MSHDA Board approves measures to ensure affordable housing investment, preservation, and equity

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LANSING, Mich. -- The Michigan State Housing Development Authority Board took steps to ensure affordable housing investment, preservation, and equity during its rescheduled regular meeting today.

The board approved resolutions that will enable PK Development Group LLC of Okemos to be reimbursed with bond proceeds for eligible expenses related to acquiring and rehabilitating 264 affordable housing units in rural communities across Michigan, including the Upper Peninsula. The developments will be consolidated to 10 projects that preserve housing affordability. Eight of the developments will be family housing and two will be designated for the elderly, and all reserved for tenants making up to 60% of the area median income.

Properties will be rehabilitated with the help of a more than $30 million investment in bond-financed mortgage loans and tax credit equity. The board anticipates approving at an upcoming board meeting the issuance of more than $19 million in tax-exempt bonds and bond-financed mortgage loans for the 10 projects.

“These investments will help provide both immediate and long-term affordable housing solutions for communities and residents across Michigan,” said Jeff Donofrio, MSHDA Board chair and director of the Michigan Department of Labor and Economic Opportunity. “The construction and rehabilitation of properties will provide much-needed housing while also creating an expected 157 permanent jobs and 303 temporary jobs.”

Properties included in this deal:

- Arbor Glen Apartments, Village of St. Charles, Saginaw County
- Clairewood Apartments, St. Clair, St. Clair County
- Creekside Apartments, Village of Ravenna, Muskegon County
- Pine Bluff Apartments (consolidation of Diamondhead Manor and Pine Grove Apartments), Kingsford, Dickinson County
- Grayling Pines, Grayling, Crawford County
- Lakewood Apartments, Village of Stockbridge, Ingham County
- Sable Pointe Apartments, Hart, Mears, Pentwater, Oceana County

- Village Apartments, Village of Bellaire, Antrim County
- Whispering Pines Apartments, Grayling, Crawford County
- Willow Creek Apartments I and II, Escanaba, Delta County

The board also authorized reinstatement and extension of the Pass-Through Bond Program until July 2021 – a measure that increased the allowable bond cap to an amount not to exceed $100 million and expands the scope of the pass-through program while also allowing it to better fulfill critical mission objectives throughout the state.

“There are serious housing shortages across the state in the areas of rural housing, permanent supportive housing, and senior housing. The changes in the Pass Through-Bond Program are part of our housing strategy to expand available resources to create and preserve more housing and address these gaps,” MSHDA Acting Executive Director Gary Heidel said. “By doing so, we’ll be able to increase the number of units we can finance and raise the supply of housing for very low-income individuals and families and better meet rural housing needs.”

To further enhance statewide rental development, the board adopted resolutions to determine mortgage loan feasibility and authorize loan commitments for several projects, including:

- American House Village at Bloomfield, Pontiac, Oakland County. Sponsor: American House Development LLC. Details: A proposed 150-unit senior independent living facility situated within the Village at Bloomfield, which is an 87-acre project included in the City of Pontiac Master Plan. The Village at Bloomfield is being developed for multiuse, and currently includes an Aldi, Menards, Hampton Hotel, Henry Ford Health System Urgent Care, parking structure, a 400+ multifamily townhomes project along with smaller retail outlets to include entertainment and dining.

- Apple Ridge II Development, Kalamazoo, Kalamazoo County. Sponsor: MHT Housing Inc. Details: Rehabilitation of a 56-unit family apartment complex. The property has 26 one-story residential buildings and one single story office and community room.

- Brentwood Apartments, Belding, Ionia County. Sponsor: Hope Network Housing Development Corporation (a.k.a. Hope Network Affordable Independent Living Nonprofit Housing Corporation). Details: Rehabilitation of the complex that contains 36 apartments in three, three-story buildings and 14 townhouses in two, two-story buildings. The approximately five-acre site also contains a community building/leasing office, a maintenance garage and a playground.

- Greenbriar Apartments Development, Greenville, Montcalm County. Sponsor: Hope Network Housing Development Corporation (a.k.a. Hope Network Affordable Independent Living Nonprofit Housing Corporation). Details: Rehabilitation of 24 apartments in three two-story buildings, 16 townhouses in two two-story buildings, a maintenance garage and a playground. Currently, a one-bedroom apartment is being used as the leasing office; this unit will be returned to residential use upon preservation. The rehabilitation plans call for the construction of a community building which will contain the leasing office and community space.

• Morton Manor Apartments, Detroit, Wayne County. Sponsor: Metropolitan Baptist Church Housing Corporation, LLC; Communities of Hope Inc. Details: Rehabilitation of this single, eight-story building that consists of 150 one-bedroom senior units and one manager's unit.

In other business, the Authority board approved the award of $700,000 in Emergency Solutions Grant funds to the Michigan Department of Health and Human Services to be used by their Michigan Domestic and Sexual Violence Prevention and Treatment Board for domestic violence shelters, advocacy services, technical assistance and training.

"Among the wide-ranging impacts of COVID-19, instances of domestic and sexual violence have risen nationally and statewide under stay home orders. This grant partnership with MDHHS and the Michigan Domestic and Sexual Violence Prevention and Treatment Board provides critical funding to agencies responding to these needs during the crisis," said Kelly Rose, MSHDA's chief housing solutions officer.

For the first quarter of 2020, 685 households received emergency shelter and supportive services from eight subgrantees.

The source of the one-year Emergency Solutions Grant to the treatment board comes from Authority matching funds to a federal HUD grant.

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