

SENATE BILL No. 347

May 1, 2013, Introduced by Senators JANSEN, KOWALL and SMITH and referred to the Committee on Economic Development.

A bill to amend 1966 PA 346, entitled
"State housing development authority act of 1966,"
(MCL 125.1401 to 125.1499c) by adding section 22d.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 22D. (1) IN ADDITION TO THE POWERS DESCRIBED IN SECTION
2 22(N), THE AUTHORITY MAY, IN ITS DISCRETION, INVEST MONEY HELD IN
3 RESERVE OR SINKING FUNDS, OR MONEY NOT REQUIRED FOR IMMEDIATE USE
4 OR DISBURSEMENT, IN ENTITIES, INCLUDING LIMITED PARTNERSHIPS AND
5 LIMITED LIABILITY COMPANIES, WHOSE PRIMARY PURPOSE IS, DIRECTLY OR
6 INDIRECTLY, TO ACQUIRE OWNERSHIP INTERESTS IN MULTIFAMILY HOUSING
7 PROJECTS IN THIS STATE OR TO MAKE LOANS WITH RESPECT TO SUCH
8 PROJECTS, OR BOTH. THE AUTHORITY SHALL NOT MAKE AN INVESTMENT
9 AUTHORIZED BY THIS SUBSECTION UNLESS THE AUTHORITY DETERMINES THAT

1 THE RETURN ON THE INVESTMENT IS REASONABLY EXPECTED TO BE EQUAL TO
2 OR GREATER THAN THE RETURN THE AUTHORITY IS THEN RECEIVING ON
3 INVESTMENTS AUTHORIZED UNDER SECTION 22(N) .

4 (2) THE AUTHORITY SHALL POSSESS ALL POWERS NECESSARY OR
5 INCIDENTAL TO MAKE THE INVESTMENTS AUTHORIZED IN SUBSECTION (1) ,
6 INCLUDING, BUT NOT LIMITED TO, THE POWER TO ESTABLISH ANY OF THE
7 FOLLOWING:

8 (A) LIMITED PARTNERSHIPS, LIMITED LIABILITY COMPANIES, PROFIT
9 AND NONPROFIT CORPORATIONS, AND OTHER ENTITIES.

10 (B) THE CONDITIONS UNDER WHICH THE ENTITIES DESCRIBED IN
11 SUBDIVISION (A) MAY ACQUIRE OWNERSHIP INTERESTS IN OR MAKE LOANS
12 WITH RESPECT TO MULTIFAMILY HOUSING PROJECTS AS PROVIDED IN
13 SUBSECTION (1) .

14 (3) AS USED IN THIS SECTION, "MULTIFAMILY HOUSING PROJECT"
15 MEANS A HOUSING PROJECT THAT INCLUDES MULTIPLE DWELLINGS AND IN
16 WHICH A MINIMUM OF 50% OF THE SQUARE FOOTAGE OF FLOOR SPACE IS USED
17 PRIMARILY FOR RESIDENTIAL PURPOSES.