

HOUSE BILL No. 4692

April 16, 1991, Introduced by Reps. Bouchard, Hunter, Pitoniak, Yokich, Wozniak, Dolan, Muxlow, Bobier, Olshove, Byrum, Baade, Dobb, Shugars, Saunders and Alley and referred to the Committee on Towns and Counties.

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~~
6 MUNICIPALITIES; to permit the creation of certain boards; and to
7 authorize the collection of revenue and the bonding of certain
8 ~~cities~~ MUNICIPALITIES for ~~such~~ THE DEVELOPMENT OR redevelop-
9 ment projects.

10 Sec. 1. (1) AS USED IN THIS ACT:

11 (A) "CHIEF EXECUTIVE OFFICER" MEANS THE MAYOR OF A CITY, THE
12 PRESIDENT OF A VILLAGE, OR THE SUPERVISOR OF A TOWNSHIP.

13 (B) "GOVERNING BODY" MEANS THE ELECTED BODY OF A MUNICIPAL-
14 ITY HAVING LEGISLATIVE POWERS.

15 (C) "HIGHWAYS" MEANS PUBLIC STREETS, HIGHWAYS, AND ALLEYS.

16 (D) "MUNICIPALITY" OR "MUNICIPAL" INCLUDES OR RELATES TO A
17 CITY, VILLAGE, TOWNSHIP, OR CHARTER TOWNSHIP.

18 (E) "PRINCIPAL SHOPPING DISTRICT" MEANS A PORTION OF A
19 MUNICIPALITY DEFINED BY THE GOVERNING BODY THAT IS PREDOMINANTLY
20 COMMERCIAL AND THAT CONTAINS AT LEAST 10 RETAIL BUSINESSES.

21 (2) A ~~city~~ MUNICIPALITY with a master plan for the physi-
22 cal development of the ~~city~~ MUNICIPALITY, ~~which~~ THAT EITHER
23 includes ~~the~~ AN URBAN DESIGN PLAN DESIGNATING A PRINCIPAL SHOP-
24 PING DISTRICT OR INCLUDES THE DEVELOPMENT OR redevelopment of a
25 principal shopping ~~area~~ DISTRICT, in respect to the
26 ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT, may do ~~any~~
27 1 OR MORE of the following:

1 (a) Open, widen, extend, realign, pave, MAINTAIN, or
2 otherwise improve ~~public streets, highways, and alleys, referred~~
3 ~~to as~~ highways ~~in this act,~~ and construct, reconstruct,
4 MAINTAIN, or relocate pedestrian walkways.

5 (b) Prohibit vehicular traffic where necessary to carry out
6 the purposes of the DEVELOPMENT OR redevelopment.

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

8 (d) Acquire, own, MAINTAIN, or operate off-street parking
9 lots.

10 (e) Contract for the operation AND MAINTENANCE by others of
11 ~~city~~ MUNICIPAL off-street parking lots, or appoint agents for
12 the operation AND MAINTENANCE.

13 (f) Construct, maintain, and operate malls with bus stops,
14 information centers, and other buildings ~~as~~ THAT will serve the
15 public interest.

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

18 (H) PROMOTE ECONOMIC ACTIVITY IN THE PRINCIPAL SHOPPING DIS-
19 TRICT BY UNDERTAKINGS INCLUDING, BUT NOT LIMITED TO, CONDUCTING
20 MARKET RESEARCH AND PUBLIC RELATIONS CAMPAIGNS, DEVELOPING AND
21 COORDINATING RETAIL AND INSTITUTIONAL PROMOTIONS, AND SPONSORING
22 SPECIAL EVENTS AND RELATED ACTIVITIES.

23 (I) ~~(h)~~ Provide for the ongoing maintenance, promotion,
24 security, and continued operation of a ~~redevelopment project~~
25 PRINCIPAL SHOPPING DISTRICT within the ~~city~~ MUNICIPALITY.

