

SENATE BILL No. 598

November 12, 1991, Introduced by Senator WARTNER and referred to the Committee on Local Government and Urban Development.

A bill to authorize the establishment of land reclamation and improvement authorities; to provide for land reclamation and improvement authority boards and for their powers and duties; to authorize the exercise by certain municipalities of the power of eminent domain under certain circumstances; to provide for the making of certain improvements; to provide for the issuance of bonds and notes; to provide for assessing the cost of improvements and services against property benefited; to authorize certain rents, fees, and charges; and to provide for the powers and duties of certain state and local governmental officers and entities.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) This act shall be known and may be cited as the
2 "land reclamation and improvement authority act".

1 (2) For the purposes of this act, the words and phrases
2 defined in sections 2 and 3 have the meanings ascribed to them in
3 those sections.

4 Sec. 2. (1) "Authority", unless the context clearly implies
5 a different meaning, means a land reclamation and improvement
6 authority established pursuant to sections 4 to 7.

7 (2) "Authority board" means the governing body of an author-
8 ity provided for in section 8.

9 (3) "Authority district" means the territory within which an
10 authority exercises its jurisdiction.

11 (4) "Blighted area" means land that satisfies all of the
12 following requirements:

13 (a) The land was used for mining, commercial, or industrial
14 purposes.

15 (b) The mining, commercial, or industrial use significantly
16 disturbed the natural qualities of the land.

17 (c) The land is not currently useful for residential, recre-
18 ational, or commercial purposes.

19 (d) The land can be reclaimed and made useful for residen-
20 tial, recreational, or commercial purposes.

21 (e) The land is not a site listed under section 6(1)(d) of
22 the environmental response act, Act No. 307 of the Public Acts of
23 1982, being section 299.606 of the Michigan Compiled Laws, or on
24 the national priorities list established pursuant to section 105
25 of title I of the comprehensive environmental response, compensa-
26 tion and liability act of 1980, Public Law 96-510,
27 42 U.S.C. 9605.

1 Sec. 3. (1) "Department" means the department of natural
2 resources.

3 (2) "Improvement" means 1 or more of the following:

4 (a) The construction, improvement, maintenance, and repair
5 of storm or sanitary sewers or combined storm and sanitary sewer
6 systems.

7 (b) The construction, improvement, maintenance, and repair
8 of potable and nonpotable water systems.

9 (c) The construction, improvement, maintenance, and repair
10 of public roads.

11 (d) The acquisition, improvement, and maintenance of public
12 parks.

13 (e) The construction, improvement, maintenance, and repair
14 of elevated structures for foot travel over roads in the author-
15 ity district.

16 (f) The collection and disposal of garbage and rubbish.

17 (g) The construction, improvement, maintenance, and repair
18 of bicycle paths.

19 (h) The construction, improvement, maintenance, and repair
20 of erosion control structures or dikes.

21 (i) The planting, maintenance, and removal of trees.

22 (j) The installation, improvement, maintenance, and repair
23 of lighting systems.

24 (k) The construction, improvement, maintenance, and repair
25 of sidewalks.

26 (l) The eradication or control of aquatic weeds and plants.

1 (m) The construction, improvement, maintenance, and repair
2 of private roads.

3 (n) The construction, improvement, maintenance, and repair
4 of waterways, harbors, marinas, seawalls, and channels.

5 (o) The construction, installation, improvement, maintenance,
6 nance, and repair of fences, gates, intercommunication systems,
7 and other structures and devices related to the security of
8 residents.

9 (p) The construction, improvement, maintenance, and repair
10 of structures to control or direct surface water runoff.

11 (q) The improvement of land and the construction, improvement,
12 ment, maintenance, equipping, or operation of a building, and any
13 necessary or desirable appurtenances to a building.

14 (r) The reclamation of blighted areas, including the
15 replanting, grading, and restoration of land; the removal of minerals;
16 and the removal of waste that is not hazardous waste as
17 defined in the hazardous waste management act, Act No. 64 of the
18 Public Acts of 1979, being sections 299.501 to 299.551 of the
19 Michigan Compiled Laws.

20 (s) Easements necessary for an improvement under this
21 subdivision.

22 (t) Demolition of structures and site preparation related to
23 an improvement under this subdivision.

24 (u) The payment of any operational and administrative costs
25 of the authority, whether or not related to an improvement under
26 this subdivision, including, but not limited to, architectural,

1 engineering, legal, and accounting fees as determined by the
2 authority board and costs under section 35.

3 (3) "Record owner" means an individual, sole proprietorship,
4 partnership, association, firm, corporation, or other legal
5 entity, possessed of the most recent fee title or a land contract
6 vendee's interest in real property as shown by the records of the
7 county register of deeds.

8 (4) "Statement of approval" means a statement of approval of
9 the establishment of an authority issued by the department pursu-
10 ant to section 6.

11 Sec. 4. A person seeking to establish a land reclamation
12 and improvement authority shall file a petition with the
13 department. The petition shall meet all of the following
14 requirements:

15 (a) Include all of the following:

16 (i) The name and address of the person filing the petition.

17 (ii) The name of the proposed authority.

