ADDENDUM III

Michigan’s
Low Income Housing Tax Credit Program
Supportive Housing Set-aside

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GUIDANCE MATERIAL:

Attachment A: Supportive Housing Definitions.........................................................17-20
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I. PROGRAM OVERVIEW

A. PRIOR TO APPLICATION:

- Developers are encouraged (not required) to submit an initial concept letter for review and discussion prior to submitting an application. This provides an opportunity for the developer and his/her team to receive technical assistance in conceptualizing the project and assuring that key components are included. Submission of an initial concept letter, however, does not change the applicable deadline for applications.
- Developers are strongly encouraged to have a MSHDA staff member visit the project site prior to application submission. Rental Development and Homeless Initiatives staff can be reached at 517-373-6880. (See MSHDA Supportive Housing Site Selection Guidelines and Definitions.)

B. GENERAL APPLICATION INFORMATION– (SEE QAP FOR ADDITIONAL INFORMATION):

- **Minimum Use:** Projects must agree to remain low income for a minimum of 30 years but may earn additional points for longer commitment, as described in the Scoring Summary (Addendum I of the Combined Application).
- **Non-eligible Population:** Elderly-only projects are excluded from the Supportive Housing Set-Aside. The entire project must be open to all ages.
- **Operating Costs:** Project operating costs cannot significantly differ from MSHDA standards unless a waiver is granted by the Authority. Supportive Services cannot be funded through the property’s operating budget.
- **Population Served:** Projects must have a minimum of 25% of the units targeted to people who meet the definitions outlined in Attachment A (i.e. persons with special needs or homeless as defined through the HEARTH ACT).
- **Project Size:** Projects that exceed 75 units of Permanent Supportive Housing require that a waiver be granted by the Authority.
- **Service Organization Collaboration:** Developers will be required to collaborate with a local service organization(s) to assure adequate service coordination and delivery for tenants. The Housing Assistance and Resource Agency must be included as a referral source for Permanent Supportive Housing units.
- **Screening Tools:** The referring agency must conform to the Statewide approved assessment tool when referring homeless populations.
- **Unit Configuration:** Single Room Occupancy (SRO) is an eligible use under this category, see definition in Attachment A.
- **Project Limits:** Projects must meet the conditions designated within the Qualified Allocation Plan, unless a waiver is granted by the Authority.
- **Income Eligibility:** Tenants incomes must be at or below 30% AMI to be eligible for targeted supportive housing units.
II. APPLICATION PROCESS AND THRESHOLD REQUIREMENTS:

- **Minimum Threshold Requirements:** All minimum threshold requirements outlined in the Qualified Allocation Plan must be followed.
- **Permanent Supportive Housing Category Threshold Requirements:** In addition the following Permanent Supportive Housing Category threshold requirements/exhibits are required:

1. **Site Selection:** Project location must meet MSHDA’s Supportive Housing Site Selection Criteria. (See Attachment B.)

2. **Addendum III Application**

3. **Tenant Selection Criteria:** Include a description of the property’s tenant selection plan and describe how permanent supportive housing tenants will be served, include the criminal and credit screening process that will be utilized. In addition, provide details of the appeal process and eviction diversion plans for permanent supportive housing tenants.

4. **Letters of Support:**
   a. Attach a letter of endorsement either from the Continuum of Care or other Community Collaborative planning group that indicates that the group has reviewed and endorsed your project plan and submission.
   b. The service provider must identify the funding sources that will sustain the identified services. A letter from the Executive Director must be included which outlines this information. In addition, if there are funding commitments through other entities to sustain the services identified, attach a letter documenting support from the funder(s). (For example, if the service provider is a nonprofit organization that contracts with a local Community Mental Health Board (CMH), the CMH must provide a letter of support for the project.)
   c. **Continuum of Care Support Form:** The Developer is encouraged to submit a concept letter of intent to the CoC describing the proposed Permanent Supportive Housing Development. The letter should include:
      a. The total number of units
      b. The number of PSH units
      c. Targeted Population
      d. Description of the housing units, ie. Townhouses, Apartments, Single Family homes.
      e. Bedroom mix of the proposed PSH units
      f. Location of the Development
      g. Proposed Services and Amenities
If the Developer is seeking points for CoC engagement and participation, the developer must attend a CoC meeting to discuss the proposed development outlined in the concept letter and provide a signed copy of the CoC Support Form.

