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August 30, 2011

Christopher L. LaGrand
Acting Deputy Director for Housing Development
Michigan State Housing Development Authority
P.O. Box 30044
Lansing, Michigan 48909

Dear Mr. LaGrand:

Please accept this letter as official comment on behalf of the Community Economic Development Association of Michigan (CEDAM) regarding the 2013 Qualified Allocation Plan (QAP) public hearing. First, CEDAM is grateful for the open process. We greatly appreciate the multiple opportunities for our members to provide comments. We firmly believe that this process should remain for future QAP creation.

CEDAM believes in the inclusion of supportive housing in the QAP and the need for additional supportive housing units in Michigan. For future QAP discussion, we encourage even more open discussion on reaffirming the goals and objectives to address supportive housing, including considering additional points for supportive housing units. We also encourage looking at the impact of the strategies thus far to gain information and direction for the future.

While we appreciate the intent behind the Central Cities target areas, we are concerned that the criteria may create unintended obstacles for areas like Detroit –supporting the creation of tax credit developments in inappropriate areas, while leaving out key and intended target areas. To help reduce the creation of tax credit developments in potentially inappropriate areas, we also encourage projects to be a part of a larger community development plan with input from city officials and residents.

We look forward to future Building Together Summit and committee discussions and appreciate MSHDA's willingness to bring together the many stakeholders to improve the ability to provide safe and affordable housing to Michigan residents. Please feel free to contact me with any questions.

Sincerely,

Jamie Schriener-Hooper
Executive Director



MICHIGAN HOUSING COUNCIL RECEIVED
124 West Allegan Street • Suite 1900 • Lansing, MI 48933
Phone 517-487-9360 • Fax 517-484-4442

AUG 30 2011

LOW INCOME HOUSING
TAX CREDIT

August 30, 2011

Mr. Gary Heidel
Executive Director
Michigan State Housing Development Authority
734 East Michigan Avenue
Lansing, MI 48909

RE: 2013 Michigan QAP – Public Comment

Dear Mr. Heidel:

The Michigan Housing Council ("MHC") believes that the redraft of the QAP should follow these basic principles:

1. ***A Fresh Start*** – Tweaking, refining or using the existing QAP as a starting point will be counterproductive and ill advised. Michigan needs a new QAP based upon the current reality of the Michigan and national economy.
2. ***Increase Investor Interest in Michigan*** – While equity markets have improved, Michigan continues to lag most areas of the country in investor interest. This results in lower pricing for equity (and higher demand for gap financing) and lower levels of equity capital for some developments. All elements of the new QAP should be designed to remove barriers to investment.
3. ***Keep it Simple and Transparent*** – The process for applying for and awarding credits should be easily understood and clear. Applicants should have a good sense of how a project application will score and should be able to have reasonable process of assessing the competitiveness of their proposal.
4. ***Identify the Key Policy Objectives of the QAP*** – The QAP should support clearly identified policy objectives, and these policy objectives should be openly presented and discussed during the development of the QAP. The process should seek alignment with broader policy objectives (such as job creation, serving areas and populations with specific housing needs, and leveraging other resources for important community development activities).

Sincerely,

Amin Irving
President
Michigan Housing Council



Michigan Disability Housing Workgroup

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August 9, 2011

Norman Harrod
MSHDA
735 E. Michigan Ave.
Lansing MI

Dear Norman,

We have been following the discussion and revisions to the QAP since our meeting with you and your team at MSHDA last year. We continue to see this of interest to the Michigan Disability Housing Workgroup and to those we represent and serve.

We continue to support the stance that while there are statutory and political impediments to changing certain elements of the QAP, we believe increased economic diversity, greater housing choice and increased inclusion of people with disabilities could be achieved via enhancements of the QAP scoring criteria. We continue to believe the incentives we outlined during our meeting with you would encourage more interest in LIHTC projects.

