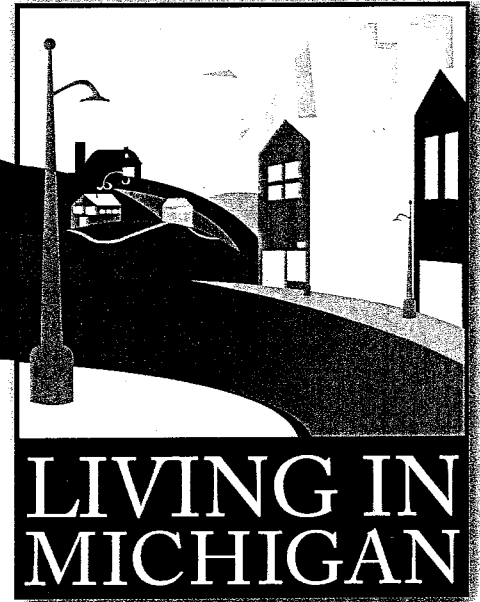


# Annual Report 2008



## Living in Michigan means investing in Michigan:

Michigan's Housing and Community Development Fund

### HOUSING = JOBS

Michigan's Housing and Community Development Fund (MHCDF)'s mission is to develop our state's struggling economy by creating vibrant cities, towns and villages where people will want to live, work, retire and play. Creating strong communities where families can prosper and businesses can grow will attract and keep both our workers and our jobs right where they belong — **in Michigan.**

*Youth in Southwest Counseling Solutions' juvenile justice and leadership programs.*

*See inside article.*



#### How It Works

MHCDF, which is housed within the Michigan State Housing Development Authority (MSHDA), is endorsed by more than 25 statewide trade organizations representing more than 5,000 members. MSHDA collaborates in each community with these members to finance their collective visions of a competitive community, which is directly related to the health and success of a strong regional economy.

#### Some of the key areas targeted by MSHDA programs include:

- Financing downtown and neighborhood improvements to make them attractive places to live and do business.
- Financing affordable and market-rate housing for young people, knowledge workers, immigrants, early retirees and people with low and moderate incomes.
- Financing supportive housing for the homeless and people with disabilities.

#### Why We Need It

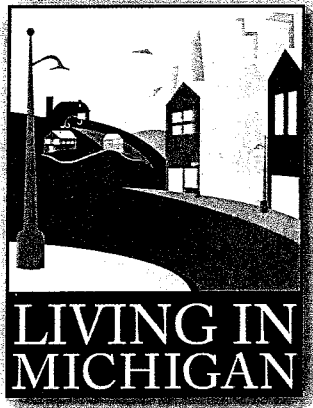
The most successful regional economies across the country are those that have prosperous central cities. One of the keys to the success of these cities is downtowns and neighborhoods that attract young people, knowledge workers, immigrants and early

retirees. According to the recent CEOs for Cities report, 60 percent of today's young, educated people choose where they want to live first and then look for a job. Furthermore, they prefer to live in high-density, walkable neighborhoods.

The reality in Michigan is that the majority of the 45 cities with a population greater than 25,000 experienced serious distresses between 2000 and 2008. These cities are integral to attracting the talent that is critical to diversifying the Michigan economy. To turn around these 45 cities — as well as other cities, towns and villages in Michigan — the state has to lead the effort to invest in strategies that make them communities of choice.

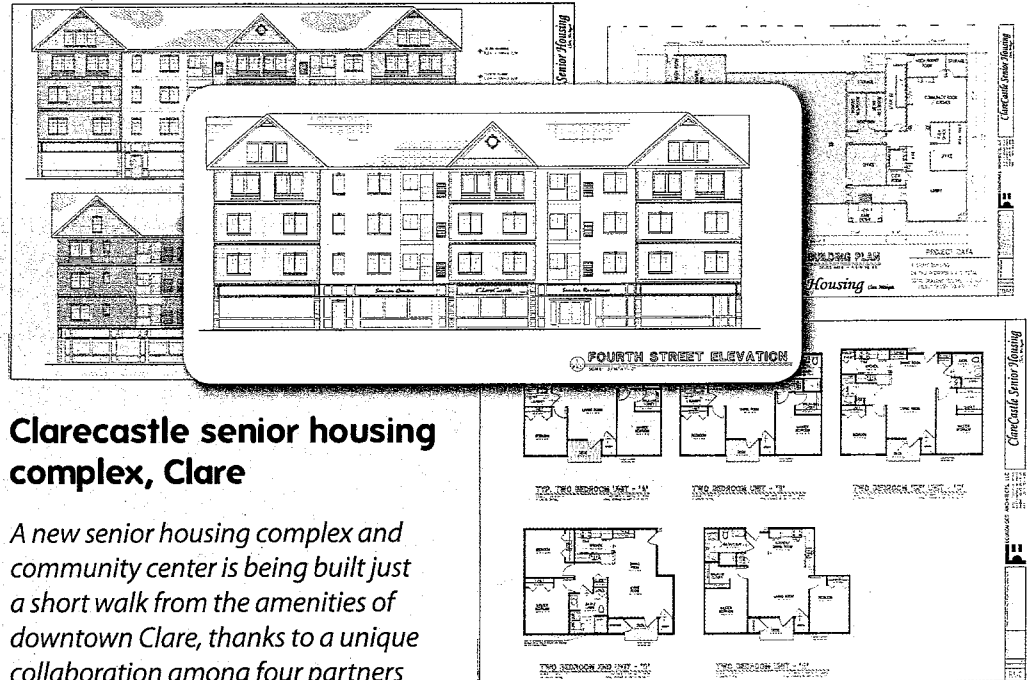
#### The key goals of this strategy are:

- **Image:** create an image of communities that will attract new residents.
- **Market:** increase real estate values and rates of appreciation to support ongoing investment.
- **Physical conditions:** make improvements in the appearance and function of downtowns and neighborhoods.
- **Neighborhood management:** help residents gain a stronger sense of control over the future of their neighborhood.



# Housing in Action

Confronting the issues of homelessness, downtown revitalization, affordable housing, homeownership, foreclosure prevention and more.



## How We Use It

Although actual uses are determined by the annual allocation plan, below are some potential uses.

- Financing Downtown and Neighborhood Improvements.
- Financing Affordable and Market-Rate Housing.
- Financing Supportive Housing.

## Economic Impact

MHCDF leverages additional funding from public and private sources. In its first year, projects awarded leveraged \$1 of MHCDF to \$11 of public/private sources, which is much higher than early estimates of 1-to-3 for housing projects and 1-to-2 for community development projects. Thousands of jobs were created as well, generating millions of dollars in state and local taxes.

Just as important as the economic impact is the tremendous social return on investment. The increased stability for families with low and extremely low incomes will increase their quality of life, making them owners of the neighborhoods and communities in which they live. Perhaps most importantly, children who are in permanent housing grow and learn at a faster rate than children who are not.



## Clarecastle senior housing complex, Clare

*A new senior housing complex and community center is being built just a short walk from the amenities of downtown Clare, thanks to a unique collaboration among four partners and a grant from the MHCDF.*

Using a \$262,800 grant from the MHCDF, the Mid-Michigan Community Action Agency is demolishing an empty industrial building near downtown Clare and preparing the site for the construction of Clarecastle, a **senior citizen housing complex for low income residents**. With the close proximity to downtown, residents of the senior housing complex will be able to walk to banks, restaurants and shops.

Being developed through a four-way partnership between a for-profit developer, Michigan Community Action Agency, the City of Clare and Clare County, the complex will also house a county-owned senior community center and meal site where residents and other seniors can have their meals.

The complex is being developed with an Irish theme and will have connections, including a pen pal program, to an existing senior housing development in Clare County, Ireland, also called Clarecastle. Area residents 55 and over who make 60% Area Median Income (\$22,648 for single, \$29,617 for couple) are eligible to rent in Clarecastle.

## FY08 Michigan Housing and Community Development Fund (HCDF)

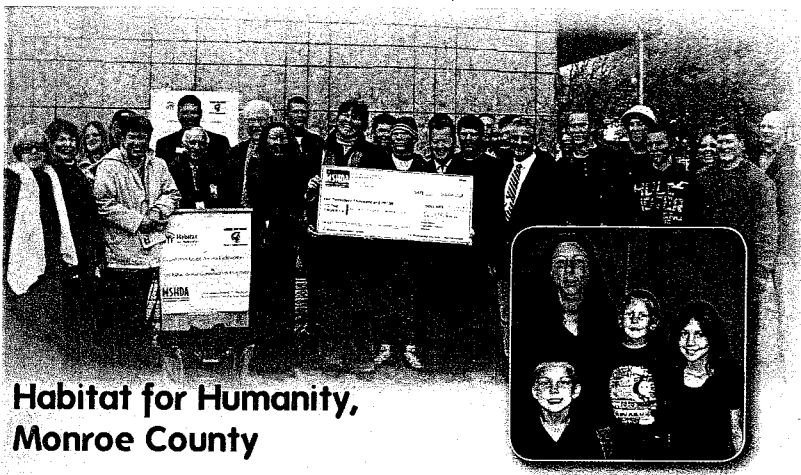
Leveraging	
Appropriation	\$2,163,400
Investment Leveraged	\$24,041,009
<b>EACH \$1 OF HCDF LEVERAGED \$11 (\$5 public+\$6 private)</b>	