18 (iii) The boundaries of the proposed authority district.

19 (iv) A description of a blighted area within the proposed
20 authority district.

21 (v) A general description of anticipated improvements,
22 including a preliminary estimate of costs and schedule of
23 completion.

24 (vi) A request that the department approve the establishment
25 of the authority.

26 (b) Be signed by the record owners of all of the land within
27 the proposed authority district.

1 (c) Be accompanied by a written nomination of at least 1
2 individual for appointment to a 4-year term on the authority
3 board and at least 1 individual for appointment to a 6-year term
4 on the authority board.

5 Sec. 5. (1) Not more than 15 days after a petition is
6 filed, the department shall determine whether the petition meets
7 the requirements of section 4 and, if the petition does not meet
8 those requirements, return the petition to the person who filed
9 the petition. The department shall include with the returned
10 petition a statement of the reasons that the petition does not
11 meet the requirements of section 4.

12 (2) Not less than 30 days and not more than 60 days after a
13 petition meeting the requirements of section 4 is filed with the
14 department, the department shall hold a public hearing at its
15 principal office or in the county where the proposed authority
16 district is located or, if the proposed authority district is
17 located in 2 counties, the county where the greater portion of
18 the proposed authority district is located. The department shall
19 publish notice of the hearing twice in a newspaper of general
20 circulation in the township or townships in which the proposed
21 authority district is located. The first publication shall be
22 not less than 10 days before the hearing. In addition, the
23 department shall give notice of the hearing in the manner
24 required by the open meetings act, Act No. 267 of the Public Acts
25 of 1976, being sections 15.261 to 15.275 of the Michigan Compiled
26 Laws, and by first-class mail addressed to each record owner in
27 the proposed authority district. At the hearing, persons may

1 comment on whether the proposed authority meets the requirements
2 of section 6.

3 (3) For purposes of this section, record owners shall be
4 determined by the records in the register of deeds' office as of
5 the day of filing the petition. At the request of the depart-
6 ment, a register of deeds shall certify whether the persons join-
7 ing in the petition are record owners.

8 Sec. 6. (1) Not more than 30 days after the hearing pro-
9 vided for in section 5, the department shall approve or disap-
10 prove the establishment of the proposed authority. The depart-
11 ment shall approve the establishment of the authority if all of
12 the following requirements are met:

13 (a) The proposed authority district contains 1 or more
14 blighted areas that in the aggregate are not less than 10% of the
15 total area of the authority district.

16 (b) The proposed authority district contains not less than
17 800 acres.

18 (c) The proposed authority district has not more than 100
19 residents at the time the petition to establish the authority is
20 filed with the department.

21 (d) The entire proposed authority district is located within
22 1 or 2 townships.

23 (e) The blighted area can be reclaimed and made useful for
24 recreational, residential, or commercial purposes. In making
25 this determination, the department shall not consider the costs
26 of or availability of financing for reclamation.

1 (f) The establishment of the proposed authority is not
2 inconsistent with a master plan of a township or village within
3 which the proposed authority district is located in effect on the
4 day before the date on which a petition determined by the depart-
5 ment to meet the requirements of section 4 was filed.

6 (2) Immediately upon approval or disapproval of the estab-
7 lishment of the proposed authority, the department shall mail by
8 certified mail to the township board of each township within
9 which all or part of the proposed authority district is located
10 and to the person that filed the petition a statement of approval
11 or a statement of disapproval. A statement of approval shall be
12 dated and shall set forth the name of the person who filed the
13 petition under section 4, the name of the proposed authority, and
14 the boundaries of the proposed authority district as set forth in
15 the petition. A statement of disapproval shall be dated and
16 shall set forth the reasons for disapproval.

17 Sec. 7. (1) After 5 individuals have been appointed to the
18 authority board of the proposed authority pursuant to section 8,
19 the person who filed the petition under section 4 shall file with
20 the secretary of state a certified copy of the petition, a certi-
21 fied copy of the statement of approval, and the certificates
22 under section 8 certifying the individuals appointed to the first
23 authority board. The secretary of state shall record these docu-
24 ments in an appropriate book of record and issue a certificate
25 certifying the establishment of the authority and the boundaries
26 of the authority district.

1 (2) An authority is established on the date of filing with
2 the secretary of state the documents required to be filed under
3 subsection (1).

4 Sec. 8. (1) The authority shall be under the supervision
5 and control of an authority board of 5 members.

6 (2) Not more than 30 days after the date of issuance of the
7 statement of approval of the department, the township board of
8 the township within which the authority district is located shall
9 appoint 2 individuals to the authority board for terms as pro-
10 vided in section 9. If the authority district is located in 2
11 townships, each township board shall appoint 1 individual. An
12 individual appointed by a township board shall be qualified by
13 training and experience to perform the functions that are
14 required of a member of the authority board by this act.

15 (3) Not more than 30 days after the date of issuance of the
16 statement of approval, the director of the department shall
17 appoint 1 individual to the board.

18 (4) In the case of the first authority board, the director
19 of the department, not later than 30 days after the date of issu-
20 ance of the statement of approval, shall appoint, from the indi-
21 viduals nominated in the written nomination accompanying the
22 petition, 2 individuals to the authority board in addition to the
23 individual appointed under subsection (3).