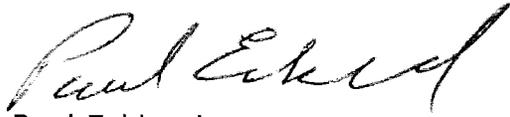
While the 2011 QAP has been finalized we know that the upcoming 2012 QAP process will be on the horizon and will present an exciting opportunity for change. We wanted to again extend an invitation to MSHDA that we would be available and interested in providing representation from those with disabilities for feedback in any upcoming focus groups you organize. We look forward to continuing to

Member Organizations

Ann Arbor Center for Independent Living • Capitol Area Center for Independent Living • Community Housing Network, Inc.
Disability Advocates of Kent County • Disability Network Lakeshore • Disability Network Mid Michigan • Disability Network Southwest Michigan
Disability Network Michigan • Michigan Developmental Disability Council • Michigan Disability Rights Coalition
Southwest Counseling Solutions • Superior Alliance for Independent Living • The Disability Network • United Cerebral Palsy of Michigan

work more closely with MSHDA in the future. We thank you for taking our suggestions under consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul Ecklund". The signature is written in a cursive, flowing style.

Paul Ecklund

(on behalf of the Michigan Disability Housing Work Group)

“Priced Out- 2010 The Housing Crisis for People with Disabilities”

By Emily Cooper, Ann O’Hara, and Andrew Zovistoski

“*Priced Out in 2010* compellingly illustrates the affordable housing crisis affecting millions of vulnerable people with serious and long-term disabilities who rely on federal Supplemental Security Income (SSI) payments for their basic needs. This latest *Priced Out* report makes it clear that it is virtually impossible for people with disabilities receiving SSI to obtain decent, safe, affordable, and accessible housing in the community without a permanent housing subsidy.”

– Foreword by Senator Robert Menendez (D-NJ) Chairman of the Senate Banking Subcommittee on Housing, Transportation, and Community Development

“The extraordinary irony of this hidden housing crisis is that it actually costs the government and taxpayers much more for people with disabilities to remain unnecessarily in institutions, nursing homes, or board and care facilities – or for them to be homeless – than to pay for housing and services in the community.”

Table 1 TAC 2010 Michigan SSI statistics

<u>Area</u>	<u>SSI Monthly Payment</u>	<u>SSI as % Median Income</u>	<u>% SSI for 1-Bedroom</u>	<u>% SSI for Efficiency Apt.</u>	<u>SSI as Hourly Wage</u>	<u>NLIHC Housing Wage</u>
Detroit/ Warren/ Livonia	\$688.00	16.9%	98%	86%	\$3.97	\$12.79
Statewide	\$688.00	18.8%	89%	80%	\$3.97	\$11.89

“According to the Social Security Administration, ‘SSI is a federal income supplement program designed to help aged, blind, and disabled people who have little or no income. It provides cash to meet basic needs for food, clothing, and shelter.’ However, in 2010, the basic cost of shelter alone (nationally) – represented by the average rent for a modest one bedroom unit– was more than the entire income of an individual receiving SSI.”

“Studies of the costs of chronic homelessness, nursing home care, and community-based long term care have shown that it costs the federal government – and state governments – significantly more money for people to remain institutionalized and/or homeless than it does to provide affordable housing linked with supportive services in the community.”

June 20, 2011, Technical Assistance Collaborative and Consortium for Citizens with Disabilities, Housing Task Force, www.tac.org

Table 2 Michigan SSI Recipients

County	Totals	Under 18	18-64	65 or older
Genesee	15,387	2,883	10,992	1,512
Kent	14,119	2,894	9,524	1,701
Macomb	15,553	2,361	9,545	3,647
Oakland	19,864	2,437	11,749	5,678
Wayne	79,513	12,728	54,273	12,512
Total Statewide	253,532	41,477	173,641	38,414

http://www.ssa.gov/policy/docs/statcomps/ssi_sc/2010/mi.html

In designing the 2013 Michigan QAP, we cannot forget the quarter million residents we have living on SSI. We determined that they have a long term disability; then we abandon them in regards to affordable housing.

The forthcoming HUD 811 revisions will be a great leverage financing vehicle. Using Tax Credits for equity and HUD 811 for rental subsidies, we'll have expanded opportunities to bring together support services and affordable housing while saving the community substantial dollars; money that would otherwise be lost in the way of excess hospital, nursing home, prisons and shelter costs.