d. Letters of support must be dated within six months of the application due date.
   If the letter of support is dated between seven months to one year of the application due date, an updated memo or letter can be submitted, stating that no material changes have occurred in the project since the original letter of support was submitted and the agency is still able to support the project.

5. Memorandum of Understanding/Contract:

Submit written documentation (specifically, a “Memorandum of Understanding” or similar contract) between the developer, Management Company, and service provider(s) that outlines mutual roles and responsibilities in this project. The MOU should incorporate the supportive services plan agreed to by the parties, and provide:

   a. Proof of commitment by the service provider, including signature of the Executive Director;
   b. A letter of support from the primary funder of the case management and/or service coordination agency;
   c. Demonstration of an ongoing commitment by the developer and/or landlord to assure sustained availability of support services.
   d. Housing Assessment Resource Agency (HARA) must be included within MOU. Their role may include referrals or services. They do not have to be the lead agency, however their role should be defined within the MOU and the executive director of that agency must sign at a minimum an addendum to the MOU that describes their role.

The Memorandum of Understanding/Contract must be dated within six months of the application due date. If the MOU is dated between seven months to one year of the application due date, and the project is not undergoing any major changes since it was originally executed, an updated letter or memo may be provided, stating that no material changes have occurred in the project since the original MOU was signed and that the agencies are still able to support the project.

(Please Note: It is expected that the Executive Director or Board Chair of the service provider organization be a signatory to these agreements.)
The MOU will include:

a. A commitment from the local lead agency to provide, coordinate and/or act as a referral agent to assure that supportive services will be available to the targeted tenants.

b. If the Housing Assessment and Resource Center is not the lead agency, this entity must be included in the MOU.

c. A description must be included of the referral and screening process that will be used to refer tenants to the project. The lead agency must follow the acceptable guidelines and tools such as the S-PDAT or model utilized for screening the targeted permanent supportive housing tenants as required by MSHDA and other State and Federal service funding agencies. There must be a willingness of all parties to negotiate reasonable accommodations to facilitate the admittance of persons with disabilities into the project.

d. A communication plan between the project management and the lead agency that will accommodate staff turnover and assure continuing linkages between the project and the local lead agency for the duration of the compliance period.

e. Acknowledgment of the property's rent structure and a description of how Supportive Housing tenants may access rental assistance, should they require it, to afford the apartment rents.

f. Certification that participation in supportive services will not be a condition of tenancy unless otherwise required by a Federal subsidy.

g. Agreement to affirmatively market to persons with disabilities.

h. Agreement to include a section on reasonable accommodation in property management’s application for tenancy.

i. Agreement to accept Section 8 vouchers or certificates (or other rental assistance) for eligible tenants and not require total income for persons with rental assistance beyond that which is reasonably available to supportive housing tenants.

j. A description of how the project will make the targeted units affordable to supportive housing tenants with very low incomes.

Projects will be regularly monitored by MSHDA to determine the percentage of units occupied by Supportive Housing Tenants.
6. **Service Coordination Plan:** On-site service coordination must be available to all supportive housing tenants. This may be provided through the partnership with the local service organizations, but it is recommended that the following schedule serve as a minimum standard. Additional on-site services may be needed depending on the population served by the supportive housing project. Threshold requirements are listed below and a funding commitment letter must be provided by attaching a detailed letter signed by the executive director of the agency providing the services. The services cannot be funded through the operations of the development.

   a. Projects of 30 PSH units or less require 8 hours per week of supportive services.
   b. Projects with 31 to 60 PSH units require 16 hours per week of supportive services.
   c. Projects with 61 to 90 PSH units require 24 hours per week of supportive services.
   d. Projects with more than 90 PSH units must have case management 32 hours of full time staffing plus 8 hours for every 30 PSH units. For example, a project with 150 PSH units is required to provide 40 hours of staffing per week, calculated as follows: 150 PSH units / 30 = 5 x 8 hrs = 40 hours of staffing per week.