24 (5) Upon appointing an individual to the authority board
25 under this section, the director of the department or the town-
26 ship board shall provide the person filing the petition with a

1 certificate certifying the name, address, and term of office of
2 the individual appointed.

3 (6) The successors to the members of the authority board
4 initially appointed pursuant to subsection (4) shall be elected
5 by the record owners of real property located within the author-
6 ity district. An election shall be conducted at the annual meet-
7 ing of the authority board under section 11 immediately preceding
8 the expiration of the term of a member of the authority board
9 whose successor is to be elected under this subsection. Except
10 as otherwise provided in this subsection, each record owner of
11 real property located within the authority district may cast 1
12 vote. A record owner of 1 or more acres may cast 1 vote for each
13 acre, or portion of an acre, owned.

14 (7) The authority board may provide by resolution for the
15 manner of conducting an election under subsection (6). At the
16 request of the authority board for the purpose of conducting an
17 election, the township treasurer of a township shall prepare and
18 submit to the authority board a certified list of the names and
19 mailing addresses of the record owners of real property located
20 within the authority district in that township. For each record
21 owner of 1 or more acres, the list shall specify the number of
22 acres owned.

23 (8) A member of the authority board need not be a record
24 owner of real property within the authority district.

25 Sec. 9. (1) The terms of office of the members of the first
26 authority board commence on the date on which the authority is

1 established. Except as provided in subsection (2), the term of
2 office of a member of the authority board is 6 years.

3 (2) Of the first 2 members appointed to the authority board
4 by a township board, the term of office of 1 member shall be 2
5 years, and the term of office of the other member shall be 4
6 years. Of the members appointed by the director of the depart-
7 ment pursuant to section 8(4), the term of 1 member shall be 4
8 years and the term of the other member shall be 6 years.

9 (3) Except as provided in section 8(6), as the term of a
10 member of the authority board expires, his or her successor shall
11 be elected or appointed, for a term of 6 years, in the same
12 manner in which he or she was elected or appointed.

13 (4) A person elected or appointed to the authority board
14 shall qualify by taking and filing the constitutional oath of
15 office after the commencement of the term for which he or she was
16 elected or appointed. The oath shall be filed with the township
17 clerk of the township in which the authority district is located,
18 or, if the authority district is located in 2 townships, the
19 township clerk of the township in which the greater portion of
20 the authority district is located.

21 Sec. 10. (1) A member of the authority board appointed by a
22 township board may be removed at the pleasure of the township
23 board. A member of the authority board appointed by the director
24 of the department, other than a member appointed pursuant to
25 section 8(4), may be removed at the pleasure of the director of
26 the department. A member of the authority board appointed by the
27 director of the department pursuant to section 8(4) may be

1 removed by petition signed by 2/3 of the record owners of real
2 property within the authority district.

3 (2) When any of the following occur, a vacancy is created on
4 the authority board:

5 (a) The death of the incumbent.

6 (b) The resignation of the incumbent.

7 (c) The removal of the incumbent pursuant to subsection
8 (1).

9 (d) The decision of a competent tribunal declaring void an
10 individual's election or appointment to the authority board.

11 (e) The failure or refusal of an individual to qualify for
12 office as provided by section 9.

13 (3) Except as provided in subsection (4), if an individual
14 appointed to the authority board vacates office, an individual
15 shall be appointed to fill the vacancy for the remainder of the
16 term in the same manner in which the individual who vacated
17 office was appointed.

18 (4) If an individual appointed to the authority board pursu-
19 ant to section 8(4) or elected pursuant to section 8(6) vacates
20 office, the authority board shall appoint an individual to fill
21 the vacancy until the next regular authority election, when an
22 individual shall be elected to serve for the remainder of the
23 term.

24 Sec. 11. (1) A quorum of the authority board consists of a
25 majority of the members of the authority board elected or
26 appointed and serving. The 2 members appointed pursuant to
27 section 8(4) or elected pursuant to section 8(6) shall be among

1 those constituting the quorum. However, if a member appointed
2 pursuant to section 8(4) or elected pursuant to section 8(6) has
3 vacated office, that member need not be among those constituting
4 a quorum for the purpose of filling a vacancy in the office of a
5 member appointed pursuant to section 8(4) or elected pursuant to
6 section 8(6).

7 (2) The authority board shall elect from among its members a
8 chairperson, a treasurer, a secretary, and other officers that it
9 considers necessary or convenient for carrying out the purposes
10 of this act. The treasurer shall receive and invest funds of the
11 authority and pay over and account for the funds. The treasurer
12 shall also keep the financial records of the authority and,
13 together with the director, if a director is appointed under
14 section 12, shall approve all vouchers for the expenditure of
15 funds of the authority. The treasurer shall perform other duties
16 delegated by the authority board. The secretary shall maintain
17 custody of the official seal and of records, books, documents, or
18 other papers not required to be maintained by the treasurer. The
19 secretary shall attend meetings of the authority board, keep a
20 record of its proceedings, and perform other duties delegated by
21 the authority board.

