

# SENATE BILL No. 677

January 14, 1992, Introduced by Senator FAXON and referred  
to the Committee on Corporations and Economic Development.

A bill to amend section 2 of Act No. 281 of the Public Acts  
of 1986, entitled  
"The local development financing act,"  
as amended by Act No. 101 of the Public Acts of 1991, being sec-  
tion 125.2152 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 2 of Act No. 281 of the Public Acts of  
2 1986, as amended by Act No. 101 of the Public Acts of 1991, being  
3 section 125.2152 of the Michigan Compiled Laws, is amended to  
4 read as follows:

5 Sec. 2. As used in this act:

6 (a) "Authority" means a local development finance authority  
7 created pursuant to this act.

8 (b) "Authority district" means an area or areas within which  
9 an authority exercises its powers.

1 (c) "Board" means the governing body of an authority.

2 (d) "Certified industrial park" means an area of land desig-  
3 nated by the department of commerce as meeting all of the follow-  
4 ing requirements:

5 (i) It contains not less than 40 acres of land.

6 (ii) It is zoned exclusively for use for eligible property.

7 (iii) It has a site plan or plat approved by the city, vil-  
8 lage, or township in which the land is located.

9 (iv) The developer of the land agrees to comply with other  
10 requirements, not inconsistent with subparagraphs (i) to (iii),  
11 imposed upon property classified as a certified industrial park  
12 by the department of commerce under the certified industrial park  
13 program. Compliance with these other requirements is not a pre-  
14 requisite to meeting the requirement of this subparagraph.

15 (e) "Chief executive officer" means the mayor or city man-  
16 ager of a city, the president of a village, or, for other local  
17 units of government or school districts, the person charged by  
18 law with the supervision of the functions of the local unit of  
19 government or school district.

20 (f) "Development plan" means that information and those  
21 requirements for a development set forth in section 15.

22 (g) "Development program" means the implementation of a  
23 development plan.

24 (h) "Eligible property" means land improvements, buildings,  
25 structures, and other real property, and machinery, equipment,  
26 furniture, and fixtures, or any part or accessory thereof whether  
27 completed or in the process of construction comprising an

1 integrated whole, located within an authority district, of which  
2 the primary purpose and use is 1 of the following:

3 (i) The manufacture of goods or materials or the processing  
4 of goods or materials by physical or chemical change.

5 (ii) Agricultural processing.

6 (iii) A high technology activity that has as its primary  
7 purpose research, product development, engineering, laboratory  
8 testing, or development of industrial technology. This subpara-  
9 graph does not apply after December 31, ~~1991~~ 1996.

10 (iv) The production of energy by the processing of goods or  
11 materials by physical or chemical change by a small power produc-  
12 tion facility as defined by the federal energy regulatory commis-  
13 sion pursuant to the public utility regulatory policies act of  
14 1978, Public Law 95-617, 92 Stat. 3117, ~~which~~ THAT is fueled  
15 primarily by biomass or wood waste. This act does not affect a  
16 person's rights or liabilities under law with respect to ground-  
17 water contamination described in this subparagraph. This sub-  
18 paragraph applies only if all of the following requirements are  
19 met:

20 (A) Tax increment revenues captured from the eligible prop-  
21 erty will be used to finance, or will be pledged for debt service  
22 on tax increment bonds used to finance, a public facility in or  
23 near the authority district designed to reduce, eliminate, or  
24 prevent the spread of identified soil and groundwater contamina-  
25 tion, pursuant to law.

26 (B) The board of the authority exercising powers within the  
27 authority district where the eligible property is located adopted

1 an initial tax increment financing plan between January 1, 1991  
2 and May 1, 1991.

3 (C) The municipality that created the authority establishes  
4 a special assessment district whereby not less than 50% of the  
5 operating expenses of the public facility described in this sub-  
6 paragraph will be paid for by special assessments. Not less than  
7 50% of the amount specially assessed against all parcels in the  
8 special assessment district shall be assessed against parcels  
9 owned by parties potentially responsible for the identified  
10 groundwater contamination pursuant to law.

11 (i) "Governing body" means the elected body having legisla-  
12 tive powers of a municipality creating an authority under this  
13 act.

14 (j) "Municipality" means a city, village, or urban  
15 township.

16 (k) "Public facility" means 1 or more of the following:

17 (i) A street, road, bridge, sewer, sewage treatment facili-  
18 ty, facility designed to reduce, eliminate, or prevent the spread  
19 of identified soil or groundwater contamination, drainage system,  
20 waterway, waterline, water storage facility, rail line, utility  
21 line or pipeline, or other similar or related structure or  
22 improvement, together with necessary easements for the structure  
23 or improvement, owned or used by a public agency or functionally  
24 connected to similar or supporting facilities owned or used by a  
25 public agency, or designed and dedicated to use by, for the bene-  
26 fit of, or for the protection of the health, welfare, or safety  
27 of the public generally, whether or not used by a single business

1 entity, provided that any road, street, or bridge shall be  
2 continuously open to public access and that other facilities  
3 shall be located in public easements or rights-of-way and sized  
4 to accommodate reasonably foreseeable development of eligible  
5 property in adjoining areas.

6       (ii) The acquisition and disposal of real and personal prop-  
7 erty or an interest in that property, demolition of structures,  
8 site preparation, relocation costs, building rehabilitation, and  
9 all administrative costs related to a public facility, including,  
10 but not limited to, architect's, engineer's, legal, and account-  
11 ing fees as contained in the resolution establishing the  
12 district's development plan.

13       (iii) An improvement to a facility used by the public or a  
14 public facility as those terms are defined in section 1 of Act  
15 No. 1 of the Public Acts of 1966, being section 125.1351 of the  
16 Michigan Compiled Laws, which improvement is made to comply with  
17 the barrier free design requirements of the state construction  
18 code promulgated under the state construction code act of 1972,  
19 Act No. 230 of the Public Acts of 1972, being sections 125.1501  
20 to 125.1531 of the Michigan Compiled Laws.

21       (1) "Urban township" means a township that meets all of the  
22 following requirements:

23       (i) Has a population of 20,000 or more, or has a population  
24 of 10,000 or more but is located in a county with a population of  
25 400,000 or more.

26       (ii) Adopted a master zoning plan before February 1, 1987.

1       (iii) Provides sewer, water, and other public services to  
2 all or a part of the township.