

HOUSE BILL No. 4657

April 24, 2007, Introduced by Rep. Tobocman and referred to the Committee on New Economy and Quality of Life.

A bill to amend 2004 PA 479, entitled
"Michigan housing and community development fund act,"
by amending sections 2, 3, 5, 6, and 8 (MCL 125.2822, 125.2823,
125.2825, 125.2826, and 125.2828).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Authority" means the Michigan state housing development
3 authority created in section 21 of the state housing development
4 authority act of 1966, 1966 PA 346, MCL 125.1421.

5 (b) "Department" means the department of treasury.

6 (c) "Eligible applicant" means that term as defined in section
7 58 of the Michigan state housing development authority act of 1966,
8 1966 PA 346, MCL 125.1458.

9 (d) "Low income household", "very low income household", ~~and~~

1 "extremely low income household", **AND "DOWNTOWN AREA"** mean those
2 terms as defined in section 58 of the Michigan state housing
3 development authority act of 1966, 1966 PA 346, MCL 125.1458.

4 (e) "Michigan housing and community development fund" or
5 "fund" means the Michigan housing and community development fund
6 created in section 3.

7 Sec. 3. (1) The Michigan housing and community development
8 fund is created as a separate fund in the department.

9 (2) The fund shall be administered by the authority, and money
10 in the fund shall be expended only as provided in this act.

11 (3) The department shall credit to the fund all amounts
12 appropriated **FROM RESTRICTED REVENUES** for the purposes under this
13 act. ~~and any money received as contributions for purposes under~~
14 ~~this act.~~

15 ~~—— (4) The state treasurer shall invest the money in the fund and~~
16 ~~credit the earnings from the investments to the fund.~~

17 ~~(4) (5) Money appropriated or money received as a contribution~~
18 **UNDER THIS SECTION** to the fund shall be available for disbursement
19 upon appropriation.

20 Sec. 5. ~~(1) Money in the fund shall be allocated to eligible~~
21 ~~applicants for housing projects if the eligible applicant has~~
22 ~~conducted a market study or review to ensure that there is a demand~~
23 ~~and need for the housing project proposed.~~

24 ~~—— (2) Housing developed with money from the fund shall be~~
25 ~~consistent in nature with housing already provided in the area to~~
26 ~~be developed.~~

27 ~~—— (3) The authority shall encourage housing projects that are~~

1 part of a planned community revitalization strategy.

2 Sec. 6. (1) Money from the fund shall be used to provide
3 grants, mortgage loans, and other loans including, but not limited
4 to, construction loans, bridge loans, and predevelopment loans to
5 provide housing for low income, very low income, and extremely low
6 income households **AND TO PROVIDE FOR REVITALIZATION OF DOWNTOWN**
7 **AREAS.**

8 ~~—— (2) Money from the fund may be used to provide single family~~
9 ~~or multifamily housing.~~

10 (2) ~~(3)~~ A portion of the allocation each year, as determined
11 by the authority, shall be used to provide housing for all of the
12 following:

13 (a) Homeless persons.

14 (b) Persons with physical and mental disabilities.

15 (c) Persons living in distressed or rural areas.

16 (3) ~~(4)~~ Money in the fund may be used according to the
17 provisions of section 58c(1) of the Michigan state housing
18 development authority act of 1966, 1966 PA 346, MCL 125.1458c.

19 Sec. 8. (1) The authority shall develop an allocation plan
20 each year based on the annual priorities developed under section 7
21 that includes, but is not limited to, how the authority will
22 identify, select, and make financing available to applicants to
23 develop fundable projects. The plan shall include how the authority
24 will allocate money to provide technical assistance to eligible
25 applicants.

26 (2) The allocation plan shall include all of the following:

27 (a) A list of the organizations and types of organizations

1 eligible to receive money from the fund.

2 (b) Any preference for identified special population groups.

3 (c) Any geographic targeting in designated revitalization
4 areas including, but not limited to, the authority's neighborhood
5 preservation program areas, renaissance zones, federally designated
6 empowerment and enterprise zones, and community or homeownership
7 zones.

8 (d) The allocation funding formula as prescribed in subsection
9 (3).

10 (3) The authority shall determine a formula for allocating
11 money throughout the state using all of the following factors:

12 (a) The number of persons in poverty in a geographic area.

13 (b) The level of ~~housing~~-distress in a geographic area.

14 (c) Any other factor that supports the need for affordable
15 housing **AND REVITALIZATION OF DOWNTOWN AREAS** as determined by the
16 authority and included in the allocation plan.