22 (3) A member of the authority board shall not receive com-
23 pensation for services rendered to the authority in any capacity,
24 but is entitled to reimbursement or payment of expenses, includ-
25 ing traveling expenses, necessarily incurred in the discharge of
26 duties performed as a member of the board.

1 (4) The authority board shall hold an annual meeting within
2 30 days after the close of a fiscal year of the authority. The
3 fiscal year of the authority shall be the same as the fiscal year
4 of the township in which the authority district is located or, if
5 the authority district is located in 2 townships with different
6 fiscal years, the fiscal year of the township in which the
7 greater portion of the authority district is located.

8 Sec. 12. (1) The authority board may appoint a director of
9 the authority, who shall serve at the pleasure of the authority
10 board. A member of the authority board is not eligible to hold
11 the position of director. Before entering upon the duties of the
12 office, the director shall take and subscribe to the constitu-
13 tional oath of office and shall furnish a bond in an amount
14 determined by the authority board. The premium on a bond
15 required under this subsection or subsection (3) or (4) is pay-
16 able from funds available to the authority from operating
17 expenses. The bond shall meet all of the following
18 requirements:

19 (a) Be payable to the authority for the use and benefit of
20 the authority.

21 (b) Be approved by the authority board.

22 (c) Be filed with the secretary of the authority.

23 (2) The director shall be the chief executive officer of the
24 authority. Subject to the approval of the authority board, the
25 director shall supervise and be responsible for the preparation
26 of plans and the performance of the functions of the authority in
27 the manner authorized by this act. The director shall attend the

1 meetings of the authority board and shall regularly report to the
2 authority board the activities and financial condition of the
3 authority. The director shall furnish the authority board with
4 additional information or reports governing the operation of the
5 authority as the authority board requires.

6 (3) If the director is absent or disabled, the authority
7 board may designate an acting director to perform the duties of
8 the director. Before performing the duties of the director, the
9 acting director shall take and subscribe to the constitutional
10 oath of office and furnish a bond as required of the director.

11 (4) The authority board may appoint an assistant treasurer
12 of the authority. The assistant treasurer shall perform duties
13 of the treasurer delegated to the assistant treasurer by the
14 authority board and shall furnish a bond.

15 (5) The authority board may retain legal counsel to advise
16 the board in the proper performance of its duties. The legal
17 counsel may represent the authority in actions brought by or
18 against the authority.

19 (6) The authority board may employ other personnel consid-
20 ered necessary by the authority board.

21 (7) The authority board may authorize and fix the compensa-
22 tion of an officer appointed under this section.

23 (8) If the authority board so elects, the officers and
24 employees of an authority shall be admitted as participants in
25 retirement and insurance programs for the township or townships
26 in which the authority district is located on the same basis as
27 civil service employees of the township or townships. A township

1 may require the authority to pay for the cost of participation of
2 authority officers and employees in the township's retirement and
3 insurance programs.

4 Sec. 13. The authority board may do any of the following:

5 (a) Carry out an improvement.

6 (b) Implement a plan of development necessary or desirable
7 to achieve the purposes of this act in accordance with the powers
8 of the authority as granted by this act.

9 (c) Make and enter into a contract necessary or incidental
10 to the exercise of the authority board's powers and the per-
11 formance of its duties.

12 (d) Acquire by purchase or otherwise on terms and conditions
13 and in a manner the authority board considers proper, own or
14 lease as lessor or lessee, convey, demolish, relocate, rehabili-
15 tate, or otherwise dispose of real or personal property, or
16 rights or interests in that property, that the authority board
17 determines is reasonably necessary to achieve the purposes of
18 this act, and grant or acquire a license, easement, or option
19 with respect to the property.

20 (e) Fix, charge, and collect rents, fees, and charges
21 including, but not limited to, tap-in fees and use charges, for
22 the use of property under the authority board's control or for a
23 service, and pledge the rents, fees, and charges for the payment
24 of revenue bonds issued by the authority.

25 (f) Lease a building or property or part of a building or
26 property under the authority board's control.

1 (g) Incur costs in connection with the performance of the
2 authority board's authorized functions including, but not limited
3 to, administrative costs and architectural, engineering, legal,
4 and accounting fees.

5 Sec. 14. The activities of the authority may be financed
6 from 1 or more of the following sources:

7 (a) Contributions of property, labor, or other things of
8 value from a public or private source.

9 (b) Revenues from property, buildings, or facilities owned,
10 leased, licensed, or operated by the authority or under its con-
11 trol, subject to the limitations imposed upon the authority by
12 trusts or other agreements.

13 (c) Special assessments imposed by the authority board pur-
14 suant to this act.

15 (d) Proceeds of bonds and notes issued pursuant to
16 section 30.

17 (e) Money obtained from any other legal source approved by
18 the authority board.

19 Sec. 15. (1) An authority board may carry out an improve-
20 ment, provide for the payment of an improvement by the issuance
21 of bonds as provided in section 30, and determine that the whole
22 or any part of the cost of an improvement shall be defrayed by
23 special assessments against the property especially benefited by
24 the improvement. The cost of engineering services and all
25 expenses incident to the proceedings for the making and financing
26 of the improvement shall be considered to be a part of the cost
27 of the improvement.

