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House Bill 4658 (Substitute S-1 as reported)
Sponsor: Representative Steven Tobocman
House Committee: New Economy and Quality of Life
Senate Committee: Economic Development and Regulatory Reform

CONTENT

The bill would amend the State Housing Development Authority Act to do the following:

- Remove the Michigan Housing and Community Development Fund from the Department of Treasury and establish a fund of the same name within the Michigan State Housing Development Authority (MSHDA).
- Allow MSHDA to solicit and accept aid from any person, government, or entity on behalf of the Fund, and to receive money or other assets from any source, including Federal funds, for deposit into the Fund.
- Expand the Housing and Community Development Program to include the financing of development in a downtown area or adjacent neighborhood.
- Include municipalities, land bank fast track authorities, and partnerships organized to develop projects in downtown areas or adjacent neighborhoods, among applicants eligible for funding.
- Extend the uses of the Fund to foreclosure prevention and assistance, individual development accounts, predatory lending prevention and relief, and activities related to ending homelessness.
- Require MSHDA to consider advice provided by the Michigan Housing and Community Development Fund Advisory Committee (proposed by Senate Bill 1243).

MCL 125.1422 et al.

Legislative Analyst: Patrick Affholter

FISCAL IMPACT

Under the bill, the Michigan Housing and Community Development Fund could gain access to new sources of funds, including investment income, gifts, grants, labor, and loans, potentially increasing the revenue available to the Fund. The bill would permit MSHDA to use the Fund in any manner that would achieve its objectives and purposes. The bill also would include municipalities and land bank fast track authorities as eligible applicants for funding from the Michigan Community and Housing Development Fund, allowing them to seek grants and loans from the Fund for many types of housing and community development projects. The Michigan Community and Housing Development Fund was funded for the first time in FY 2007-08 with a General Fund appropriation of \$2,163,400.

Date Completed: 6-23-08

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