

HOUSE BILL No. 5735

May 9, 1990, Introduced by Reps. Harrison, Joe Young, Jr., DeMars, Miller, Saunders, Kilpatrick, Berman, Joe Young, Sr., Varga and Stallworth and referred to the Committee on Appropriations.

A bill to create an office of housing within the department of commerce and prescribe its powers and duties; and to provide for the promulgation of rules.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "office of housing act".

3 Sec. 2. As used in this act:

4 (a) "Authority" means the Michigan state housing development
5 authority created in section 21 of the state housing development
6 authority act of 1966, Act No. 346 of the Public Acts of 1966,
7 being section 125.1421 of the Michigan Compiled Laws.

8 (b) "Commission" means the housing policy commission created
9 in the housing policy commission act.

10 (c) "Council" means the housing coordinating council created
11 in the housing policy commission act.

(d) "Director" means the director of the office of housing.

(e) "Handicapper" means that term as defined in section 103 of the Michigan handicappers' civil rights act, Act No. 220 of the Public Acts of 1976, being section 37.1103 of the Michigan Compiled Laws.

(f) "Low income" means yearly gross income that is less than 150% of the poverty standard.

(g) "Moderate income" means yearly gross income that is less than 250% of the poverty standard.

(h) "Office" means the office of housing created in section 3.

(i) "Poverty standard" means a criterion established pursuant to section 3 that is utilized by the office to categorize income levels.

(j) "Shelter provider" means any entity that, at a minimum, furnishes, without charge, daytime or overnight lodging on a temporary basis for homeless persons.

(k) "Special populations" means categories of persons designated by the commission as having special housing needs. Special populations may include, but are not limited to, handicappers, persons who are mentally ill or have developmental disabilities, the elderly, and homeless persons.

(l) "Very low income" means yearly gross income that is less than 100% of the poverty standard.

Sec. 3. (1) The office of housing is created as an autonomous agency within the department of commerce. The office shall exercise its powers and functions, including budgeting,

1 procurement, rule promulgation, and related management functions,
2 independent of the director of the department of commerce. The
3 office shall have the primary responsibility for developing,
4 administering, and coordinating housing programs and policies in
5 the state.

6 (2) The head of the office is the director of the office of
7 housing. The director shall be appointed by the governor with
8 the advice and consent of the senate.

9 (3) The office shall do all of the following:

10 (a) Prepare the statewide assessment of housing needs
11 described in section 4. The assessment shall be reviewed and
12 approved by the commission.

13 (b) Annually report to the legislature and the governor its
14 findings, conclusions, and recommendations based on an annual
15 update of the statewide assessment of housing needs described in
16 section 4, its accomplishments during the year, and its goals for
17 the coming year. The report shall be reviewed and approved by
18 the commission.

19 (c) Jointly with the commission, develop the state housing
20 plan described in section 5.

21 (d) Provide an information clearinghouse for public and pri-
22 vate agencies and organizations on the availability of residen-
23 tial housing and the resources available to persons of low, very
24 low, and moderate income and persons in special populations.

25 (e) Assist local governments and private entities involved
26 with residential housing in determining and analyzing the needs
27 for residential housing in their areas.

1 (f) Provide planning and technical assistance to shelter
2 providers.

3 (g) Increase public awareness of the existence of homeless
4 persons by coordinating the exchange and dissemination of infor-
5 mation regarding the existence of shelter providers and programs
6 of a preventive nature.

7 (h) Coordinate and monitor the services of shelter providers
8 in the state, and provide information to the commission regarding
9 these functions.

10 (i) Administer all federal funds or state funds appropriated
11 by the legislature to the office.

12 (j) Prepare plans, proposals, and applications required in
13 order to obtain federal funding for housing programs.

14 (k) To the extent of available funds, make grants to local
15 public and private nonprofit entities that are providing housing
16 services. Grants shall be made in accordance with criteria and
17 an approval process developed by the commission.

18 (l) Make recommendations regarding financing to the author-
19 ity and coordinate funding programs with the authority.

20 (m) Develop and submit to the legislature and governor a
21 comprehensive report detailing housing programs in all state
22 departments.

23 (n) In cooperation with other state departments, determine
24 residential properties that have reverted to state ownership or
25 receivership.

26 (o) Provide planning and technical assistance to shelter
27 providers for the development, implementation, and administration

1 of services designed to prevent the increase in the number of
2 homeless persons and to provide shelter and services to homeless
3 persons.

4 (p) Establish a poverty standard to be used in determining
5 categories of income level. The office may consider the poverty
6 line established by the federal director of the office of manage-
7 ment and budget and issued by the United States secretary of
8 health and human services pursuant to section 673(2) of the omni-
9 bus budget reconciliation act of 1981, 42 U.S.C. 9902.

