

STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966 (EXCERPT)
Act 346 of 1966

125.1424b Land acquisition and development fund; use of moneys; acquisition and exchange of real property; improvements to real property; costs; conveyance of real property.

Sec. 24b.

(1) The authority may use the money held in the land acquisition and development fund to lease, acquire, or contract to acquire real property by grant, purchase, or otherwise from any person, firm, partnership, corporation, municipality, county, or federal or state agency, upon determining that the real property may be suitable for a future housing development or housing project; or is located in a residential area where the authority has financed or has planned to finance housing and the proposed use of the real property will improve the quality of the residential area by eliminating blight or provide needed public or commercial facilities; or is so situated that the present or future use of the real property, if not acquired by the authority, will adversely affect the value or marketability of the authority financed housing project. The authority may acquire real property in its own name or through and in the name of an agent by means of land contract, option, or other form of deferred payment agreement, or subject to mortgages or other encumbrances, if the authority reserves money in this fund or authorization to issue notes and bonds, the aggregate amount of which equals the unpaid principal balance on the land contracts, options, mortgages, or other encumbrances or deferred payment agreements plus any anticipated carrying charges, including insurance premiums, interest, maintenance expenses, and property taxes. The authority may exchange real property purchased with money from this fund for other real property, if the authority determines that the real property will be acquired for a purpose for which real property can be purchased with money from this fund. Money received by the authority in connection with the exchange and any money received from the sale or rental of the real property shall be deposited in the land acquisition and development fund.

(2) The authority may contract for and use money held in the land acquisition and development fund for the following types of improvements to real property purchased or otherwise acquired for the purposes of this fund:

(a) Improvements that are necessary to place the real property in a safe, sanitary, and decent condition, including demolition, excavation, and landscaping.

(b) Improvements to real property which is to be dedicated for the public use and enjoyment, including the installation of recreational facilities, benches, shelters, lighting, and walkways.

(c) Improvements that are necessary to insure the planned development of the real property, including the installation of roads, sidewalks, sewers, and utilities. The authority may contract for and use money held in the land acquisition and development fund for services needed in connection with the acquisition, disposition, planning, development, and maintenance of real property.

(3) The authority may use the money held in the land acquisition and development fund to pay the following costs on real property purchased or being purchased with money from this fund or acquired by gift, grant, or exchange for the purposes of this fund:

(a) The costs of property taxes, insurance premiums, interest, maintenance expenses, and other carrying charges on real property notwithstanding the provisions of section 42, during the period when real property is owned or is being purchased by the authority or its agent, the authority shall pay all property taxes levied against the real property unless a taxing jurisdiction exempts the real property from property taxes. The assessed valuation of the real property while it is owned or being purchased by the authority or its agent shall not be increased by any taxing jurisdiction, except to reflect the state equalization valuation process.

(b) The costs of planning the development of the real property, including, but not limited to, the costs of economic feasibility studies, land use studies, site development planning, architectural and engineering design, market analysis and all related analyses, studies and planning services.

(c) The costs incurred in the transfer of real property, including brokerage and appraisal fees, recording expenses, and the costs of surveys and title insurance.

(d) The costs of the improvements to real property permitted by subsection (2).

(4) Real property may be conveyed by the authority to a nonprofit housing corporation, consumer housing cooperative, limited dividend housing corporation, limited dividend housing association, mobile home park corporation, mobile home park association, or municipality for the purpose of constructing housing projects at such price and on such terms and conditions as shall be determined by the authority. Real property may be conveyed by the authority to the state or federal government, or any county or municipality for the use and enjoyment of the public upon such terms and conditions as shall be determined by the authority. Real property may be sold by the authority to an individual, firm, partnership, corporation, county, municipality, authority, or federal or state agency for any purpose at a price, equal to or greater than the lesser of the fair market value of the property at the time of sale or the price paid by the authority to acquire, hold, and improve the real property, which conveyance shall be subject to terms and conditions determined by the authority. In conjunction with a sale or conveyance of real

property, the authority may enter into agreements which regulate all aspects of the development of the real property, including, but not limited to, land use planning, site development, construction, architectural and engineering design, marketing, management, occupancy, operation, and all factors related to the foregoing.

History: Add. 1970, Act 129, Imd. Eff. July 29, 1970 ;-- Am. 1976, Act 410, Imd. Eff. Jan. 9, 1977 ;-- Am. 1982, Act 534, Imd. Eff. Dec. 31, 1982 ;-- Am. 1983, Act 217, Imd. Eff. Nov. 16, 1983