1 (2) A road under the jurisdiction of either the state
2 transportation department or the board of county road commission-
3 ers shall not be improved under this act without the written
4 approval of the state transportation department or the board of
5 county road commissioners. As a condition to the granting of the
6 approval, the state transportation department or the board of
7 county road commissioners may require 1 or more of the
8 following:

9 (a) That all engineering with respect to the improvement be
10 performed by the state transportation department or the board of
11 county road commissioners.

12 (b) That all construction, including the awarding of con-
13 tracts for construction, in connection with the improvement be in
14 accordance with the specifications of the state transportation
15 department or the board of county road commissioners.

16 (c) That the cost of the engineering and supervision be paid
17 to the state transportation department or the board of county
18 road commissioners from the funds of the special assessment
19 district.

20 Sec. 16. (1) If it desires to proceed with an improvement,
21 the authority board shall cause to be prepared plans describing
22 the improvement and the location of the improvement with an esti-
23 mate of the cost of the improvement on a fixed or periodic basis,
24 as appropriate. Upon receipt of the plans and estimate for an
25 improvement, the authority board shall order the plans and esti-
26 mate to be filed with the township clerk of each township where
27 the authority district is located. If after the receipt of the

1 plans and estimate the authority board desires to proceed with
2 the improvement, the authority board by resolution shall tenta-
3 tively declare its intention to make the improvement and tenta-
4 tively designate the special assessment district against which
5 the cost of the improvement is to be assessed. For each improve-
6 ment carried out by the authority board, there may be a separate
7 procedure under the special assessment provisions of this act,
8 resulting in separate special assessment districts. Special
9 assessment districts that are separate may nonetheless be
10 coterminous.

11 (2) The authority board shall fix a time and place to meet
12 and hear any objections to the improvement and to the special
13 assessment district. The authority board shall cause notice of
14 the hearing to be given as provided in section 17. The notice
15 shall set forth all of the following:

16 (a) That the plans and estimates are on file with the town-
17 ship clerk for public examination.

18 (b) A description of the special assessment district.

19 (c) If periodic redeterminations of cost will be necessary
20 without a change in the special assessment district, that those
21 redeterminations may be made without further notice to record
22 owners or parties in interest in the property.

23 (3) At the hearing or any adjournment of the hearing, which
24 may be without further notice, the authority board shall hear any
25 objections to the improvement and to the special assessment
26 district. The authority board may then revise the plans,
27 estimate of cost, or special assessment district.

1 (4) Property shall not be added to the special assessment
2 district unless notice is given as provided in section 17 to the
3 record owners of the property in the entire special assessment
4 district, and a hearing is afforded to the record owners.

5 (5) If the nature of the improvement to be made is such that
6 a periodic redetermination of costs will be necessary without a
7 change in the special assessment district boundaries, the author-
8 ity board shall include in its estimate of costs any projected
9 incremental increases. If at any time during the term of the
10 special assessment district an actual incremental cost increase
11 exceeds the estimated incremental cost increase by 10% or more,
12 notice shall be given as provided in section 17 and a hearing
13 afforded to the record owners of property to be assessed.

14 (6) Railroad companies shall file in writing with the secre-
15 tary of state the name and post office address of the person upon
16 whom may be served notice of any proceedings under this act.
17 After the name and address has been filed, notice in addition to
18 the notice by publication shall be given to the person by regis-
19 tered mail, or personally, within 5 days after the first publica-
20 tion of the notice. An affidavit of the service shall be filed
21 by the authority board with the proof of publication of the
22 notice.

23 Sec. 17. (1) If an authority specially assesses property,
24 notice of hearings in the special assessment proceedings shall be
25 given as provided in this section.

26 (2) Notice of hearings in special assessment proceedings
27 shall be given to each record owner of, or party in interest in,

1 property to be assessed whose name appears upon the last township
2 tax assessment records by first class mail addressed to the
3 record owner or party in interest at the address shown on the tax
4 records, not less than 10 days before the date of the hearing.
5 The last township tax assessment records means the last assess-
6 ment roll for ad valorem tax purposes that was reviewed by the
7 township board of review, as supplemented by any subsequent
8 changes in the names or the addresses of the owners or parties
9 listed on that roll. If a record owner's name does not appear on
10 the township tax assessment records, notice shall be given by
11 first-class mail addressed to the record owner at the address
12 shown by the records of the county register of deeds not less
13 than 10 days before the date of hearing. Notice shall also be
14 published twice before the hearing in a newspaper circulating in
15 the township. The first publication shall be not less than 10
16 days before the date of the hearing.

17 (3) If a person claims an interest in real property and his
18 or her name and correct address do not appear upon the last town-
19 ship tax assessment records, that person shall file immediately
20 his or her name and address with the township supervisor of the
21 township where the property is located. This filing is effective
22 only for the purpose of establishing a record of the names and
23 addresses of those persons entitled to notice of hearings in the
24 special assessment proceedings. The supervisor shall immediately
25 enter on the tax assessment records any changes in the names and
26 addresses of record owners or parties in interest filed with the

1 supervisor and at all times shall keep the tax assessment records
2 current, complete, and available for public inspection.

