



Program Guide

Michigan State Housing Development Authority



MIDLAND COUNTY COURTHOUSE

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Sponsored by the Office
of the President of the
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MSHDA Programs

The Michigan State Housing Development Authority (MSHDA) is dedicated to building a thriving and vibrant future for Michigan. MSHDA provides tools and resources to improve people's lives through programs across the state. These programs assist with housing, build strong neighborhoods, and help create places where people want to live and work.



MSHDA's programs work in four areas:

- Financing Affordable Rental Housing
- Supporting Homeownership
- Ending Homelessness
- Creating Vibrant Communities

This guide is a road map to the many programs that connect MSHDA with Michigan people and communities. MSHDA's loan and operating expenses are financed through the sale of tax-exempt and taxable bonds as well as notes to private investors, not from state tax revenues. Proceeds are loaned at below-market interest rates to developers of rental housing, and help fund mortgages and home improvement loans. MSHDA also administers several federal housing programs.



Temporary Programs Through Federal Stimulus Funds

Several federal funding streams have been established, creating the need to disburse those funds through new and innovative MSHDA programs. The funds are temporary and will be distributed until they are depleted. The programs and available funds will be changing often during this time period and will affect MSHDA services in the areas of Homeownership, Rental Housing, Homelessness and Supportive Housing, Community Development and the creation of Vibrant Cities, Neighborhoods, and Downtowns. Stay informed by visiting the MSHDA Web site at michigan.gov/mshda.

Affordable Rental Housing

Tax-Exempt and Taxable Bond Lending Programs

MSHDA offers tax-exempt and taxable bond loans to for-profit and nonprofit developers for the construction or rehabilitation of rental developments between 24 and 150 units. MSHDA also provides tax-exempt and taxable bond loans for the preservation of federally assisted rental housing. The Tax-Exempt and Taxable Bond Lending programs require that at least 20 percent of the units serve households with incomes at or below 50 percent of the area median income or 40 percent of the units serve households with incomes at or below 60 percent of area median income. The programs are designed to be used in conjunction with Low Income Housing Tax Credits.

Contact: 517.373.6880

Low Income Housing Tax Credit (LIHTC) Housing Credit

MSHDA administers the federal Low Income Housing Tax Credit according to a Qualified Allocation Plan (QAP). At a minimum, 20 percent of units must serve households with incomes at or



below 50 percent of area median income—or 40 percent of units serve households with incomes at or below 60 percent of median income. **Contact: 517.373.6007**

Michigan Housing Locator

The Michigan Housing Locator is Michigan's primary source for marketing affordable rental housing. The services provided by the Housing Locator are free to property owners and renters. **MichiganHousingLocator.com • Contact: 517.373.1973**

Housing Choice Voucher (HCV) Program (Previously termed Section 8)

This program provides federal rent subsidies to participants. MSHDA guidelines require that 85 percent of the families served at admission to the program must have incomes not exceeding 30 percent of the area median income (AMI). While 15 percent of households served may have incomes up to 50 percent of AMI, MSHDA guidelines require new admissions to have incomes at or below the federal poverty level. Participants find their own housing in private homes and apartment buildings. **Contact: Lansing Office 517.373.9344 • Detroit Office 313.456.3540**

Modified Pass Through Program

The Pass Through program offers tax-exempt loans to for-profit or nonprofit developers for new construction or rehabilitation of rental developments up to 150 units. Loans must be credit enhanced by a third party, and the use of the four percent housing credit is required. Sixty percent of the units are for households with incomes at or below 60 percent of the area



median income—or 40 percent of units at 50 percent of area median income.

Contact: 517.373.8295

Homeownership and Home Improvement

Homeownership Mortgages

MSHDA offers affordable fixed-rate mortgage loans for the purchase of a new or existing house, manufactured home or condominium. Income and purchase price limits apply. Applications are made through participating banks, credit unions and mortgage companies. A list of experienced MSHDA mortgage loan officers is located on the MSHDA Web site at michigan.gov/mshda.

Contact: 800.327.9158 or 517.373.6840

Down Payment Assistance Program (DPA)

The DPA program offers up to \$7,500 in a zero-interest loan on certain first mortgages through the Homeownership division. Income and purchase price limits apply, borrowers must contribute a minimum of one percent of the sale price and must complete a homebuyer education course.

Applications are made through participating banks, credit unions and mortgage companies. A list of experienced MSHDA mortgage loan officers is located on the MSHDA Web site at michigan.gov/mshda. **Contact: 800.327.9158 or 517.373.6840**

Homeownership Counseling Program

The program provides pre-purchase homebuyer education, financial management, budget counseling, credit repair counseling, home maintenance training, pre-purchasing home inspections and foreclosure avoidance counseling. Counseling services are provided by MSHDA certified counseling agencies across the state.

Contact: 800.327.9158 or 517.373.6840



Help for Hardest Hit Homeowners

Help for Michigan's Hardest Hit Homeowners is available for homeowners who are worried about foreclosure or are struggling to keep up with mortgage payments. The Hardest Hit program is designed to help homeowners who are receiving unemployment benefits pay up to the lesser of \$750 or 50 percent of their existing mortgage payment. For more information or to apply online, go to stepforwardmichigan.org. To be directed to a MSHDA-certified foreclosure prevention counselor, call toll-free **1.866.946.7432**.

