



**House  
Legislative  
Analysis  
Section**

Manufacturer's Bank Building, 12th Floor  
Lansing, Michigan 48909  
Phone: 517/373-6466

HOUSING: COMMISSION, COUNCIL, OFC.

RECEIVED

OCT 08 1990

Mich. State Law Librar

House Bills 5735 and 5736  
Sponsor: Rep. Charlie Harrison, Jr.  
Committee: Appropriations

Complete to 9-6-90

A SUMMARY OF HOUSE BILLS 5735 AND 5736 AS INTRODUCED 5-9-90

House Bill 5735 would create the Office of Housing Act, establishing an Office of Housing as an autonomous agency within the Department of Commerce. The office would have the primary responsibility for developing, administering, and coordinating housing programs and policies in the state; it would be headed by a director appointed by the governor with the advice and consent of the Senate. The office would have to prepare a statewide assessment of housing needs; develop a state housing plan with the commission to be created by House Bill 5736; provide information to public and private agencies on housing availability for low- and moderate-income people and people with special housing needs; assist local government and private entities in determining and analyzing housing needs; provide planning and technical assistance to shelter providers; administer appropriated funds and make grants; establish a poverty standard to be used in determining categories of income level; make various housing-related reports and recommendations; and engage in various other housing-related planning, monitoring, and information-providing functions.

The office annually would compile a statewide assessment of housing needs, to be reviewed and approved by the commission to be created under House Bill 5736. The first assessment would be reported to the legislature and the governor by October 1, 1991, and would include information on: housing needs of various income levels and "special populations" (such as handicappers, the elderly, and the homeless); existing subsidized and public housing; the private market's ability to meet residential housing needs; rental rates, vacancy rates, and building costs of housing for people with low or moderate income or with special needs; the extent of substandard housing; the financial barriers to home ownership; needs for shared housing, transitional housing, and single room occupancy residential housing; availability of services; and, the housing needs of various subgroups of the homeless.

Based on the assessment, and with the commission's advice, the office would develop a state housing plan to meet various goals specified by the bill; the plan would include short-term goals for the next two-year period, and a five-year long-term plan. The proposed goals emphasize meeting the needs of very-low-to-moderate-income populations, and of people with special needs, including the homeless. Specified goals would include increasing availability of housing, preventing displacement, stabilizing neighborhoods, ensuring availability of services, improving accountability of landlords, increasing home ownership, and ensuring availability of housing. The commission could recommend other goals as well. The state housing plan would be updated annually and would contain measurable objectives that allow progress to be monitored.

The office would develop and administer housing programs and could contract with local public and private nonprofit agencies to administer housing programs and provide housing services. With the assistance of the

House Bills 5735 and 5736 (9-6-90)

advisory council to be created under House Bill 5736, the office would coordinate programs in the following areas with other state departments and local governments: home repair, weatherization, and energy conservation; home improvement loans; home repair and home-sharing for the elderly; handicapper accessibility standards; regulation of real estate brokers; housing discrimination; homeless people; landlord-tenant dispute mediation; income assistance for shelter for low-income people; and, subsidized housing.

The bill could not take effect unless House Bill 5736 was enacted.

House Bill 5736 would create the Housing Policy Commission Act, providing for the appointment of a 13-member housing policy commission and a 12-member housing coordinating council. The commission would be created within the Office of Housing, which would provide staffing. It would consist of the director of the office (who would chair the commission), plus 12 members appointed by the governor with the advice and consent of the Senate, as follows: a representative of local government; a public housing administrator; someone actively engaged in the residential building industry; someone actively engaged in the mortgage or banking industry; a rental housing tenant; a person actively involved in a neighborhood association or civic group promoting residential housing for people with low and very low income; a representative of a statewide organization actively involved in research and policy development concerning people with low and very low income; a representative of the building inspection industry; a realtor; and three members of the general public appointed from both urban and rural populations.

Commission members would receive per diem compensation as determined by the legislature, plus expenses. Commission business would be subject to the Open Meetings Act and the Freedom of Information Act. The commission would: review and approve the housing needs assessment and the office's annual report; help to develop, and give final approval for, the state housing plan; advocate legislation and policies; provide a public forum; establish grant program criteria, including a requirement that a local government have a local housing plan in order to qualify for a grant; and review and make recommendations on coordination and monitoring of shelter providers.

The Michigan Housing Coordinating Council would be created within the office to assist it in coordinating housing programs in all departments of the state. The council would consist of the following people or their designees: the director of the state housing office (who would be the chairperson), the executive director of the Michigan State Housing Development Authority, and the directors of the Departments of Civil Rights, Commerce, Labor, Licensing and Regulation, Management and Budget, Mental Health, Natural Resources, Public Health, Social Services, and Treasury.

The bill could not take effect unless House bill 5735 was enacted.