7. **Minimum 25% of total units are Supportive Housing units.** Manager units count neither toward total units nor Supportive Housing units for calculating percentages.

8. **Underwriting Requirements:** Proposals with a MSHDA HOME Loan are required to follow MSHDA’s Direct Lending program underwriting parameters. Therefore, projects being awarded a tax credit reservation will be required to submit a second copy of their tax credit application for underwriting purposes.

9. **Other Requirements:** Proposals receiving a LIHTC reservation may apply for MSHDA Project Based Voucher (PBV) Assistance for Supportive Housing units. The proposal will be required to meet the PBV processing requirements. Applications for PBV assistance must be for a minimum of 5 units per development and a maximum of 100% of the development’s units.

### III. SCORING AND RANKING:

Projects submitted under the Supportive Housing Set-Aside will be scored and ranked according to the scoring criteria outlined in the Addendum I and will be required to meet all of the requirements contained in Addendum I and the QAP, as well as the requirements contained in this Addendum III.

1. MSHDA will award credits to the highest-scoring projects meeting all threshold requirements.
2. Credits not allocated under the Supportive Housing set-aside will be reallocated to the general pool.
## ADDENDUM III - Application

### A. Owner Identification:

<table>
<thead>
<tr>
<th>Organization</th>
<th>Primary Address</th>
<th>Contact Person</th>
<th>Contact Phone</th>
<th>Contact Fax</th>
<th>Contact Email</th>
<th>President/CEO</th>
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### B. Property Management Company Identification Information:

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<th>Organization</th>
<th>Primary Address</th>
<th>Contact Person</th>
<th>Contact Phone</th>
<th>Contact Fax</th>
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<th>President/CEO</th>
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### C. Lead Organization Identification Information:

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<th>Organization</th>
<th>Primary Address</th>
<th>Contact Person</th>
<th>Contact Phone</th>
<th>Contact Fax</th>
<th>Contact Email</th>
<th>President/CEO</th>
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### D. Service Organization Identification Information:

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E. Project Description

Attach a project narrative of this development and include a schedule of the Low Income Housing Tax Credit Income targeting and projected rent schedule for the entire development. If this development will be integrating permanent supportive housing with non-permanent supportive housing please include the rent and income targeting of the non-supportive housing units.

F. Unit Description, Targeted Supportive Housing Populations and Community Need

<table>
<thead>
<tr>
<th>Number of Units</th>
<th>Efficiency</th>
<th>1 Bedroom</th>
<th>2 Bedroom</th>
<th>3 Bedroom</th>
<th>4 Bedroom</th>
<th>Total Number of units</th>
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<td>Total Project</td>
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<td>Supportive Housing</td>
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<td>With PBV</td>
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<td>Barrier Free</td>
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Identify number of buildings and the number of stories per building:

Identify number of units per building:

Identify accessible features available for targeted units:

Identify the type of units:(apartment, Single family home, townhouse, duplex)

Does the building have an elevator?
Provide a brief project description including how the project will meet the needs of the targeted tenants including access to transportation, proximity to community amenities, including social, recreational, educational, commercial and health facilities. Attach a map including the distances for the tenant to access the community resources listed above: 

Provide a brief project description including how the project will meet the needs of the targeted tenants within the Community. Attach the Continuum of Care Support Form and HMIS data: 
### Community/Supportive Service Room

Projects are required to provide community or supportive service space to projects with 11 or more total LIHTC units. A minimum of 15 square feet per residential unit is required.