3 (4) An authority officer whose duty is to give notice of
4 hearings in special assessment proceedings may rely upon the last
5 township tax assessment records in giving notice of the hearing
6 by mail. The method of giving notice by mail as provided in this
7 section is the method that is reasonably certain to inform those
8 to be assessed of the special assessment proceedings.

9 (5) Failure to give notice as required in this section does
10 not invalidate an entire assessment roll but only the assessment
11 on property affected by the lack of notice. A special assessment
12 is not invalid as to any property if the owner or the party in
13 interest of that property actually received notice, waived
14 notice, or paid any part of the assessment. If an assessment is
15 declared void by court judgment, a reassessment against the prop-
16 erty may be made.

17 Sec. 18. (1) If, after the hearing provided for in
18 section 16, the authority board desires to proceed with an
19 improvement, the authority board shall approve or determine by
20 resolution all of the following:

21 (a) The carrying out of the improvement.

22 (b) The plans and estimate of cost as originally presented
23 or as revised.

24 (c) The special assessment district including the term of
25 the special assessment district's existence.

26 (d) If the nature of an improvement is such that a periodic
27 redetermination of cost will be necessary without a change in the

1 special assessment district boundaries, the dates upon which the
2 redeterminations shall be made.

3 (2) After satisfying the requirements of subsection (1), the
4 authority board shall direct the township supervisor or, if the
5 authority is located in 2 townships, each of the township super-
6 visors to make a special assessment roll in which are entered and
7 described all the parcels of land to be assessed in that town-
8 ship, with the names of the respective record owners of each
9 parcel, if known, and the total amount to be assessed against
10 each parcel of land, which amount shall be the relative portion
11 of the whole sum to be levied against all parcels of land in the
12 special assessment district as the benefit to the parcel of land
13 bears to the total benefit to all parcels of land in the special
14 assessment district.

15 (3) When a supervisor completes the assessment roll, the
16 supervisor shall affix his or her certificate to the roll which
17 certificate states that the roll was made pursuant to a resolu-
18 tion of the authority board adopted on a specified date and that
19 in making the assessment roll the supervisor, according to his or
20 her best judgment, has conformed in all respects to the direc-
21 tions contained in the resolution and the statutes of this
22 state.

23 Sec. 19. (1) When a special assessment roll is reported by
24 a supervisor to the authority board, the assessment roll shall be
25 filed in the office of the township clerk of the supervisor's
26 township. Before confirming the assessment roll, the authority
27 board shall appoint a time and place when it will meet, review,

1 and hear any objections to the assessment roll. The authority
2 board shall give notice of the hearing and the filing of the
3 assessment roll as required by section 17.

4 (2) A hearing under this section may be adjourned from time
5 to time without further notice. A person objecting to the
6 assessment roll of the authority shall file the objection in
7 writing with the secretary of the authority before the close of
8 the hearing or within such further time as the authority board
9 may grant. After the hearing, the authority board, at the same
10 or at a subsequent meeting, may confirm the special assessment
11 roll as reported to the authority board by the supervisor or as
12 revised by the authority board; may refer the assessment roll
13 back to the supervisor for revision; or may annul it and direct a
14 new roll to be made.

15 (3) If a special assessment roll is confirmed, the secretary
16 of the authority shall endorse on the assessment roll the date of
17 the confirmation. After the confirmation of the special assess-
18 ment roll, all assessments on that assessment roll are final and
19 conclusive unless an action contesting an assessment is filed in
20 a court of competent jurisdiction within 30 days after the date
21 of confirmation.

22 Sec. 20. (1) The authority board may provide that special
23 assessments are payable in 1 or more installments, but the amount
24 of an installment shall not be less than 1/2 of any subsequent
25 installment. The amount of each installment, if there is more
26 than 1 installment, need not be extended upon the special
27 assessment roll until after confirmation of that assessment

1 roll. Subject to the requirements of section 16(5), the amount
2 of installments for improvements subject to periodic cost revi-
3 sion may be extended upon the special assessment roll by the
4 authority board without additional public hearings or public
5 notice unless additional property is added to the special assess-
6 ment roll.

7 (2) The first installment of a special assessment shall be
8 due on or before the time after confirmation as the authority
9 board shall fix. Subsequent installments shall be due at inter-
10 vals of 12 months from the due date of the first installment or
11 from a date the authority board shall fix.

12 (3) All unpaid installments, before their transfer to the
13 tax roll as provided by this act, shall bear interest. The
14 interest shall commence on a date fixed by the authority board,
15 be payable annually on each installment due date, and be at a
16 rate to be set by the authority board, not exceeding 1 of the
17 following:

18 (a) One percent above the average rate of interest borne by
19 special assessment bonds issued by the authority in anticipation
20 of all or part of the unpaid installments.

