

HOUSE BILL NO. 4540

June 03, 2025, Introduced by Reps. Meerman and Wooden and referred to Committee on Economic Competitiveness.

A bill to amend 1966 PA 346, entitled
"State housing development authority act of 1966,"
by amending section 58c (MCL 125.1458c), as amended by 2008 PA 216.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 58c. (1) The authority shall expend money in the fund to
2 make grants, mortgage loans, or other loans to eligible applicants
3 as provided in this section to enable eligible applicants to
4 finance any of the following with respect to housing ~~or home~~
5 ~~ownership for low income, low-income, very low income, and low-~~
6 ~~income, extremely low income-low-income, or middle-income~~
7 households: ~~and with respect to projects located in a downtown area~~

1 ~~or adjacent neighborhood.~~

2 (a) Acquisition of land and buildings.

3 (b) Rehabilitation.

4 (c) New construction.

5 (d) Development and predevelopment costs.

6 (e) Preservation of existing housing.

7 (f) Community development projects, including, but not limited

8 to, infrastructure improvements, economic development projects,

9 blight elimination, or community facilities.

10 (g) Insurance.

11 (h) Operating and replacement reserves.

12 (i) Down payment assistance.

13 (j) Security deposit assistance.

14 (k) Foreclosure prevention and assistance.

15 (l) Individual development accounts established under the
16 individual or family development account program act, 2006 PA 513,
17 MCL ~~206.701 to 206.711.~~ **206.901 to 206.911.**

18 (m) Activities related to ending homelessness.

19 (n) Assistance, **including, but not limited to, support of**
20 **capacity building, local and regional planning, and housing**
21 **studies**, to nonprofit organizations, **community development**
22 **financial institutions**, municipalities, and land bank fast track
23 authorities organized under the land bank fast track act, 2003 PA
24 258, MCL 124.751 to 124.774.

25 (o) Predatory lending prevention or relief.

26 (2) The authority ~~shall~~ **may** expend a portion of the fund for
27 housing for ~~persons with physical or mental handicaps~~ **persons with**
28 **disabilities** and ~~persons~~ **people** living in eligible distressed
29 areas.

1 (3) The authority may make a loan to an eligible applicant
2 from the fund at no interest or at below market interest rates,
3 with or without security, and may make a loan for predevelopment
4 financing.

5 (4) The authority may provide assistance to eligible
6 applicants for housing units for very ~~low income or low-income~~,
7 extremely ~~low income~~ **low-income**, or **middle-income** households within
8 multifamily housing that is occupied partly by very ~~low income or~~
9 **low-income**, extremely ~~low income~~ **low-income**, or **middle-income**
10 households and partly by households that do not qualify as very ~~low~~
11 ~~income or low-income~~, extremely ~~low income~~ **low-income**, or **middle-**
12 **income** households, subject to the rules promulgated by the
13 authority.

14 (5) The authority may expend money in the fund for all other
15 things necessary to achieve the objectives and purposes of the fund
16 or this chapter.

17 (6) When performing functions under this chapter, the
18 authority shall consider advice provided by the ~~committee~~ **statewide**
19 **housing partnership council** created ~~under section 58e.~~ **by Executive**
20 **Order No. 2022-10. In the event the statewide housing partnership**
21 **council is dissolved, the authority must create an advisory council**
22 **with members assigned by the director, representing the same**
23 **interests as the statewide housing partnership created under**
24 **Executive Order No. 2022-10.**

25 Enacting section 1. This amendatory act does not take effect
26 unless Senate Bill No. ____ (request no. S02966'25) or House Bill
27 No. 4539 (request no. H02966'25) of the 103rd Legislature is
28 enacted into law.