Projects that provide additional community space to offer opportunities for residents such as enrichment classes, Day Care or employment training on-site will be awarded 2 points. Documentation must be provided demonstrating that the additional space is significant in size to allow a private area for partnering agencies providing these opportunities and the funding source of the program or classes. If additional community space will be included, please describe:

### Targeted Supportive Housing Populations:

Provide a description of the population(s) targeted for the Supportive Housing Units: Refer to definitions within Addendum III – Attachment A.

Projects that have demonstrated in their Supportive Service Plan to serve the supportive housing populations most in need as outlined below will receive additional points:

- a. Chronically Homeless per HUD’s current definition – 5 points

A minimum of 30% of the supportive housing units must be set aside to receive points. If units will be targeted toward chronically homeless populations and receive points, there must be a waiting list preference established and the number of designated Chronically Homeless units must be occupied by tenants that meet the Chronically Homeless definition as defined by HUD. In addition, the screening tools and prioritization for the referrals must be clearly outlined. HMIS data must be submitted demonstrating a need for these units.
**Housing First Model**

Points will be awarded to supportive housing models that are collaboratively meeting the needs of the community to reduce the high costs of current system usage such as emergency rooms, police and emergency response systems and other community funded services. To receive points there must be a demonstrated use of assessment tools that identify and prioritize the referrals to serve the most vulnerable. Include a description of the referral process and centralized intake assessment that prioritizes the referrals for the waiting list that will be utilized at this development. The model must support moving persons quickly into housing from settings such as streets or shelters without preconditions of treatment acceptance or compliance. Sobriety, and medication compliance is cannot be an entrance requirement.

To receive points a detailed description of the Housing First model for this development must be included: _____

**Tenant Selection Criteria/Screening Tools:**

Describe or attach a sample tenant selection plan that will be implemented including a description of the screening tool that will be utilized to prioritize eligibility. Please describe the criminal screening and credit review process that be implemented by the property management company:

**Blended Management:**

Describe the property management and lead service agency communication plan. Include how the lead agency will coordinate relationships with the management agent and community service providers, especially in the area of tenant problem resolution or eviction avoidance, for the duration of the compliance period:
Developing in a High Need Area:

Points will be awarded to those projects that can document a high need area where the homeless count is greater than 500 persons within the City or County that the development is located:

- The documented need must be presented based on HMIS and Point-In-Time data available to the community in the City or County where the development is located within the current year or most recent available data. To receive points the HMIS data must be submitted with this application.

Proposed Rents:

Supportive housing tenant incomes must be at or below 30% AMI. However, for the purpose of the LIHTC income requirements, if subsidy is anticipated, the applicant may choose LIHTC 50% or 60% AMI rent levels. The management must be in agreement to accept Section 8 vouchers or certificates (or other rental assistance). The income requirements for supportive housing tenants can’t exceed 30% AMI at initial occupancy.

Provide a description of how the project will make the targeted units affordable to persons whose incomes are extremely low. If there is a current commitment for subsidy, attach funding commitments or list details of any anticipated applications to provide subsidy to the supportive housing tenants with incomes at or below 30% ami: _____
G. Lead Service Agency and Supportive Services

Supportive Services Plan:

*Only one specific and comprehensive plan should be submitted, regardless of the nature of the tenants targeted for the supportive housing units. (If you are proposing to serve diverse populations (i.e. individuals with mental illness, developmental disabilities, homeless), you must address the service distinctions designed to meet their unique needs.)*

Provide a description of the experience of the local lead agency and their capacity to provide access to supportive services. _____

Supportive Service Coordination:

On-site service coordination must be available to all supportive housing tenants. This may be provided through a partnership with the local service organizations. Service hours are based on the number of supportive housing units in the project. For example, a project with 45 PSH units is required to provide 16 hours of on-site supportive services, and will receive points if it provides an additional 16 hours of on-site supportive services, for a total of 32 hours of on-site supportive services. The following schedule serves as a minimum standard. Additional on-site services may be needed depending on the population served by the supportive housing project.