Foreclosure Avoidance Call Center

This toll free hotline responds to callers with questions relating to foreclosure avoidance; directing callers to a MSHDA certified foreclosure counselor in their area and/or helping them with the application process for Hardest Hit assistance. **Contact: 866.946.7432**

Property Improvement Program (PIP)

PIP offers interest rates of four, six or eight percent on loans that can be used to improve homes. The homeowner may replace a roof, windows, or heating and cooling systems, add energy conservation improvements, make the home more accessible to a family member with physical disabilities, and do various internal remodels. Income and loan limits apply. Applications are made through participating lenders and community agents. Landlords with rental properties of 1–11 units are able to apply. A list of participating lenders is located on the MSHDA Web site at michigan.gov/mshda. **Contact: 517.373.8017**



Family Self-Sufficiency (FSS) and Key to Own Programs

The Housing Choice Voucher Program is primarily a tenant based rental assistance program for very low-income families, but has components of Family Self-Sufficiency and Key to Own programs which can lead to homeownership. The two programs promote and provide education and job training opportunities for families through counseling to become self-sufficient and economically independent.

Contact: 517.373.9344

Helping Prevent Homelessness

Homeless Grants Program

This grants program awards federal and MSHDA funding to local units of government and public and private nonprofit agencies with 501 c(3) status that have at least one year of experience in providing case management, homeless prevention, operating costs, rapid rehousing and tenant-based rental assistance specifically targeted to homeless people. Applicant organizations must be actively involved in a recognized continuum of care planning body. **Contact: 517.241.1609**

Communities, Neighborhoods and Downtown Revitalization

Housing Resource Fund (HRF)

The HRF awards grants to eligible community-based nonprofit housing organizations and local units of government for a variety of homebuyer, homeowner and rental housing projects. Projects must address unmet housing needs in community settings or contribute to the revitalization of Michigan's neighborhoods.

Contact: 517.373.1974



Predevelopment Loans

This program provides interest-free loans to nonprofit organizations for predevelopment expenses for affordable housing development projects that be submitted to MSHDA for funding. Loans may be used for a variety of reasons, such as to pay for market studies or consulting fees, but may not be used to pay general staff or administrative costs. **Contact: 517.373.1974**

Technical Assistance Program

Technical Assistance provides consultants to train eligible nonprofit organizations and local units of government to increase their housing production capacity. Assistance is available for planning and resource development, board governance, personal/administrative management, financial management, housing development and portfolio/asset management. **Contact: 517.373.1974**

Michigan Main Street

The Michigan Main Street (MMS) program provides technical assistance services to communities who are targeting the revitalization and preservation of their traditional commercial district. The MMS program assists communities in developing their own local Main Street program by utilizing the Main Street 4-Point Approach®—a common-sense approach to tackling the complex issues of revitalization capitalizing on a downtown's history, and identifying the unique assets of the community itself. **MichiganMainStreetCenter.com • Contact: 517.241.1737**



Cultural Economic Development

The Office of Cultural Economic Development facilitates the development and implementation of the 'Michigan Cultural Economic Development Strategy.' Its purpose is to attract resources, programming and initiatives designed to leverage the state's creative talent and cultural assets to spur economic growth and build community prosperity resulting in vibrant communities throughout the state. One of its major initiatives is the Idlewild Centennial Commission which coordinates activities commemorating the 100th anniversary of the founding of the Idlewild resort community in Lake County. The initiative leverages the community's unique cultural heritage and strengths to attract new investment and economic growth. **Contact: 517.241.3973**

Rental Rehabilitation Program (RRP)

This program is designed to provide affordable housing in harmony with the city's community development and reinvestment objectives by providing forgivable loans at the end of five years if the property owner meets terms and conditions of the agreement. Owners contribute 25 percent of the project cost for each project and the rental units must be in compliance with HUD, MSHDA and local building codes.

Contact: 517.373.1974



Historic Preservation

Michigan's State Historic Preservation Office (SHPO) works with communities, individuals, developers and nonprofits to create a sense of place by identifying, evaluating and designating, and reinvesting in historic resources. The SHPO administers the National Register of Historic Places program in Michigan, the Michigan Lighthouse Assistance program, which is funded through the sale of the Save Our Lights license plate, and incentive programs that include state and federal tax credits and pass-through grants available to certified local governments. The SHPO also works with state and federal agencies to carry out responsibilities mandated by the National Historic Preservation Act.

In addition, the SHPO works with state and federal agencies to carry out responsibilities mandated by the National Historic Preservation Act and local communities under Michigan's Local Historic District Act. The SHPO also records, investigates, interprets and protects Michigan's archaeological sites and maintains the official database of recorded archaeological sites located both on land and underwater. **Contact: 517.373.1630**



MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY

michigan.gov/mshda • TTY 1.800.382.4568

MSHDA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.

2012

Not printed at taxpayer expense. 117-120201