Targeting Homes To Those In Need	
Homes for persons earning below 30% of AMI*	130
Special needs homes	52
Households prevented from homelessness	78
* 30% of AMI = \$12,789 for 1-person household = \$18,270 for 4-person household	

Most Common Uses of Funds	
• Purchase building materials	
• Construction costs	
• Pre-development costs and site preparation	

New & Rehabilitated Homes	
New Homes Constructed	124
Rehabilitated Homes	185
<b>TOTAL HOMES</b>	<b>309</b>

Rentals and Homeownership	
Rental Homes	266
For-Sale Homes	43
<b>TOTAL HOMES</b>	<b>309</b>



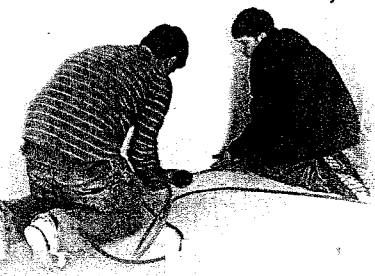
## Habitat for Humanity, Monroe County

A Monroe family of four is now purchasing an affordable, safe and decent home and a class of construction trades students gained marketable skills in construction, thanks to a grant from Michigan's Housing and Community Development Fund.

Using a grant of \$17,000 from the MHCDF, Habitat for Humanity of Monroe County was able to purchase construction materials so 28 students from Monroe High School's construction technology program could build a Habitat house as part of their year-long curriculum.

"The grant didn't just touch one family. It impacted the community. Through the construction of this home, an entire class of young people were training for a career in construction trades and opening their hearts to community service as well," says Debora Wykes, executive director of HFH of Monroe County.

Through this unique educational partnership, the high school students can jump start their college career by 'testing out' for credits in construction programs at both Monroe Community College and Henry Ford Community College. This is the fourth year the school system and Habitat for Humanity have built a house together.



## Southwest Housing Solutions, Detroit

Southwest Housing Solutions is using a \$300,000 grant from the MHCDF to rehabilitate a historic four-story warehouse at 5716 Michigan Avenue in southwest Detroit.

It will be redeveloped into a mixed-use project to house a collection of nonprofit healthcare organizations serving Detroiters. The total cost of the project is more than \$9 million.

rates, the behavioral health and low cost medical services provided will be critical to improving the quality of life for residents.

Southwest Counseling Solutions' Children, Youth and Family Services (CYF) Center of Excellence will occupy the upper floors. CYF provides counseling services for children and families, juvenile justice services for adjudicated youth, and youth leadership training programs. The first floor will be occupied by a community-based healthcare clinic.

Southwest Housing recently discovered the building, a former cigar factory, was designed by Detroit architect Albert Kahn, the foremost American industrial architect of his time.

"This project is an important step toward revitalizing the Michigan Avenue corridor," said Tim Thorland, executive director of Southwest Housing. "We believe the project will anchor and promote further economic investment and development in the area."

Located in an area with high poverty and unemployment

*continued on back page*

## Michigan Housing and Community Development Fund, FY 2008 Projects

GRANT RECIPIENT	CITY	PURPOSE	GRANT AMOUNT	NUMBER OF HOMES CREATED OR REHABBED	INVESTMENT LEVERAGED	INVEST. PER \$1 OF GRANT
Avalon Housing	Ann Arbor	Rehabilitate at-risk housing/assist homeless adults	\$300,000	117	\$3,214,100	\$10.7
Community Housing Network	Hazel Park/Ferndale	Scattered-site, permanent supportive rental homes	\$31,800	12	\$3,042,760	\$95.7
Eastside LAND, Inc.	Detroit	Mixed-use affordable housing w/retail	\$250,000	16	\$251,230	\$1.0
Habitat for Humanity	Bay City	Construct homes for very low-income families	\$34,000	2	\$102,000	\$3.0
Habitat for Humanity	Detroit	New green-built homes	\$162,408	20	\$1,840,000	\$11.3
Habitat for Humanity	Flint	New homes as part of Cities of Promise project	\$60,000	4	\$240,000	\$4.0
Habitat for Humanity	Grand Rapids	Students rehab foreclosed homes - LEED certified	\$60,000	2	\$106,000	\$1.8
Habitat for Humanity	Lansing	Build homes for very low-income families	\$24,342	3	\$344,543	\$14.2
Habitat for Humanity	Clinton Township	Build a home as part of a revitalization initiative	\$33,000	1	\$66,200	\$2.0
Habitat for Humanity	Monroe	Construct a home with students	\$17,000	1	\$108,000	\$6.4
Habitat for Humanity	Muskegon Hgts	Construct a home for a disabled single mother	\$ 8,350	1	\$72,050	\$8.6
Habitat for Humanity	Benton Chrtr Twp	Phase II of a subdivision in Benton Charter Twp.	\$100,000	9	\$900,000	\$9.0
Housing Resources, Inc.	Kalamazoo	Security deposits for precariously-housed persons	\$50,000	25	\$165,000	\$3.3
Mid Mich. Comm. Action Agency	Clare	Replace empty building w/energy efficient senior housing	\$262,800	24	\$150,000	\$0.6
Southwest Housing Solutions	Detroit	Buy/develop building for mixed-use affordable housing	\$300,000	18	\$7,695,008	\$25.7
Venture, Inc. - Gateway Manor	Linden	Preserve Rural Dev. project for very low-income persons	\$119,700	32	\$2,020,975	\$16.9
Village View Housing Partners	Garfield Township	Build affordable housing in PUD	\$300,000	18	\$3,223,143	\$10.7
West Michigan Therapy	Muskegon Hgts	Permanent supportive housing for chronically homeless	\$50,000	4	\$500,000	\$10.0
<b>TOTAL</b>			<b>\$2,163,400</b>	<b>309</b>	<b>\$24,041,009</b>	<b>\$11.1</b>