Projects are required to provide the following on-site service commitments:

- Projects of 30 PSH units or less require 8 hours per week of supportive services.
- Projects with 31 to 60 PSH units require 16 hours per week of supportive services.
- Projects with 61 to 90 PSH units require 24 hours per week of supportive services.
- Projects with more than 90 PSH units must have case management 32 hours of full time staffing plus 8 hours for every 30 PSH units. For example, a project with 150 PSH units is required to provide 40 hours of staffing per week, calculated as follows: 150 PSH units / 30 = 5 x 8 hrs = 40 hours of staffing per week.

To receive six points, projects must provide additional on-site services as follows:

- Projects of 30 PSH units or less need to provide 16 hours per week of additional services.
- Projects of 31 to 60 PSH units need to provide 32 hours per week of additional services.
- Projects of 61 to 90 PSH units need to provide 48 hours per week of additional services.
- Projects exceeding 90 PSH units need to provide 48 hours of case management, plus 16 hours of staffing for every 30 additional PSH units. For example, a project with 150 PSH units will need to provide 80 additional hours of staffing per week in order to receive
points, calculated as follows: 150 PSH units / 30 = 5 x 16 hrs = 80 hours of staffing per week.

Describe how the project will meet the supportive service needs of the targeted tenants. Include how many hours of on-site services will be provided and attach documentation of a funding commitment from the agency(ies) that will provide case management and on-site staff for these services. ______

H. Experienced Supportive Housing Development Team

Points will be awarded to a development team that has experience with 50 or more units of supportive housing. Experience can be included for LIHTC PSH units or HUD funded PSH units through programs such as HUD 811 or HUD PSH programs through the Continuum of Care if:

a. the Developer owns and operates 50 units or more of supportive housing;
b. the Management Company has experience managing 50 units of supportive housing; and/or
c. the Lead Agency has experience providing services for 50 units of supportive housing.

List the names of developments and total number of supportive housing units at each development below or attach a separate sheet with this information. If the Lead Agency has experience through HUD funded PSH programs through the Continuum of Care, please provide a letter from the Continuum of Care Chairperson verifying the agency’s award and that a minimum of 50 households receive PSH support services.
<table>
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<tr>
<th>Sponsor</th>
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<tr>
<td>Management Company</td>
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<tr>
<td>Lead Agency</td>
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**SUPPORTIVE SERVICES COMMITMENT**

*Please list only the services that are made available to tenants of this project. Please do not list every service generally available in a community. If service is not available, enter “none”.*

<table>
<thead>
<tr>
<th>Name of Agency Providing Service</th>
<th>Name of Agency Funding Services</th>
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<tbody>
<tr>
<td><strong>CASE MANAGEMENT</strong></td>
<td><strong>Must sign MOU</strong></td>
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<tr>
<td><strong>SERVICE COORDINATION</strong></td>
<td><strong>Must provide Letter of Support</strong></td>
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<tr>
<td><strong>Tenant Stabilization</strong> – Assist tenants to care for their apartment, ADL’s, get along with neighbors, landlord, etc.</td>
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<tr>
<td><strong>Building Support Systems</strong> – Assist tenants to re-engage with local community.</td>
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<tr>
<td><strong>Basic Needs</strong> – Assist tenants to obtain resources (food, clothing, transportation, etc).</td>
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<tr>
<td><strong>Benefit Assistance</strong> - Provide on-going support including referrals, assistance obtaining benefits, linkages with services, “whatever it takes”.</td>
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<tr>
<td><strong>Employment Related Services</strong></td>
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**OTHER ESSENTIAL**
## SERVICES