Let's continue to be smart on how we invest these precious community dollars. Maintain that 25% of the portfolio emphasizes various supportive housing models, and that we continue requiring 10% supportive housing set asides especially in light of additional forthcoming integration opportunities like the new and improved HUD 811 program. ***Our work together, addressing these severe affordable housing shortages is not behind us.***

David Layne, Housing Coordinator – MORC Home Care

Note: David is part of the statewide team of Housing Coordinators & Medicaid Waiver Agencies and Disability Networks (previously Centers for Independent Living) in the Nursing Facility Transition program who have successfully transitioned 3000 nursing home residents back into community living over two years. David researches and advocates for affordable housing for those dealing with disabilities and the elderly in six southeastern Michigan counties.



MANAGEMENT GROUP

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August 18, 2011

MSHDA
735 East Michigan Ave.
P.O. Box 30044
Lansing, MI 48909

RE: Suggestions for 2013 QAP

To Whom It May Concern,

I am writing this letter to express my suggestions for the 2013 QAP as I am unable to attend the August 30th informational hearing.

I have concerns with section D, part 3, previous experience of management agent. Currently, the scoring model awards points to management agents based on the quantity of developments they manage. In my opinion, this needs to be re-evaluated.

I assume MSHDA's goal is to award points based on the experience of the management agent. In my professional opinion, quantity does not necessarily equal quality or experience. Piper has been managing LIHTC properties since the program began in the late 1980's. We have over 20 years of experience in managing LIHTC properties for MSHDA, but because we don't have the required threshold of properties the QAP scoring model deems us less experienced. I very much disagree. Most people would define experience as having to do with length of participation rather than sheer volume.

The title of section D, part 3 is "Previous Experience of Management Agent". I would argue that a management agent that has managed 18 LIHTC properties for over 20 years is more experienced than a firm who has managed 31 properties for 3 years. Under the current scoring model, this isn't the case.

I propose MSHDA change the scoring for section D, part 3 to take into account length of experience, rather than just volume of experience. I would suggest having some sort of scoring model that has points for total number of properties managed, as well as, points for length of years managed. I believe this would better score the true "previous experience of management agent".

Thank you for taking the time to accept comments and recommendations for the upcoming QAP. I would appreciate if you will take mine into consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Bessert".

Ryan E. Bessert
Piper Management Group

REB/reb

MSHDA QAP 2013 Comments

Green Policy Recommendations

*Provided by Jacob Corvidae and Steve Christensen
of WARM Training Center
August 30, 2011*



www.warmtraining.center.org

First, we would like to commend the Housing Development Authority's current practices regarding the incorporation of energy efficiency and green building priorities in the QAP. The work done on this issue is absolutely critical to good housing stock for Michigan and the Authority has done a fine job addressing it.

Recommendation

The QAP itself is fine as it stands, but we would like to suggest changes in the "MSHDA Affordable Green Standard". This standard addresses many useful issues, but misses a critical point of concern: thermal performance of the building. Some of this will be addressed through meeting code, but we don't believe that is necessarily sufficient to ensure good energy efficiency. As such we recommend the following:

1. For new construction: Ensure that air infiltration is reduced sufficiently, as this is one of the least expensive and most important ways to improve the energy efficiency of a home. To meet this goal, we suggest that MSHDA require that the home pass the thermal bypass checklist from the EPA EnergyStar program, and that the home receive a blower door test to ensure that it meets the requirement from the performance path of the code of achieving a score of 7 ACH50 (Air Changes per Hour at 50 Pascal).
2. For rehabilitation: Use the state weatherization standards for improving air infiltration with a test-in and test-out through use of a blower door test. These standards require a specific percentage of reduction based on the beginning ACH50 score. WARM would be glad to provide further reference to this standard.
3. Ensure that Code is enforced. The state's new energy code goes a long way in improving energy efficiency for our homes, but the code will only ensure these improvements if the code is enforced. More work is needed to make sure that affordable housing projects are meeting the new energy code. This may be outside the scope of the QAP, but if so then we encourage MSHDA to take steps to educate affordable housing developers, contractors and code enforcement officials about new energy code.

To NOTE: We do NOT specifically recommend requiring that the MSHDA standard require EnergyStar certification given the challenges of meeting EnergyStar v.3.