



# OPEN DOORS TO SAFER HOMES

"Everything starts at home, and housing units aren't always safe. Families need plumbing, electricity, cleanliness."

-Mike, Detroit

## THE ROAD AHEAD

To make sure residents and their families have safe places to live, Michigan must:



Prohibit landlords from unfairly rejecting prospective tenants.



Identify a permanent revenue source for Michigan's housing trust fund.



Develop a statewide housing plan to maximize existing funds for home repairs and other housing needs.



## TIME FOR A TUNE-UP

Michigan families, especially those with the lowest incomes, are experiencing a crisis-level shortage of affordable housing. Over the last several decades, incomes for the majority of the state's households have not kept pace with rising home prices, and today some employers are struggling to fill positions because prospective workers can't afford to live nearby. Forced to make difficult choices between shelter and other basic needs, families experience poor health, homelessness and other critical life disruptions that limit academic achievement, employment opportunity, and earning potential. An adequate supply of high-quality, affordable housing is essential for Michigan's families, communities and workforce to thrive.



## ABOUT THE OWNER'S MANUAL FOR MICHIGAN

We all agree Michigan needs a major tune up. And like the real vehicles we all depend on, it takes a lot of components and tools to make our state go. Without good jobs and training, reliable healthcare, quality education, strong families, and a safe environment, our state can't run properly. That's why we've created a clear and comprehensive plan to help lawmakers on the road ahead—the Owner's Manual for Michigan.

# REPAIRING THE PROBLEM:

## HOW TO MAKE SURE HOMES ARE AFFORDABLE AND SAFE



- 1. Prohibit landlords from refusing prospective tenants based on their source of income (SOI).** Housing vouchers are designed to diffuse concentrated poverty and desegregate neighborhoods by giving families with low incomes the option to move to neighborhoods with better opportunities for health, education and employment. Some landlords, however, are unwilling to rent to voucher holders. In some cases, SOI discrimination may provide cover for landlords to violate fair housing laws. Local anti-SOI discrimination ordinances (which already exist in several Michigan communities) are linked to an increase in the voucher use rate and neighborhood racial integration. A state-level ban on SOI discrimination backed by strong enforcement measures should be enacted to protect all Michigan families with non-wage income no matter where they live.
- 2. Fund Michigan's housing trust fund (HTF).** State HTFs can supplement federal housing programs, fund projects and services prevented by federal rules, and support local governments and organizations in implementing affordable solutions for a market that's often underserved by for-profit developers. On average, every dollar a state HTF invests in the creation, rehabilitation and preservation of affordable housing generates \$7 in further public and private investment. Since its creation, the Michigan Housing and Community Development Fund (MHCDF) has received only two rounds of one-time, limited funding—in 2008 and 2012. Funded projects attracted as much as \$11 in new investment for every \$1 of MHCDF money and created thousands of jobs. Michigan should examine HTF funding in other states and identify a robust, sustainable revenue stream for the MHCDF.
- 3. Develop a statewide housing plan.** Currently, Michigan lacks a strategy to facilitate effective communication and coordination among the multiple state agencies working to resolve the housing challenges confronting families. As a result, there are geographic gaps in availability of funding, and pressing needs such as home repairs that promote health and safety go unmet. Local communities may not be aware of all of the resources available and administrative obstacles sometimes limit deployment of funds. In developing a comprehensive housing plan, the state should identify more effective pathways to funnel existing resources, such as the Community Development Block Grant, to communities and families that will benefit the most.

## SHARING THE ROAD

**Equity is of utmost importance when it comes to building a better Michigan.** A long history of housing discrimination is one of the main drivers of racial disparities in health, homelessness and generational poverty. Racially restrictive legal documents, racist neighborhood associations, redlining in federal mortgage programs, discriminatory local zoning ordinances and predatory practices in the real estate and private lending industries have disproportionately deprived people of color of homeownership, which is the primary way that people build wealth and pass it on to their children. Decades of bad public policy have forced people of color into substandard rental housing in neighborhoods with severely limited opportunities for health, education and employment. Policies that promote access to safe, affordable homes for all are essential to ensuring everyone has a fair chance to reach their full potential.

