



STATE OF MICHIGAN

JENNIFER M. GRANHOLM  
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY  
LANSING

KEITH MOLIN  
EXECUTIVE DIRECTOR

## NSP1 Progress Report for Quarter Ending June 30, 2010 Due Friday, June 25, 2010

INSTRUCTIONS: Grantees under the Michigan NSP Program are required to prepare reports for submission each quarter. Please note that the report's content is subject to change based on MSHDA's reporting needs. The information provided should be cumulative from the beginning date of the grant's term of work performance. Failure to submit a complete program progress report may jeopardize further disbursement of grant payments by the State and could result in a negative determination of the grantee's capacity for administering grant funds.

### A. PROJECT IDENTIFICATION

<b>Grantee: Ann Arbor</b>	<b>Grant Number: 381</b>
---------------------------	--------------------------

### B. PROJECT STATUS

NSP Grant Amount: \$850,000	Total NSP Payments Received: \$0
Is the NSP portion on schedule? Yes or No If no, please provide explanation. YES – on commitments	Percent of grant complete: _____7_ %

**Please Note: For the information provided below should only include approved activities – not anticipated amended activities unless you provide a brief explanation i.e. amendment pending. Pay close attention to funding codes when completing (Refer to Exhibit A).**

Leveraged Funds:	Source:	NSP Expenditures:
Administration - \$ _____	_____	Administration - \$ 30,000 _____
Financing Mechanisms	_____	Financing Mechanisms
A001 - \$ _____	_____	A001 - \$ _____
A002 - \$ _____	_____	A002 - \$ _____
Acquisition/Rehab Residential	_____	Acquisition/Rehab Residential
B001 - \$ _____ 167,497 _____	Habitat _____	B001 - \$ _____ \$145,450 _____
B002 - \$ _____	_____	B002 - \$ _____
Land Banks - \$ _____	_____	Land Banks - \$ _____
Demolition - \$ _____	_____	Demolition - \$ _____
Redevelopment	_____	Redevelopment
E001 - \$ _____	_____	E001 - \$ _____
E002 - \$ _____	_____	E002 - \$ _____
E003 - \$ _____	_____	E003 - \$ _____
E004 - \$ _____	_____	E004 - \$ _____
E005 - \$ _____	_____	E005 - \$ _____
Total Leveraged Funds: \$ _____ 167,497 _____		Total NSP Funds Expended: \$ _____ 175,450 _____

1. If you have not accessed the OPAL system and/or entered activities, please provide a brief explanation.



Equal  
Housing  
Lender

735 EAST MICHIGAN AVENUE • P.O. BOX 30044 • LANSING, MICHIGAN 48909  
www.michigan.gov/mshda • (517) 373-8370 • FAX (517) 335-4797 • TTY (800) 382-4568

Printed by members of:



2. Please provide at least three sentences explaining the current status/progress that is being made for each funding category that you have committed NSP funds to:

Administration (i.e. database creation, increasing staff, capacity building, program design)

Ann Arbor has been working with MSHDA to resolve policy decisions regarding how much Habitat's lien and how much MSHDA's NSP lien is at the time the homebuyer purchases the house from Habitat, what counts as an activity delivery cost for developers, and clarifying other pro forma requirements. The City has also been working with MSHDA to understand MSHDA's requirements for lead and asbestos, Davis-Bacon, and Section 3 requirements for demolition projects. The City made its first draw this quarter.

Financing Mechanisms - N/A

Acquisition/Rehab Residential - B001 and/or B002

Ann Arbor is contracting with Habitat for Humanity to purchase, rehab and resell 4 houses with NSP funds. All 4 houses have been purchased by Habitat: 2128 Champagne, 2905 Marshall, 2836 Maplewood, and 2970 Sharon. The City has submitted all of the paperwork required by MSHDA in order to make a draw on 2128 Champagne. The homebuyer purchased the house on June 30, 2010, which is when the activity was completed. \$85,441 were leveraged through Habitat fund raising and donations of labor and materials. Habitat also leveraged \$40,500 for 2905 Marshall and \$41,556 for Maplewood so far. Rehabilitation has begun on Marshall, Maplewood and Sharon and the City is in the process of submitting the appropriate paperwork to make a draw on these houses. The homebuyers are expected to purchase the houses by December 2010. All of these activities should meet the 50% AMI set aside.

Ann Arbor submitted a request to MSHDA to approve a budget for a housing purchase by a resident through a Homebuyer Purchase and Rehabilitation contract with Community Housing Alternatives. Once the budget is approved, the homebuyer will purchase the house and rehabilitation will begin. This activity will not meet the 50% AMI set-aside.

Ann Arbor submitted a budget amendment and request for release of the entire \$850,000 allocation the week of June 21<sup>st</sup>. The budget amendment included moving all uncommitted funds to Avalon Housing to purchase and rehabilitate a 23 unit rental property on Miller, which meets the 50% AMI set aside. Avalon is in negotiations with the lender on the property to purchase the building through a deed in lieu of foreclosure. Acquisition will occur in the next quarter. MSHDA's multi-family division is also funding the project.

Homebuyer Education funds have been drawn down for the activity on Champagne and will be drawn down for the remaining 4 houses, after the buyer have completed homebuyer education courses and purchased the homes.

Land Banks – N/A

Demolition

The City of Ann Arbor has allocated \$25,000 to demolish an abandoned, blighted property on Sharon Street. The remaining demolition funds of \$25,000 will be reallocated to Avalon to purchase the rental property as mentioned above. The demolition funds were allocated to Avalon to demolish a couple buildings on the site of a proposed tax credit new construction property on Main Street. However, MSHDA has not allocated tax credits yet and it was unclear if that would occur before the June 30<sup>th</sup> deadline set by MSHDA, therefore, the City requested that the funds be reallocated.

Redevelopment E001, E002, E003, E004 and/or E005 N/A

3. Provide the information below for **all** NSP assisted properties that are 100% completed.

(For non-demolition projects completion is defined as when a beneficiary has been identified & income information verified.)