SOURCE: Michigan State Housing Development Authority.

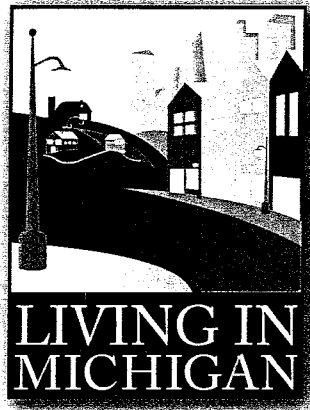
# Housing in Action



## Muskegon County Habitat for Humanity

*A single mom with a disability is now a homeowner in Muskegon Heights thanks to a grant from the MHCDF and the tender care of a group of nurses who were Habitat sponsors. While accepting the keys to her new home, the homeowner shed tears of joy as she thanked the people who helped her realize her dream of home ownership.*

Muskegon County Habitat for Humanity received a grant of \$8,350 from the MHCD Fund, which paid for some of the construction materials to build a safe, decent and affordable house for a family in need. Together with other grants, including \$40,000 raised by the nurses and their colleagues from four Muskegon area campuses of Mercy Health Partners, the affiliate built a home for the single mother and her young son. In a pure coincidence, the nurses were touched to find out the new homeowner is studying to become a nurse.



**The Coalition is thankful for the partnership we have with the Michigan Legislature in transforming the Michigan economy.**

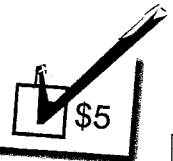
### COALITION MEMBERS

- Community Development Advocates of Detroit
- Community Economic Development Association of Michigan
- Corporation for Supportive Housing
- Detroit Economic Growth Corporation
- Disability Advocates of Kent County
- Disability Network/Lakeshore
- Disability Network/Michigan
- FiveCAP, Inc.
- Genessee County Land Bank
- Great Lakes Capital Fund
- Habitat for Humanity of Michigan
- HomeAid Michigan
- Local Initiatives Support Corporation
- Michigan Association of Counties
- Michigan Association of Home Builders
- Michigan Association of Homes and Services for the Aging
- Michigan Association of Land Banks
- Michigan Association of Planning
- Michigan Association of REALTORS
- Michigan Coalition Against Domestic and Sexual Violence
- Michigan Coalition Against Homelessness
- Michigan Community Action Agency Association
- Michigan Community Development Directors Association (MCDDA)
- Michigan Disability Rights Coalition
- Michigan Downtown Association
- Michigan Housing Council
- Michigan Interfaith Trust Fund
- Michigan Municipal League
- Michigan Network for Youth and Families
- National Association of Housing and Redevelopment Officials
- National Association of Social Workers
- Rural Partners for Michigan
- Southeast Michigan Council of Governments (SEMCOG)
- Southwest Solutions
- United Cerebral Palsy of Michigan



## MICHIGAN'S REAL STIMULUS CHECK!

Michigan Housing and Community Development Fund .....



**HOUSING = JOBS**  
**SUPPORT YOUR COMMUNITY**  
**ON YOUR INCOME TAX FORM**

For more information, visit [www.LivingInMichigan.org](http://www.LivingInMichigan.org)



Michigan taxpayers could drive money straight into their local communities this tax season by donating to Michigan's Housing and Community Development Fund on their state income tax form. The Fund has a spot on the Voluntary Contributions Schedule of the Form MI-1040 for the next three years. **More information can be found at [www.livinginmichigan.org](http://www.livinginmichigan.org).**