



STATE OF MICHIGAN

GRETCHEN WHITMER
GOVERNOR

MICHIGAN STATE HOUSING DEVELOPMENT AUTHORITY
LANSING

GARY HEIDEL
ACTING EXECUTIVE DIRECTOR

TO: Property Owners/Managers

FROM: Troy Thelen-Acting Director of Asset Management

DATE: March 18, 2020

RE: Coronavirus Disease 2019 (COVID-19) Inspection and Monitoring Protocol

In response to concerns related to COVID-19, the Michigan State Housing Development Authority (MSHDA) Asset Management Division is implementing the following protocols. These protocols are applicable for the following properties financed, assisted, or administered by MSHDA and including but not limited to: Section 8, Section 236, Low-Income Housing Tax Credit (LIHTC), Rural Housing, Tax-Exempt Bonds, Taxable Bonds, Neighborhood Preservation Program, TEAM, HOME, HOME TEAM Advantage and Pass-through.

We recommend submitting documents electronically when able. Draw requests and payments will be processed as usual, although you may face slightly extended timelines due to MSHDA compliance with state and federal health recommendations to practice social distancing and temporarily work from home.

Based on evolving best practices, it is recommended by the Authority that any scheduled evictions unrelated to issues of life safety be postponed. Displacement of residents can lead to a greater risk of exposure for those displaced, as well as a greater possibility of transmission of the virus if persons are placed into an unstable or transient housing situation. Further, with the likelihood that residents may face loss of employment due to business closures or cutbacks in hours, more residents may face a struggle to pay bills including rent. Please work to preserve tenancy as much as possible as we await measures to support those who have lost wages and will experience economic instability due to COVID-19.

**** Until further notice we will not be accepting walk-in payments at either our Detroit or Lansing facility. Any payments postmarked by the 15th of the month and received by the 20th will not be assessed late charges or considered late in relation to the Authority's Premium Management Fee Policy. ****

Affordability/Compliance Period Physical Inspections and File Monitoring

- Physical inspections will be postponed until further notice.
- Tenant file reviews will continue to be conducted as usual and if possible, we encourage using electronically-secure upload options for submissions.

Quality Assurance Monitoring

- All visits are postponed until further notice.
- Quality assurance file reviews will continue to be conducted as usual.

Annual Owner Certifications

- There will be no interruption in reviewing the 2019 Annual Owner Certifications and Annual Rental Compliance Reporting.



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Management and Occupancy Reviews (“MORs”):

- In conjunction with policy issued in HUD’s Question and Answer for Office of Multifamily Housing Stakeholders for COVID-19, all MORs are postponed until further notice.

Asset Management Monitoring

- All Asset Manager site visits are postponed until further notice.
- Desk reviews will continue to be conducted as usual.

Capital Needs Assessment Inspections

- Previously scheduled Site Visits may be completed with owner and agent approval. Future reports will be put on hold.

Monthly Income and Expense (MIE) Reports

- MIE reports for January and February remain due on March 20, 2020.

Annual Certified Audits

- Audits for MSHDA-financed developments remain due April 30, 2020.

We strongly encourage you to work with your tenants to communicate procedures to ensure health and safety and any other policies you implement during this time.

HUD has published a guide, <https://www.hud.gov/coronavirus> for Public Housing, Housing Choice Voucher, and Project-Based Voucher Program and Native American Programs and the Office of Multifamily Housing. Even if your program is not specifically related to the programs listed, the general information is valuable to any affordable housing project.

Questions about this notice can be directed to Troy Thelen, Acting Director of Asset Management, via ThelenT@michigan.gov or Nathan Thelen, Compliance Manager, via ThelenN5@michigan.gov