26 (3) A ~~city which~~ MUNICIPALITY THAT provides for the
27 ongoing maintenance, security, promotion, and continued operation

1 of a ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT pursuant
2 to ~~this subdivision~~ SUBSECTION (1)(I) shall also provide for
3 the creation of a board for the management of the ongoing mainte-
4 nance, security, promotion, and continued operation of that
5 ~~redevelopment project~~ PRINCIPAL SHOPPING DISTRICT. The board
6 shall be appointed by the chief executive officer ~~of the city~~
7 with the concurrence of the ~~legislative~~ GOVERNING body. ~~of~~
8 ~~the city.~~ A IF THE BOUNDARIES OF THE PRINCIPAL SHOPPING DIS-
9 TRICT ARE THE SAME AS THOSE OF A DOWNTOWN DISTRICT DESIGNATED
10 UNDER ACT NO. 197 OF THE PUBLIC ACTS OF 1975, BEING SECTIONS
11 125.1651 TO 125.1681 OF THE MICHIGAN COMPILED LAWS, THE GOVERNING
12 BODY MAY PROVIDE THAT THE MEMBERS OF THE BOARD OF THE DOWNTOWN
13 DEVELOPMENT AUTHORITY, WHICH MANAGES THE DOWNTOWN DISTRICT, SHALL
14 COMPOSE THE BOARD OF THE PRINCIPAL SHOPPING DISTRICT. UNLESS THE
15 MEMBERS OF THE BOARD OF A DOWNTOWN DEVELOPMENT AUTHORITY COMPOSE
16 THE BOARD OF THE PRINCIPAL SHOPPING DISTRICT, A majority of the
17 members of the board OF THE PRINCIPAL SHOPPING DISTRICT shall be
18 composed of owners or operators of businesses located within the
19 area of the ~~redevelopment project.~~ ~~One~~ PRINCIPAL SHOPPING DIS-
20 TRICT, 1 member of the board shall be from the adjacent residen-
21 tial area, and 1 member shall be a representative of ~~city~~ THE
22 MUNICIPAL government.

23 ~~(2) As used in this act, "principal shopping area" means a~~
24 ~~portion of a city as defined in a redevelopment plan which shall~~
25 ~~be predominantly commercial, and which shall contain at least 10~~
26 ~~commercial businesses.~~

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

5 (a) ~~From grants~~ GRANTS and gifts to the ~~city~~
6 MUNICIPALITY.

7 (b) ~~From city~~ MUNICIPAL funds.

8 (c) ~~By the~~ THE issuance of general obligation bonds of the
9 ~~city~~ MUNICIPALITY.

10 (d) ~~By the~~ THE issuance of revenue bonds by the ~~city~~
11 MUNICIPALITY under THE REVENUE BOND ACT OF 1933, Act No. 94 of
12 the Public Acts of 1933, as amended, being sections 141.101 to
13 ~~141.139~~ 141.140 of the Michigan Compiled Laws, or under any
14 other applicable revenue bond act. The issuance of the bonds
15 shall be limited to the part or parts of the ~~redevelopment~~
16 PRINCIPAL SHOPPING DISTRICT project ~~which~~ THAT are public
17 improvements.

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

23 Sec. 3. A ~~redevelopment~~ PRINCIPAL SHOPPING DISTRICT
24 project as ~~herein~~ authorized ~~shall be deemed to be~~ BY THIS
25 ACT IS a public improvement. The use ~~herein~~ IN THIS ACT of the
26 term "public improvement" ~~shall~~ DOES not prevent the levying of
27 a special assessment for the cost of ~~any part thereof which~~ A

1 PART OF A PRINCIPAL SHOPPING DISTRICT PROJECT THAT represents
 2 special benefits. THERE IS A REBUTTABLE PRESUMPTION THAT A PRIN-
 3 CIPAL SHOPPING DISTRICT PROJECT SPECIALLY BENEFITS ALL NONRESI-
 4 DENTIAL PROPERTIES LOCATED WITHIN THE PRINCIPAL SHOPPING
 5 DISTRICT.

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

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

1 project. Property that is used for residential purposes shall
2 not be considered to be benefited by a project for which special
3 assessments are levied by a ~~city~~ MUNICIPALITY pursuant to this
4 act. The ~~city~~ MUNICIPALITY may issue special assessment bonds
5 in anticipation of the collection of the special assessments for
6 ~~redevelopment purposes~~ A PRINCIPAL SHOPPING DISTRICT PROJECT
7 and, by action of its governing body, may pledge its full faith
8 and credit for the prompt payment of the bonds. The last matu-
9 rity on the bonds ~~may~~ SHALL be not later than 2 years after the
10 due date of the last installment on the special assessments.

11 Except as otherwise provided, special assessment bonds may be
12 issued pursuant to statutory or charter authority for the issu-
13 ance by the ~~city~~ MUNICIPALITY of special assessment bonds for
14 street improvements.

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

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