21 (b) If the unpaid installments are to be applied to the pay-
22 ment of a contract obligation of an authority established pursu-
23 ant to this act to an authority established pursuant to any other
24 law of this state or to a county or are to be applied to the pay-
25 ment of an assessment obligation of an authority established pur-
26 suant to this act to a drainage district, 1 of the following:

1 (i) One percent above the average rate of interest borne by
2 bonds issued by the authority established pursuant to any other
3 law of this state, the county, or the drainage district.

4 (ii) If bonds are not issued by the authority established
5 pursuant to any other law of this state, the county, or the
6 drainage district, 8% annually.

7 (4) Future due installments of an assessment against any
8 parcel of land may be paid to the township treasurer at any time
9 in full, with interest accrued through the month in which the
10 final installment is paid.

11 (5) If an installment of a special assessment is not paid
12 when due, then the installment shall be considered to be delin-
13 quent and there shall be collected, in addition to interest as
14 provided by this section, a penalty at the rate of not more than
15 1% for each month, or fraction of a month, that the installment
16 remains unpaid before being reported to the authority board for
17 reassessment upon the township tax roll.

18 Sec. 21. From the date of confirmation of the roll, spe-
19 cial assessments contained in a special assessment roll, includ-
20 ing any part of a special assessment deferred as to payment, are
21 a lien upon the respective parcels of land assessed. The lien
22 shall be of the same character and effect as the lien created for
23 township taxes and shall include accrued interest and penalties.
24 A judgment or any act of the authority board vacating a special
25 assessment does not destroy or impair the lien of the authority
26 upon the premises assessed for the amount of the assessment as

1 may be equitably charged against the premises, or as by a regular
2 mode of proceeding might be lawfully assessed on the premises.

3 Sec. 22. When a special assessment roll is confirmed, the
4 authority board shall direct the assessments made on the roll to
5 be collected. The secretary of the authority shall thereupon
6 deliver to the township treasurer the special assessment roll, to
7 which he or she shall attach his or her warrant commanding the
8 township treasurer to collect the assessments in accordance with
9 the directions of the authority board. The warrant shall further
10 require the township treasurer on the September 1 following the
11 date when the assessments or any part of the assessments have
12 become due to submit to the authority board a sworn statement
13 setting forth the names of the persons delinquent, if known, a
14 description of the parcels of land upon which there are delin-
15 quent assessments, and the amount of the delinquency, including
16 accrued interest and penalties computed to September 1 of that
17 year. Upon receiving the special assessment roll and warrant,
18 the township treasurer shall proceed to collect the several
19 amounts assessed on the roll as those amounts become due.

20 Sec. 23. The authority board may adopt a resolution to
21 permit the authority board treasurer, upon application of a
22 record owner of property located within the special assessment
23 district, to defer all or part of a special assessment payment
24 for an improvement described in section 3(2)(a), (b), (c), (g),
25 or (h) on the basis of hardship to the record owner. The resolu-
26 tion shall set forth the conditions of hardship providing a basis

1 for deferral of a special assessment payment and require that a
2 lien be recorded against the property for any amount deferred.

3 Sec. 24. If the township treasurer, pursuant to section 22,
4 reports as delinquent any assessment or part of an assessment,
5 the authority board shall certify the delinquent sum to the
6 supervisor of the township where the parcel is located. The
7 supervisor shall reassess on the annual township tax roll for the
8 year in a column headed "special assessments" the delinquent sum,
9 with interest and penalties to September 1 of that year, and an
10 additional penalty of 6% of the total amount. The statutes
11 relating to township taxes are applicable to the reassessments.

12 Sec. 25. The township treasurer or county treasurer shall
13 promptly pay to the authority board treasurer any special assess-
14 ment payments for an improvement under this act collected by the
15 township treasurer or county treasurer.

16 Sec. 26. If a parcel of land is divided after a special
17 assessment on the land is confirmed, and before the special
18 assessment is collected, the authority board may require the
19 supervisor of the township where the parcel is located to appor-
20 tion the uncollected amounts between the several divisions of the
21 parcel. Upon confirmation by the authority board, the report of
22 the apportionment is conclusive upon all parties. However, if
23 the interested parties do not agree in writing to the appor-
24 tionment, then before the confirmation, notice of hearing shall be
25 given to the interested parties, either by personal service or by
26 publication as provided in section 17 for an original assessment
27 roll.

1 Sec. 27. If the assessments in a special assessment roll
2 are insufficient for any reason, including the noncollection of
3 the assessments, to pay for the improvement for which they were
4 made or to pay the principal and interest on the bonds issued in
5 anticipation of the collection of the special assessments, then
6 the authority board shall make additional pro rata assessments to
7 supply the deficiency, but the total amount assessed against any
8 parcel of land shall not exceed the value of the benefits
9 received from the improvement. If the total amount collected on
10 assessments is larger than necessary by more than 5% of the orig-
11 inal roll, the surplus shall be prorated among the properties
12 assessed in accordance with the amount assessed against each and
13 refunded to the persons who are the respective record owners of
14 the properties on the date of the passage of the resolution
15 ordering the refund. A surplus of 5% or less may be retained by
16 the authority and used for authority purposes.

