

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

125.1473 Consumer housing cooperative; articles of incorporation.

Sec. 73. In addition to other requirements of law, the articles of incorporation of a consumer housing cooperative shall provide all of the following:

(a) That the consumer housing cooperative has been organized exclusively to provide authority-aided housing facilities for persons of low and moderate income, or for persons whose income does not exceed limits established in this act, and for social, recreational, commercial, and communal facilities necessary to serve and improve a residential area in which authority-aided or federally-aided housing is located or is planned to be located thereby enhancing the viability of the housing or that the consumer housing cooperative has been organized to provide nonauthority aided housing for persons of low and moderate income or persons whose income does not exceed limits established in this act, and at least 50% of the cooperative's assets are in housing with the remaining assets being utilized to meet other consumer needs.

(b) That all income and earnings of the consumer housing cooperative shall be used exclusively for consumer housing cooperative purposes and that an unreasonable part of the net income or net earnings of the cooperative shall not inure to the benefit or profit of a private individual, firm, corporation, partnership, or association.

(c) That the consumer housing cooperative is not controlled or under the direction of or acting in the substantial interest of a private individual, firm, corporation, partnership, or association seeking to derive profit or gain therefrom or seeking to eliminate or minimize losses in any dealing or transaction with the cooperative. However, this subdivision shall apply to individual cooperators of a consumer housing cooperative only in those circumstances prescribed by the authority in its rules.

(d) That the housing operations of the consumer housing cooperative may be supervised by the authority or by any other governmental body as the authority directs, and that the consumer housing cooperative shall enter into agreements with the authority or with the governmental body as the authority requires. These agreements shall provide for regulation by the authority or by the governmental body of the planning, development, and management of a housing project undertaken by the consumer housing cooperative and the disposition of the property and franchises of the cooperative. This subdivision shall not apply to a consumer housing cooperative which was organized before March 10, 1967, as a nonprofit cooperative corporation pursuant to sections 98 to 132 of Act No. 327 of the Public Acts of 1931, as amended, being sections 450.98 to 450.132 of the Michigan Compiled Laws.

History: Add. 1968, Act 343, Imd. Eff. July 19, 1968;—Am. 1970, Act 129, Imd. Eff. July 29, 1970;—Am. 1976, Act 410, Imd. Eff. Jan. 9, 1977;—Am. 1978, Act 192, Imd. Eff. June 4, 1978;—Am. 1979, Act 49, Imd. Eff. July 7, 1979;—Am. 1984, Act 215, Imd. Eff. July 10, 1984.

Administrative rules: R 125.101 et seq. of the Michigan Administrative Code.