10 Sec. 4. (1) The office shall compile a statewide assessment
11 of housing needs. The commission shall review and approve the
12 assessment. The office shall make a report to the legislature
13 and the governor by October 1, 1991, and shall update the report
14 annually. In making its assessment and report, the office shall
15 do all of the following:

16 (a) Compile information regarding needs for residential
17 housing grouped by income levels and special populations, and by
18 the type of residential housing according to classifications
19 determined by the commission.

20 (b) Make an inventory and analysis of the projected reduc-
21 tion of existing subsidized and public housing.

22 (c) Make projections as to the private residential housing
23 market's ability to meet the needs for housing identified in sub-
24 divisions (a) and (b), and the extent to which the private market
25 will not meet those needs.

1 (d) Evaluate the rental rates, vacancy rates, and building
2 costs of residential housing for persons of low, very low, and
3 moderate income and persons in specialized populations.

4 (e) Determine the amount of residential housing for persons
5 of low, very low, and moderate income and persons in specialized
6 populations that is in violation of local housing codes and the
7 nature of the violations.

8 (f) Determine the financial barriers to the purchase of res-
9 idential housing that confront persons of low, very low, and mod-
10 erate income, including, but not limited to, the availability of
11 mortgage loans, home improvement loans, and property insurance.

12 (g) Determine the needs for residential housing for persons
13 of low, very low, and moderate income and persons in specialized
14 populations who desire or require shared housing, transitional
15 housing, or single room occupancy residential housing.

16 (h) Determine the availability of services related to resi-
17 dential housing including, but not limited to, landlord and
18 tenant mediation, mortgage and debt counseling, and residential
19 housing information and referral.

20 (i) Determine the housing needs of homeless persons, includ-
21 ing housing needs of subgroups of homeless persons such as fami-
22 lies, minors, the elderly, runaways, and persons suffering from
23 mental illness or substance abuse.

24 (2) The office shall assist local communities in assessing
25 their housing needs, and shall incorporate such assessments in
26 its report to the authority, legislature, and governor.

1 Sec. 5. (1) With the advice and assistance of the
2 commission, and based on the statewide assessment of housing
3 needs described in section 4, the office shall develop a state
4 housing plan. The plan shall contain a statement of short-term
5 goals for the next 2-year period, including all those issues that
6 need immediate attention, and a 5-year long-term plan.

7 (2) The state housing plan shall be developed to meet all of
8 the following goals:

9 (a) Increase the supply and quality of housing for persons
10 of low, very low, and moderate income and persons in specialized
11 populations.

12 (b) Stabilize neighborhoods and rehabilitate existing hous-
13 ing, including both rental and owner-occupied housing.

14 (c) Prevent displacement of lower income households where
15 possible, and where such displacement is unavoidable, establish
16 effective relocation services.

17 (d) Increase the ability of persons of low, very low, and
18 moderate income to afford housing.

19 (e) Increase the availability of consumer choices and
20 options in the housing market.

21 (f) Identify and encourage alternative forms of home
22 ownership.

23 (g) Ensure that services are available on a statewide basis
24 to meet the needs of homeless persons.

25 (h) Strengthen and build the capacity of local public and
26 private entities to deliver housing resources.

1 (i) Improve accountability of landlords and encourage
2 responsible stewardship of residential rental properties.

3 (j) Eliminate barriers to home ownership.

4 (k) Ensure equal access to housing.

5 (l) Other goals recommended by the commission.

6 (3) The state housing plan shall contain specific, measur-
7 able objectives that allow progress to be monitored.

8 (4) The state housing plan shall be updated annually by the
9 office.

10 Sec. 6. (1) The office shall develop and administer housing
11 programs consistent with this act and the state housing plan
12 developed pursuant to section 5.

13 (2) The office may enter into contracts with local public
14 and private nonprofit agencies for the administration of housing
15 programs and the delivery of housing services.

16 (3) With the assistance of the council, the office shall
17 coordinate with other state departments and local governments all
18 of the following programs:

19 (a) Home repair, weatherization, and energy conservation
20 programs.

21 (b) Home improvement loan programs.

22 (c) Home repair and home-sharing programs for the elderly.

23 (d) Standards for ensuring handicapper accessibility.

24 (e) Regulation of real estate brokers.

25 (f) Programs related to housing discrimination.

26 (g) Programs for homeless persons.

1 (h) Mediation of disputes between landlords and tenants.

2 (i) Income assistance programs providing shelter for persons
3 with low income or very low income.

4 (j) Subsidized housing programs.

5 Sec. 7. This act shall not take effect unless Senate Bill
6 No. _____ or House Bill No. _____ (request no. 05229'90a) of
7 the 85th Legislature is enacted into law.