

Michigan State Housing Development Authority (MSHDA)
Recovery Housing Investment Program: Expanding Safe Housing for Michigan's Recovery
Community
Category: Housing For Persons with Special Needs

Overview

The Michigan State Housing Development Authority's Recovery Housing Investment Program (RHIP) was created to address an urgent statewide challenge: the shortage of quality, substance-free housing for individuals in recovery from opioid use disorders, substance use disorders or co-occurring mental health conditions. Access to stable housing is a cornerstone of long-term recovery, yet many Michigan communities lack appropriate recovery-supportive environments. Without such options, individuals face heightened risks of relapse, homelessness, unemployment, and disconnection from essential services. RHIP was intentionally designed to fill this critical gap and strengthen Michigan's recovery housing infrastructure.

Driving Innovation through Partnerships

RHIP is an innovative, cross-disciplinary grant initiative delivered in partnership with the Michigan Department of Health and Human Services (MDHHS). This collaboration bridges housing investment with behavioral health systems and aligns capital resources with recovery-oriented support services. To ensure support reaches Michigan communities with greatest disparities, RHIP prioritizes funding counties identified as highest need based on the [MDHHS Michigan Overdose Data Action Dashboard](#). This data evaluates available substance use disorder resources, recovery housing capacity, and county-level demand. Unlike traditional affordable housing programs, RHIP tailors capital funding for nonprofit and community-based agencies, supporting acquisition, renovation, and overhead expenses to create and preserve recovery homes that foster sobriety, safety, dignity, and long-term stability.

Responsive Approach

The program awards forgivable loans, through grants, to certified or accredited recovery housing operators and rehabilitation agencies for the purchase or lease of single-family homes or small multifamily properties. Recovery residences are peer-based communities where individuals living with a substance use disorder can practice recovery management skills over an extended period while engaging in stabilizing, community-based activities such as employment, education, and volunteerism. Reducing the burden of securing safe housing during recovery alleviates homelessness risk, expands opportunity, and addresses a critical social determinant of health needed to maintain long-term recovery.

Impactful Results for the Recovery Community

The program's early impact has been substantial. Round 1 of RHIP launched with a grant term beginning September 1, 2024, through March 31, 2026. To date, the initial RHIP investment of \$2.24 million has supported six grantee agencies in purchasing 18 recovery residences, resulting in over 130 new recovery beds across Michigan. These homes expand statewide capacity, increase access in high-need areas, and provide safe, stable environments for individuals rebuilding their lives. Providers report improvements in

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resident retention, stronger engagement with treatment and employment, and expanded organizational capacity. Residents also describe transformative experiences tied directly to RHIP-supported housing. As one resident shared, "It has allowed me to get my sense of peace back." Another resident from WAI-IAM, Inc. in Lansing, an agency that used RHIP funding to acquire two apartment complexes to expand its recovery housing campus, noted, "The Rise campus has definitely been a blessing for me... It's given me a chance to get back on my feet and learn how to live again."

An additional investment of \$3.37 million for FY2026-2027 is expected to enable more than double the number of recovery homes from round one, bringing online an estimated 200-300 additional recovery beds. These anticipated expansions will significantly scale Michigan's recovery housing capacity and deepen the program's long-term impact.

Conclusion

The benefits of RHIP significantly outweigh program costs. Targeted investments in recovery housing create permanent community assets, reduce reliance on emergency and crisis systems, enhance workforce participation, and prevent episodes of homelessness. These positive outcomes generate financial savings across healthcare, justice, and social service systems while strengthening overall community resilience.

By addressing a critical statewide need, leveraging an innovative partnership between MSHDA and MDHHS, achieving measurable outcomes, and maximizing public benefit, the Recovery Housing Investment Program exemplifies the excellence recognized by the Special Achievement category of the NCSHA Awards for Program Excellence.

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Visual Aids

Website Link:

[MDHHS MI Overdose Data Action Dashboard](#)

Homes purchased and rennovated with RHIP grant funds:

