

# HOUSE BILL No. 5447

February 6, 1990, Introduced by Reps. Miller, Stabenow, Fitzgerald, Camp, Crandall, Berman, Keith, DeBeaussiaert, Pitoniak, DeMars and Jaye and referred to the Committee on Economic Development and Energy.

A bill to amend the title and sections 1, 2, 3, 4, 5, and 6 of Act No. 120 of the Public Acts of 1961, entitled as amended

"An act to authorize the redevelopment of principal shopping areas of certain cities; to permit the creation of certain boards; and to authorize the collection of revenue and the bonding of certain cities for such redevelopment projects,"

sections 1, 2, and 5 as amended by Act No. 260 of the Public Acts of 1984, being sections 125.981, 125.982, 125.983, 125.984, 125.985, and 125.986 of the Michigan Compiled Laws; and to add section 7.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. The title and sections 1, 2, 3, 4, 5, and 6 of  
2 Act No. 120 of the Public Acts of 1961, sections 1, 2, and 5 as  
3 amended by Act No. 260 of the Public Acts of 1984, being sections  
4 125.981, 125.982, 125.983, 125.984, 125.985, and 125.986 of the

1 Michigan Compiled Laws, are amended and section 7 is added to  
2 read as follows:

3 TITLE

4 An act to authorize the DEVELOPMENT OR redevelopment of  
5 principal shopping ~~areas~~ DISTRICTS of certain cities; to permit  
6 the creation of certain boards; and to authorize the collection  
7 of revenue and the bonding of certain cities for ~~such~~ THE  
8 DEVELOPMENT OR redevelopment projects.

9 Sec. 1. (1) A city with a master plan for the physical  
10 development of the city, ~~which~~ THAT EITHER includes ~~the~~ AN  
11 URBAN DESIGN PLAN DESIGNATING A PRINCIPAL SHOPPING DISTRICT OR  
12 INCLUDES THE DEVELOPMENT OR redevelopment of a principal shopping  
13 ~~area~~ DISTRICT, in respect to the ~~redevelopment project~~  
14 PRINCIPAL SHOPPING DISTRICT may do ~~any~~ 1 OR MORE of the  
15 following:

16 (a) Open, widen, extend, realign, pave, MAINTAIN, or other-  
17 wise improve public streets, highways, and alleys, COLLECTIVELY  
18 referred to as ~~highways~~ "HIGHWAYS" in this act, and construct,  
19 reconstruct, MAINTAIN, or relocate pedestrian walkways.

20 (b) Prohibit vehicular traffic where necessary to carry out  
21 the purposes of the redevelopment.

22 (c) Regulate or prohibit vehicular parking on highways.

23 (d) Acquire, own, or operate off-street parking lots.

24 (e) Contract for the operation by others of city off-street  
25 parking lots, or appoint agents for the operation.

1 (f) Construct, maintain, and operate malls with bus stops,  
2 information centers, and other buildings as will serve the public  
3 interest.

4 (g) Acquire by purchase, gift, or condemnation and own,  
5 maintain, or operate land necessary to implement this section.

6 (H) PROMOTE ECONOMIC ACTIVITY IN THE PRINCIPAL SHOPPING DIS-  
7 TRICT BY UNDERTAKINGS INCLUDING, BUT NOT LIMITED TO, CONDUCTING  
8 MARKET RESEARCH AND PUBLIC RELATIONS CAMPAIGNS, DEVELOPING AND  
9 COORDINATING RETAIL AND INSTITUTIONAL PROMOTIONS, AND SPONSORING  
10 SPECIAL EVENTS AND RELATED ACTIVITIES.

11 (I) ~~(h)~~ Provide for the ongoing maintenance, promotion,  
12 security, and continued operation of a ~~redevelopment project~~  
13 PRINCIPAL SHOPPING DISTRICT within the city. A city ~~which~~ THAT  
14 provides for the ongoing maintenance, security, promotion, and  
15 continued operation of a ~~redevelopment project~~ PRINCIPAL SHOP-  
16 PING DISTRICT pursuant to this subdivision shall also provide for  
17 the creation of a board for the management of the ongoing mainte-  
18 nance, security, promotion, and continued operation of that  
19 ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT. The board  
20 shall be appointed by the chief executive officer of the city  
21 with the concurrence of the legislative body of the city. A  
22 majority of the members of the board shall be composed of owners  
23 or operators of businesses located within the area of the  
24 ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT. One member  
25 of the board shall be from the adjacent residential area and 1  
26 member shall be a representative of city government.

1 (2) As used in this act, "principal shopping ~~area~~  
2 DISTRICT" means a portion of a city ~~as defined in a~~  
3 ~~redevelopment plan which shall be~~ BY THE LEGISLATIVE BODY OF THE  
4 CITY THAT IS predominantly commercial, ~~and which shall contain~~  
5 AND THAT CONTAINS at least 10 ~~commercial~~ RETAIL businesses.

6 Sec. 2. The cost of the whole or any part of a  
7 ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT project as authorized  
8 in this act may be financed by 1 or more of the following  
9 methods:

10 (a) ~~From grants~~ GRANTS and gifts to the city.

11 (b) ~~From city~~ CITY funds.

12 (c) ~~By the~~ THE issuance of general obligation bonds of the  
13 city.

14 (d) ~~By the~~ THE issuance of revenue bonds by the city under  
15 THE REVENUE BOND ACT, Act No. 94 of the Public Acts of 1933, as  
16 amended, being sections 141.101 to ~~141.139~~ 141.140 of the  
17 Michigan Compiled Laws, or under any other applicable revenue  
18 bond act. The issuance of the bonds shall be limited to the part  
19 or parts of the ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT  
20 project ~~which~~ THAT are public improvements.

21 (e) ~~By the~~ THE levying of special assessments against land  
22 or interests in land, or both, for ~~redevelopment~~ THE PRINCIPAL  
23 SHOPPING DISTRICT and to defray the cost of maintenance, securi-  
24 ty, promotion, and continued operation of the ~~redevelopment~~  
25 PRINCIPAL SHOPPING DISTRICT project.

26 Sec. 3. A ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT  
27 project as ~~herein~~ authorized ~~shall be deemed to be~~ BY THIS

1 ACT IS a public improvement. The use ~~herein~~ IN THIS ACT of the  
2 term "public improvement" ~~shall~~ DOES not prevent the levying of  
3 a special assessment for the cost of ~~any part thereof which~~ A  
4 PART OF A PRINCIPAL SHOPPING DISTRICT PROJECT THAT represents  
5 special benefits. THERE IS A REBUTTABLE PRESUMPTION THAT A PRIN-  
6 CIPAL SHOPPING DISTRICT PROJECT SPECIALLY BENEFITS ALL NONRESI-  
7 DENTIAL PROPERTIES LOCATED WITHIN THE PRINCIPAL SHOPPING  
8 DISTRICT.

9       Sec. 4. The DEVELOPMENT OR redevelopment of ~~any~~ A  
10 PRINCIPAL shopping ~~area~~ DISTRICT, including the various phases  
11 ~~thereof~~ OF THE DEVELOPMENT OR REDEVELOPMENT, ~~shall be deemed~~  
12 ~~to be one~~ IS 1 project and, in the discretion of the governing  
13 body of the city, may be financed as a single improvement.

14       Sec. 5. If a city elects to levy special assessments to  
15 defray all or ~~any~~ part of the cost of the ~~redevelopment~~  
16 PRINCIPAL SHOPPING DISTRICT project, then the special assessments  
17 shall be levied pursuant to applicable statutory or charter  
18 provisions. IF A CITY CHARTER AUTHORIZES SPECIAL ASSESSMENTS,  
19 BUT DOES NOT AUTHORIZE THEM FOR THE PURPOSES SET FORTH IN THIS  
20 ACT, THE CHARTER PROVISIONS AUTHORIZING SPECIAL ASSESSMENTS ARE  
21 MADE APPLICABLE TO THE PURPOSES SET FORTH IN THIS ACT, WITHOUT  
22 AMENDMENT TO THE CHARTER. The total amount assessed for  
23 ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT purposes may be made  
24 payable in not more than 20 annual installments as determined by  
25 the governing body of the city, the first installment to be pay-  
26 able in not more than 18 months after the date of the  
27 confirmation of the special assessment roll. Special assessments

1 may be made against properties on the basis of the benefits to  
2 the respective properties from the total project. Property that  
3 is used for residential purposes shall not be considered to be  
4 benefited by a project for which special assessments are levied  
5 by a city pursuant to this act. The city may issue special  
6 assessment bonds in anticipation of the collection of the special  
7 assessments for ~~redevelopment purposes~~ A PRINCIPAL SHOPPING  
8 DISTRICT PROJECT and, by action of its governing body, may pledge  
9 its full faith and credit for the prompt payment of the bonds.  
10 The last maturity on the bonds ~~may~~ SHALL be not later than 2  
11 years after the due date of the last installment on the special  
12 assessments. Except as otherwise provided, special assessment  
13 bonds may be issued pursuant to statutory or charter authority  
14 for the issuance by the city of special assessment bonds for  
15 street improvements.

16 Sec. 6. If off-street parking lots are essential to the  
17 ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT project, ~~and~~ if 1  
18 or more ~~of such~~ OFF-STREET parking lots are already owned by  
19 the city ~~having been~~ AND WERE acquired through the issuance of  
20 revenue bonds, and if the remaining parking lots are to be  
21 financed in whole or in part by special assessments and special  
22 assessment bonds, then the city, ~~in order~~ to place all parking  
23 lots on the same basis, may include as a part of the cost of  
24 parking lots for the project ~~—~~ the amount necessary to retire  
25 all or any part of the outstanding revenue bonds, inclusive of  
26 any premium not exceeding 5% necessary to be paid upon the  
27 redemption or purchase of such outstanding bonds. From the

1 proceeds of ~~such~~ THE special assessments or from the sale of  
2 bonds issued in anticipation of the payment ~~thereof~~ OF THE SPE-  
3 CIAL ASSESSMENTS, the city shall retire by redemption or purchase  
4 the OUTSTANDING revenue bonds. ~~so refunded. Nothing in this~~  
5 ~~section shall be construed as authorizing~~ THIS SECTION DOES NOT  
6 AUTHORIZE the refunding of noncallable bonds without the consent  
7 of the holders ~~thereof~~ OF THE BONDS.

8 SEC. 7. THE POWERS GRANTED BY THIS ACT ARE IN ADDITION TO  
9 AND NOT IN DEROGATION OF ANY OTHER POWERS GRANTED BY LAW OR  
10 CHARTER.