



# HOUSE BILL No. 4462

March 14, 2013, Introduced by Reps. Farrington, Kowall, Jacobsen, Haines, Price, Townsend, Crawford, McCreedy, MacMaster, Forlini, Cavanagh, Stallworth, Santana, Singh, Haugh, Hobbs, Lipton, Kesto and Goike and referred to the Committee on Tax Policy.

A bill to amend 2005 PA 280, entitled  
"Corridor improvement authority act,"  
by amending section 3 (MCL 125.2873), as amended by 2010 PA 242.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 3. As used in this act:

2       (a) "Operations" means office maintenance, including salaries  
3       and expenses of employees, office supplies, consultation fees,  
4       design costs, and other expenses incurred in the daily management  
5       of the authority and planning of its activities.

6       (b) "Parcel" means an identifiable unit of land that is  
7       treated as separate for valuation or zoning purposes.

8       (c) "Public facility" means a street, plaza, pedestrian mall,  
9       and any improvements to a street, plaza, or pedestrian mall  
10      including street furniture and beautification, sidewalk, trail,

1 lighting, traffic flow modification, park, parking facility,  
2 recreational facility, right-of-way, structure, waterway, bridge,  
3 lake, pond, canal, utility line or pipe, transit-oriented  
4 development, transit-oriented facility, or building, including  
5 access routes, that are either designed and dedicated to use by the  
6 public generally or used by a public agency, or that are located in  
7 a qualified development area and are for the benefit of or for the  
8 protection of the health, welfare, or safety of the public  
9 generally, whether or not used by 1 or more business entities,  
10 provided that any road, street, or bridge shall be continuously  
11 open to public access and that other property shall be located in  
12 public easements or rights-of-way and designed to accommodate  
13 foreseeable development of public facilities in adjoining areas.  
14 Public facility includes an improvement to a facility used by the  
15 public or a public facility as those terms are defined in section 1  
16 of 1966 PA 1, MCL 125.1351, if the improvement complies with the  
17 barrier-free design requirements of the state construction code  
18 promulgated under the Stille-DeRossett-Hale single state  
19 construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

20 (d) "Qualified development area" means a development area that  
21 meets 1 of the following:

22 (i) All of the following:

23 (A) Is located within a city with a population of 700,000 or  
24 more.

25 (B) Contains at least 30 contiguous acres.

26 (C) Was owned by this state on December 31, 2003 and was  
27 conveyed to a private owner before June 30, 2004.

1 (D) Is zoned to allow for mixed use that includes commercial  
2 use and that may include residential use.

3 (E) Otherwise complies with the requirements of section 5(a),  
4 (d), (e), and (g).

5 (F) Construction within the qualified development area begins  
6 on or before the date 2 years after the effective date of the  
7 amendatory act that added this subdivision.

8 (G) Is located in a distressed area.

9 (ii) Contains transit-oriented development or a transit-  
10 oriented facility.

11 (e) "Specific local tax" means a tax levied under 1974 PA 198,  
12 MCL 207.551 to 207.572, the commercial redevelopment act, 1978 PA  
13 255, MCL 207.651 to 207.668, the technology park development act,  
14 1984 PA 385, MCL 207.701 to 207.718, or 1953 PA 189, MCL 211.181 to  
15 211.182. The initial assessed value or current assessed value of  
16 property subject to a specific local tax shall be the quotient of  
17 the specific local tax paid divided by the ad valorem millage rate.  
18 The state tax commission shall prescribe the method for calculating  
19 the initial assessed value and current assessed value of property  
20 for which a specific local tax was paid in lieu of a property tax.

21 (f) "State fiscal year" means the annual period commencing  
22 October 1 of each year.

23 (g) "Tax increment revenues" means the amount of ad valorem  
24 property taxes and specific local taxes attributable to the  
25 application of the levy of all taxing jurisdictions upon the  
26 captured assessed value of real and personal property in the  
27 development area. Except as otherwise provided in section 29, tax

House Bill No. 4462 as amended June 11, 2013

increment revenues do not include any of the following:

(i) Taxes under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.

(ii) Taxes levied by local or intermediate school districts.

(iii) Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may be excluded from captured assessed value or specific local taxes attributable to the ad valorem property taxes.

(iv) Ad valorem property taxes excluded by the tax increment financing plan of the authority from the determination of the amount of tax increment revenues to be transmitted to the authority or specific local taxes attributable to the ad valorem property taxes.

(v) Ad valorem property taxes exempted from capture under section 18(5) or specific local taxes attributable to the ad valorem property taxes.

(vi) Ad valorem property taxes specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit or specific taxes attributable to those ad valorem property taxes.

**(vii) AD VALOREM PROPERTY TAXES LEVIED UNDER 1 OR MORE OF THE FOLLOWING <<OR SPECIFIC LOCAL>> TAXES ATTRIBUTABLE TO THOSE AD VALOREM PROPERTY TAXES:**

**(A) THE ZOOLOGICAL AUTHORITIES ACT, 2008 PA 49, MCL 123.1161**

1 TO 123.1183.

2 (B) THE ART INSTITUTE AUTHORITIES ACT, 2010 PA 296, MCL  
3 123.1201 TO 123.1229.

4 (h) "Transit-oriented development" means infrastructural  
5 improvements that are located within 1/2 mile of a transit station  
6 or transit-oriented facility that promotes transit ridership or  
7 passenger rail use as determined by the board and approved by the  
8 municipality in which it is located.

9 (i) "Transit-oriented facility" means a facility that houses a  
10 transit station in a manner that promotes transit ridership or  
11 passenger rail use.

12 (j) "Distressed area" means a local governmental unit that  
13 meets all of the following:

14 (i) Has a population of 700,000 or more.

15 (ii) Shows a negative population change from 1970 to the date  
16 of the most recent federal decennial census.

17 (iii) Shows an overall increase in the state equalized value of  
18 real and personal property of less than the statewide average  
19 increase since 1972.

20 (iv) Has a poverty rate, as defined by the most recent federal  
21 decennial census, greater than the statewide average.

22 (v) Has had an unemployment rate higher than the statewide  
23 average.