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<tr>
<th>Mental Health – ACT, counseling, therapy, medications and medication management.</th>
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<tr>
<td>Substance Abuse Services – Outpatient treatment, self-help options, and counseling.</td>
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<thead>
<tr>
<th>Name of Agency Providing Service</th>
<th>Name of Agency Funding Services</th>
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<tbody>
<tr>
<td>Must sign MOU</td>
<td>Must provide Letter of Support</td>
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| HIV/AIDS – Specialized health care. |  |
| Legal Services – Related to civil arrears, family law, uncollected benefits. |  |
| Veteran Services |  |
| Domestic Violence Counseling |  |
| Child Care |  |
| School Related Services |  |
| Other |  |

## I. Successful PSH Outcomes

If the Developer has 50 or more units of PSH, 2 additional points will be awarded if documentation is submitted with this application that clearly demonstrates that the annual average economic vacancy rate within the PSH units is at or below 5%. If the development has both PSH units and non-PSH units, data should be provided for the entire development. However, to receive points, the PSH units must meet the 5% average economic vacancy target.
<table>
<thead>
<tr>
<th>J. Summary of How the Project is “grounded” in Community Collaboration</th>
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<tbody>
<tr>
<td>It is the desire and intent that supportive housing projects NOT occur in isolation or without the knowledge and support of the community in which the development is proposed.</td>
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<tr>
<td>How does this project support the local Ten Year Plan to End Homelessness? <strong>Do not attach a copy of the Ten Year Plan as evidence of this collaboration.</strong></td>
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<tr>
<td>If this project is NOT related to the local Ten Year Plan to End Homelessness, discuss how it is grounded in any other relevant collaborative community strategy or plan.</td>
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ATTACHMENT A

DEFINITIONS

ELIGIBLE SUPPORTIVE HOUSING TENANTS
SUPPORTIVE SERVICE PLAN
SINGLE ROOM OCCUPANCY (SRO)

Please review the following definitions before completing a service plan for Supportive Housing Tenants. This is relevant when applying for any MSHDA program, including HOME or Low Income Housing Tax Credits. To be eligible for funding, the entire housing development must be open and available to adult persons of all ages.

A. Eligible Supportive Housing Tenants

Under the Low Income Housing Tax Credit program eligible supportive housing tenants must meet one of the following definitions (special need, homeless, domestic violence survivor, chronically homeless, youth aging out of foster care or homeless. The homeless and at risk of homelessness definitions are outlined below and are aligned with the HUD definitions approved by Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. HUD published the final rule in the December 5, 2011 Federal Register.

**Homeless Categories**

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:
   (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
   (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or
   (iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence provided that:
   (i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;
   (ii) No subsequent residence has been identified; and
(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:


(ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

(iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

(i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, and faith-based or other social networks, to obtain other permanent housing.

**Domestic violence (target population definition)**

In addition to Category 4 of the Homeless definition, “Domestic Violence” means the occurrence of any of the following acts by a person that is not an act of self-defense:

- Causing or attempting to cause physical or mental harm to an intimate partner;
- Placing an intimate partner in fear of physical or mental harm;
- Causing or attempting to cause an intimate partner to engage in involuntary sexual activity by force, threat of force, or duress;
- Engaging in activity toward an intimate partner that would cause a reasonable person to feel terrorized, frightened, intimidated, threatened, harassed, or molested.
**Chronically Homeless**

A person who is “chronically homeless” is an unaccompanied homeless individual with a disabling condition, or a family with at least one adult member who has a disabling condition, who has either been continuously homeless for a year or more OR has had at least four (4) episodes of homelessness in the past three (3) years.” An episode of homelessness is a separate, distinct, and sustained stay in a place not meant for human habitation, on the streets, in an emergency homeless shelter and/or in a HUD-defined Safe Haven. A chronically homeless person must be disabled during each episode. A disabling condition is defined as “a diagnosable substance use disorder, serious mental illness, developmental disability, or chronic physical illness or disability, including the co-occurrence of two or more of these conditions.” A disabling condition limits an individual’s ability to work or perform one or more activities of daily living.

**Special Need**

An adult person/prospective tenant with a physical (including profound deafness and legally blind), mental or emotional impairment that is of long-term duration, and, at the same time, the tenant must have a *substantial and sustained* need for supportive services in order to successfully live independently. In order to meet the “special needs definition,” tenants must require assistance in at least two life-skill areas, such as:

- Ability to independently meet personal care needs;
- Economic self-sufficiency (capacity for sustained and successful functioning in vocational, learning or employment contexts);
- Use of language (ability to effectively understand, be understood and handle communication as needed on a daily and ongoing basis);
- Instrumental living skills (managing money, getting around in the community, grocery shopping, complying with prescription requirements, meal planning and preparation, mobility, etc.), or
- Self-direction (making decisions/choices about one’s day-to-day activities and regarding one’s future) or

The person is a recipient of SSI/SSDI.

**B. Supportive Services Plan**

For a project to be eligible for tax credit supportive housing points or HOME funds, the proposal must include a plan for the provision of a *substantial level of services targeted* to the supportive housing units. The services must include those that are essential for supportive housing tenants to *sustain* themselves in permanent housing.

The project must be an on-going active collaboration between the owner, Management Company, and identified supportive service provider(s). The formulation of this relationship, along with a
commitment to sustain the agreed upon services over a period of time, must be agreed to by the collaborators and incorporated into a written “Memorandum of Understanding.”

The supportive services plan should outline and specify the following:

a. Conditions which would qualify the proposed tenant(s) for the supportive housing units;

b. Expected life-skills areas for which supportive services are likely to be required;

c. The supportive services to be provided. **Participation in supportive services must be voluntary unless required by a Federal rental subsidy.**

d. How service coordination will be provided.

Tenants’ must have the option to receive service coordination on-site. For the purpose of meeting this requirement, **service coordination** shall be available in a form that contains the following elements:

a. An individual assessment of service needs and life goals will be completed with the full participation of each tenant and others of their choosing.

b. A plan will be developed in response to each tenant’s assessment, which will include long and short-range goals, with specific steps to achieve them. Principles of person centered planning and self-determination will be incorporated into the planning process.

c. Service coordination will include advocacy, brokering, linking and monitoring of support services detailed in each tenant’s plan.

d. Service coordinators will help tenants gain access to entitlements, financial assistance programs, and legal representation, in accordance with the tenant’s plan.

e. A re-assessment, and revision of each tenant’s plan, will be completed on at least an annual basis. Copies of that plan and annual update will be placed in each tenant’s file.

f. Tenants shall have a designated individual or team responsible for the coordination of services.

g. Emphasis shall be placed on tenant empowerment and the development of natural/community supports.

C. **Single Room Occupancy (SRO)**

An SRO is defined as a residential property that includes multiple efficiency dwelling units. Each unit is for occupancy by a single eligible individual. The dwelling unit must contain private sanitary facilities and an appropriate food preparation area which includes sink, microwave, refrigerator, and counter for food preparation.
ATTACHMENT B

MSHDA SUPPORTIVE HOUSING SITE SELECTION
GUIDELINES

The following is provided as guidance in site selection for supportive housing projects.

The application must include:

**Residential Character:** Sites must be appropriate for residential use. Surrounding residential property values should be stable or increasing, unless the site is part of a local community effort for improvement or rehabilitation. Areas impacted by high concentrations of very low-income housing that is deteriorating or in jeopardy of deterioration should be avoided. Areas already impacted by high concentrations of housing for people with special needs should also be avoided.

The site must offer a wide variety of social, commercial and health facilities that are similar to those found in a neighborhood of primarily unassisted housing of a similar nature. Sites should allow for a visually proud orientation of the housing to the street and neighborhood. Easy and safe ingress and egress should be available by vehicle and by foot or wheelchair. Good signage, lighting and landscaping features should be incorporated to establish a pleasing and noticeable residential presence. Surrounding uses when viewed from the site itself should be well maintained and aesthetically pleasing.

