



MICHIGAN SENATE

Appropriations Requests for Legislatively Directed Spending Items

Date Submitted: 03/27/2026

1. Sponsoring legislator's full name:

Senator Mallory McMorrow

2. Cosponsoring legislators' names (if applicable):

N/A

3. Intended legislatively directed spending item recipient:

Opportunity Resource Fund (OppFund)

4. Physical address of legislatively directed spending item recipient and the intended location of the project or activity:

330 Marshall Street, Suite 105, Lansing, Michigan 48912

5. The recipient's employer identification number:

382784136

6. Requested amount of the legislatively directed spending item:

\$1,500,000.00

7. What is the purpose and how does the legislatively directed spending item provide a public benefit that is an appropriate use of taxpayer money?

OppFund proposes to allocate the \$1,500,000 appropriation across all three lending programs, with projected public benefits as follows: Homeownership Education, Mission Lending & Retention (~35% / approximately \$525,000): Funds will support three connected activities. First, homeownership education and pre-purchase counseling — equipping underserved Michigan households with the financial knowledge, credit readiness, and preparation needed to successfully pursue homeownership. Second, mission-driven mortgage lending — providing support for interest rate assistance to improve mortgage lending affordability to borrowers who are creditworthy but cannot access conventional financing due to down payment gaps, limited credit history, or income profiles that mainstream lenders will not underwrite. Third, post-purchase homeownership retention support — including

financial coaching, hardship assistance, and foreclosure prevention counseling for cost-burdened homeowners who face elevated risk when income disruptions or unexpected expenses occur. Together, these three activities support approximately 300 Michigan households across the full arc of homeownership. Small Business Capital Access (~35% / approximately \$525,000): Direct loans and interest subsidy at accessible terms to approximately 50 Michigan entrepreneurs — with a focus on women-owned businesses and businesses owned by entrepreneurs of color — who cannot access conventional financing. Paired with technical assistance through OppFund’s Empowerment Fund throughout the lending relationship. OppFund currently has more than \$18M in its active and lending pipeline. This investment directly implements Michigan’s SSBCI 2.0 strategy for SEDI entrepreneur capital access (MEDC / U.S. Treasury). Affordable Rental Housing Development and Preservation (~30% / approximately \$450,000): Bridge and gap financing enabling affordable housing developers and nonprofit organizations to close capital stacks on multifamily rental projects — preserving and producing approximately 500 affordable units for low-income Michigan residents. This directly supports Michigan’s goal of closing its 119,000-unit housing shortage in the segment where LIHTC demand outpaces resources 10 to 1 and where rising construction costs have created new financing gaps. Why State Investment in OppFund Is an Appropriate Use of Taxpayer Funds State investment in OppFund is appropriate for three distinct reasons. First, OppFund operates in market segments where conventional capital is structurally absent — not cyclically absent. The residents and entrepreneurs OppFund serves will not be served by banks regardless of economic conditions; mission-driven capital is the only viable vehicle. Second, OppFund’s U.S. Treasury CDFI certification means state dollars are subject to federal performance standards and auditable outcome reporting — the same accountability framework the federal government requires of its own community development investments. Third, CDFI certification enables state dollars to function as catalytic capital: each state dollar is structured to attract additional U.S. Treasury CDFI Fund awards, private bank participation capital, and philanthropic co-investment — multiplying the total community benefit of each appropriated dollar. This appropriation addresses three documented, bipartisan-recognized Michigan crises through a single, accountable, 40-year-proven Michigan institution.

- 8. Has the legislatively directed spending item previously received or been awarded any of the following types of funding in the past 5 years? If so, how much? Check all that apply:**

State

Amount

\$5,209,389.00

9. Estimated time frame for completion of the legislatively directed spending item project:

Funds would be deployed over a 12-month period following appropriation, consistent with OppFund's annual lending and technical assistance cycle. OppFund's pipeline of \$18 Million businesses awaiting capital access allows for rapid and accountable deployment of funds upon receipt.

10. Is the recipient a nonprofit corporation?

Yes

Additional Information for Nonprofit Corporations (if applicable)

The answer to questions 1 to 3 must be "Yes" for the nonprofit corporation to qualify for a legislatively directed spending item.

1. Has the nonprofit corporation continuously operated in this state for the preceding 36 months?

Yes

2. Has the nonprofit corporation had a physical office in this state for not less than the preceding 12 consecutive months?

Yes

3. Does the organization have a board of directors?

Yes

4. List all of the officers and active members on the board of directors:

Officers: Sheilah P. Clay, Chair — Principal, Purposeful Consulting, LLC Joseph Heaphy, Vice-Chair — Principal, Ethos Development Carol Tarnowsky, Secretary — Corporate Attorney, Trinity Health (Retired) Thomas Johnson, Treasurer — Principal, Landmark Group, LLC Active Trustees: Victor Abla — Local Initiatives Support Corporation (LISC), Retired James Avery — Genesee County Government Fouad Bazzi — Founder, The Owner Hosts Omar Cuevas — Senior VP, Grand Rapids Chamber of Commerce Raymond Henney — Partner, Honigman LLP Michael Layne — Founding Partner, Marx Layne & Company Brett Oumedian — Chief Financial Officer, Cinnaire Curtis Smith — Real Estate Development Manager, Hope Network / Oakland County Government

Certification By Sponsoring Legislator

"I certify that my immediate family members, legislative staff members, and I have no direct or indirect pecuniary interest in the requested legislatively directed spending item."

"I certify that the intended recipient of this legislatively directed spending item is not a for-profit entity."

"I certify that the information in this form is true to the best of my knowledge."

Senator Mallory McMorrow