17 Sec. 28. If a special assessment is, in the opinion of the
18 authority board, invalid by reason of irregularities or informal-
19 ities in the proceedings, or if any court of competent jurisdic-
20 tion adjudges the assessment to be illegal, the authority board
21 may, whether the improvement has been made or not and whether any
22 part of the assessment has been paid or not, proceed from the
23 last step at which the proceedings were legal and cause a new
24 assessment to be made for the same purpose for which the former
25 assessment was made. Proceedings on the reassessment and for the
26 collection of the reassessment shall be conducted in the same
27 manner as provided for the original assessment. If an assessment

1 or any part of the assessment levied upon any premises is so set
2 aside and has been paid and not refunded, the payment so made
3 shall be applied upon the reassessment.

4 Sec. 29. The governing body of a public or private corpora-
5 tion whose property is exempt by law may adopt a resolution to
6 pay the special assessments against the property. If such a res-
7 olution is adopted, the special assessments are a valid claim
8 against the corporation.

9 Sec. 30. (1) After the special assessment roll for an
10 improvement is confirmed, the authority board may borrow money
11 and issue the bonds and notes of the authority in anticipation of
12 the collection of special assessments to defray all or any part
13 of the cost of the improvement. The bonds and notes shall not
14 exceed the amount of the special assessments in anticipation of
15 the collection of which they are issued, and shall bear interest
16 at a rate not exceeding the maximum rate permitted by the munici-
17 pal finance act, Act No. 202 of the Public Acts of 1943, being
18 sections 131.1 to 139.3 of the Michigan Compiled Laws. To the
19 extent that collections on special assessments are pledged for
20 the payment of bonds or notes, the collections shall be set aside
21 in a special fund for the payment of the bonds or notes. Bonds
22 or notes may be issued in anticipation of the collection of spe-
23 cial assessments levied in respect to 1 or more improvements.
24 The issuance of bonds and notes under this section is subject to
25 Act No. 202 of the Public Acts of 1943. Bonds issued by an
26 authority under this section shall be executed by the chairperson

1 and treasurer of the authority board causing their facsimile
2 signatures to be affixed to the bonds.

3 (2) Bonds and notes issued by the authority shall be issued
4 in the name of the authority and not in the name of a township.
5 A township is not liable on bonds or notes of the authority and
6 the bonds and notes are not a debt of the township.

7 (3) Bonds and notes issued by the authority are exempt from
8 all taxation except inheritance and transfer taxes, and the
9 interest on the bonds and notes is exempt from all taxation in
10 this state, notwithstanding that the interest may be subject to
11 federal income tax. The bonds and notes of the authority may be
12 invested in by all public offices, state agencies, political sub-
13 divisions, insurance companies, banks, savings and loan associa-
14 tions, investment companies, and fiduciaries and trustees, and
15 may be deposited with and received by all public officers and the
16 agencies and political subdivisions of this state for any purpose
17 for which the deposit of bonds is authorized.

18 Sec. 31. The authority board may determine that the whole
19 or any part of an obligation of the authority assessed or con-
20 tracted for pursuant to Act No. 185 of the Public Acts of 1957,
21 being sections 123.731 to 123.786 of the Michigan Compiled Laws,
22 or the drain code of 1956, Act No. 40 of the Public Acts of 1956,
23 being sections 280.1 to 280.630 of the Michigan Compiled Laws,
24 shall be defrayed by special assessments against the property
25 specially benefited. The special assessments may be levied and
26 collected in accordance with this act except as provided in this
27 section. The requirements of section 16 with respect to a

1 hearing do not apply to any special assessments levied and
2 collected pursuant to this section and Act No. 185 of the Public
3 Acts of 1957 or Act No. 40 of the Public Acts of 1956.

4 Sec. 32. Interest earned from the investment of money col-
5 lected under a special assessment under this act, of money
6 received as bond proceeds from a bond issued under this act, or
7 of money from interest or penalties charged and collected on an
8 unpaid special assessment under this act shall only be used for
9 the following:

10 (a) To pay for the improvement for which the special assess-
11 ment is assessed.

12 (b) To pay the principal and interest of bonds that are
13 issued for the improvement for which the special assessment is
14 assessed.

15 (c) To pay the principal and interest of an advance from the
16 authority that is used for the improvement for which the special
17 assessment is assessed.

18 Sec. 33. The authority is an instrumentality of a political
19 subdivision for purposes of Act No. 227 of the Public Acts of
20 1972, being sections 213.321 to 213.332 of the Michigan Compiled
21 Laws.

22 Sec. 34. A county, township, or village may take private
23 property under the uniform condemnation procedures act, Act
24 No. 87 of the Public Acts of 1980, being sections 213.51 to
25 213.77 of the Michigan Compiled Laws, for the purpose of transfer
26 to the authority and may transfer the property to the authority
27 for use to achieve the purposes of this act as authorized in the

1 authority's development plan, on terms and conditions the
2 governing body of the county, township, or village considers
3 appropriate. The taking, transfer, and use shall be considered
4 necessary for public purposes and for the benefit of the public.

5 Sec. 35. A township in which all or part of the authority
6 district is located may charge the authority, and the authority
7 shall reimburse the township, for expenses reasonably incurred by
8 the township in satisfying the requirements of this act and in
9 providing services within the authority district.