more than 50 or fewer housing units (including a manager's unit) and be located in a traditional downtown or commercial center of densely built buildings.

A traditional downtown or commercial center is an area of where 20 or more contiguous buildings have been planned, zoned, or used for commercial purposes for 50 or more years and where a majority of the buildings are built zero feet back from the public right of way and are adjacent to one another. In order to be a traditional downtown or commercial area, the area must also contain a significant number of multi-level, mixed-use buildings. The buildings must be owned by three or more parties.

Mixed-use means buildings where the ground floor is used for retail or other commercial or office space and the upper floors have more than one purpose, such as housing, commercial or office space, or in any combination thereof.

Single Room Occupancy: See Addendum III

Special Needs Population: See Addendum III