**Site Utilities:** Site utilities, adequate water, sewer, storm drainage, electricity, telephone, and natural gas service, should be available. Underground utility service is preferable. Parcels requiring extension of off-site utility lines may be considered.

**Frontage:** Sites should have frontage on a paved public street and provide good accessibility. Public improvements should be available including paved roads, sidewalks, curbs and gutters, street lighting, storm drains and fire hydrants. In situations involving private drives, shared roads, grounds or utility access, maintenance agreements must be in place for equitable sharing of the cost of mowing, plowing, maintaining and replacing shared facilities. Sites should have easy and safe ingress and egress.

**Public Transportation and Community Resources:** Good access should be available to public transportation and community resources such as grocery shopping, pharmacy, bank, employment, religious and education institutions as well as medical and social services and community parks or recreational activities the proposed occupants will be most likely to use. Access routes by foot, bicycle or wheelchair should be available or developed wherever possible. Where public transportation or accessible routes are not available, the proposal should include site based transportation services.
**Reasonable Size and Configuration:** Shape, size, soil conditions and contours of the site should allow for flexibility in building location and orientation and permit professional site planning, circulation, parking, and open space. Sites should neither be too small nor include excessive acreage. Property should generally be between .25 and 3 acres in size depending on the number of units proposed. Existing ground contours should not require excessive grade or fill to accommodate ramping (preferably without the need for handrails) and the use of wheelchairs. Space must be available for fire safety equipment, waste removal and bus or van access where applicable. The proposed development should be proportionate to current and proposed adjacent land uses. Soil conditions must be suitable to support the proposed improvements and allow for appropriate drainage.

**Relocation Costs:** Proposals involving federal funds for occupied sites should involve no permanent relocation. Funding for relocation cost is generally not available from MSHDA, although proposals involving temporary relocation with minimal cost may be considered on a case-by-case basis. Please consult with MSHDA staff before proposing a site involving relocation and before signing an option or offer to purchase a proposed site.

**No Negative Environmental Issues** – Sites should exhibit no obvious negative environmental influences, which cannot be corrected or acceptably mitigated. Environmental impacts include, but are not limited to: excessive noise or physical hazard from railroad, vehicular, or air traffic; high tension power lines or high pressure natural gas transmission lines; sanitary landfills or salvage yards; sewage treatment plants; stored hazardous materials on or near the sites; buried or spilled hazardous wastes; operating oil wells; mine shafts; gravel pits; wetland designation; and prime agricultural soils classification.

The Authority will not finance projects to be located in a 100-year flood plain unless all necessary governmental approvals are obtained and all buildings, parking areas, and pedestrian and vehicular ingress and egress will be elevated at least one foot above the flood plain elevation when the project is finished.

Other environmental factors to consider include wetlands, Great Lakes, wild and scenic rivers, prime agricultural sois, historic districts, and lead based paint. Environmental clearance procedures vary depending upon whether the proposal involves new construction or rehabilitation, the use of federal funds, and occupancy by children. Before selecting a site, please contact MSHDA supportive housing staff at 517-373-6880. See Tab D and Tab T of the Combined Application for Rental Housing, and/or refer to MSHDA’s Phase I requirements at [www.michigan.gov/mshda](http://www.michigan.gov/mshda).
**PBV Site Selection**

In addition to the MSHDA Supportive Housing Site Selection Guidelines and definitions above, if the proposal receives a LIHTC award and will be applying for Project Based Vouchers (PBVs) the site and proposal must meet the federal program requirements of HUD regulations (Title 24 Housing and Urban Development Part 983 Project Based Voucher (PBV) Program). Below is a link to further guidance of this program:

http://www.michigan.gov/mshda/0,4641,7-141-5555_60730---,00.html.