

**SUBSTITUTE FOR  
SENATE BILL NO. 1147**

A bill to amend 1966 PA 346, entitled  
"State housing development authority act of 1966,"  
by amending sections 59 and 59a (MCL 125.1459 and 125.1459a), as  
added by 2008 PA 456.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 59. (1) The definitions in section 11 apply to this  
2 chapter unless otherwise provided in this chapter.

3           (2) As used in this chapter:

4           (a) "Area median income" means the median income for the area  
5 as determined under section 8 of the United States housing act of  
6 1937, 42 USC 1437f, adjusted for family size.

7           (b) "Income" means an amount determined in a manner consistent  
8 with the determination of lower income families under section 8 of  
9 the United States housing act of 1937, 42 USC 1437f.

1 (c) "Supportive housing property" means property that meets  
2 all of the following requirements:

3 (i) Is owned by an organization exempt under section 501(c)(3)  
4 of the internal revenue code, 26 USC 501, **OR BY A NONPROFIT HOUSING**  
5 **CORPORATION ORGANIZED UNDER CHAPTER 4.**

6 (ii) All living units are occupied by 1 or more persons each  
7 having incomes at or below 30% of the area median income and who  
8 each individually receive services for not less than 1 hour per  
9 month either directly from or contracted for by an organization  
10 identified in subparagraph (i), which services include, but are not  
11 limited to, mental health, substance abuse, counseling, and  
12 assistance with daily living.

13 (iii) Consists of not more than 6 individual living units.

14 (D) **"INDIVIDUAL LIVING UNIT" MEANS AN ACCOMMODATION CONTAINING**  
15 **A LIVING AREA, 1 TO 4 SLEEPING AREAS, BATHING AND SANITATION**  
16 **FACILITIES, AND COOKING FACILITIES EQUIPPED WITH A COOKING RANGE,**  
17 **REFRIGERATOR, AND SINK, ALL OF WHICH ARE SEPARATE AND DISTINCT FROM**  
18 **ANY OTHER ACCOMMODATIONS. AN INDIVIDUAL LIVING UNIT MAY BE SERVED**  
19 **BY HEATING OR COOLING FACILITIES THAT ALSO SERVE ADDITIONAL UNITS.**  
20 **AN INDIVIDUAL UNIT SHALL NOT PROVIDE HOUSING FOR MORE THAN 6**  
21 **INDIVIDUALS.**

22 Sec. 59a. ~~(1)~~—The owner of supportive housing property shall  
23 file with the local assessing officer a notification of that  
24 status, which shall be in an affidavit form as provided by the  
25 authority. The completed affidavit form first shall be submitted to  
26 the authority **BEFORE NOVEMBER 1 OF THE YEAR PRECEDING THE TAX YEAR**  
27 **IN WHICH THE EXEMPTION IS TO BEGIN** for certification by the

1 authority that the project is supportive housing property. The  
 2 owner then shall file the certified notification of the exemption  
 3 with the local assessing officer before ~~November~~**DECEMBER** 1 of the  
 4 year preceding the tax year in which the exemption is to begin. **THE**  
 5 **AUTHORITY SHALL NOT ACCEPT ANY AFFIDAVITS FILED WITH IT FOR**  
 6 **CERTIFICATION ON OR AFTER NOVEMBER 1 OF ANY YEAR.**

7 ~~—— (2) An owner of property for which certification as supportive~~  
 8 ~~housing property is denied or a local unit of government in which~~  
 9 ~~property certified as supportive housing property is located may~~  
 10 ~~appeal the authority's determination to the circuit court of the~~  
 11 ~~county in which the property is located.~~

12 ~~—— (3) The authority shall certify property as supportive housing~~  
 13 ~~property on a first-come, first-served basis. However, **THE**~~  
 14 **AUTHORITY SHALL NOT CERTIFY MORE THAN 250 INDIVIDUAL LIVING UNITS**  
 15 **IN EACH YEAR, AND** not more than 25% ~~of the number of living 62~~  
 16 ~~units that may be certified as supportive housing property for a~~  
 17 ~~year can be in a single county. If by ~~October~~**NOVEMBER** 1 of ~~that~~~~  
 18 **ANY** year the total number of living units **THAT THE AUTHORITY HAS**  
 19 **CERTIFIED** for that year is ~~less~~**FEWER** than ~~the~~ 250 living units,  
 20 ~~authorized in subsection (1), the authority may, certify living~~  
 21 ~~units on a first-come, first-served basis in counties that received~~  
 22 ~~25% of the living units for that year. **SUBJECT TO THE ANNUAL STATE-**~~  
 23 **WIDE LIMIT OF 250 LIVING UNITS, CERTIFY ADDITIONAL LIVING UNITS IN**  
 24 **ANY COUNTY THAT HAD PREVIOUSLY REACHED THE 62-UNIT LIMIT. THIS**  
 25 **CERTIFICATION SHALL BE ON A FIRST-COME, FIRST-SERVED BASIS, BASED**  
 26 **ON AFFIDAVITS FILED WITH THE AUTHORITY BEFORE NOVEMBER 1 OF THAT**  
 27 **YEAR, BUT AFTER THE COUNTY INVOLVED REACHED THE 62-UNIT LIMIT. IF**

1 NOT ALL OF THE AFFIDAVITS CAN BE CERTIFIED WITHOUT REACHING THE  
2 250-UNIT LIMIT, AND THE DATE AND TIME OF THE FILING OF THOSE  
3 AFFIDAVITS DOES NOT ESTABLISH WHICH WERE FILED EARLIEST, THE  
4 AUTHORITY SHALL SELECT AND CERTIFY AFFIDAVITS WITHIN THAT GROUP  
5 RANDOMLY, KEEPING A BALANCE OF CERTIFIED UNITS AMONG COUNTIES THAT  
6 HAVE MORE THAN 62 CERTIFIED UNITS.