



**House
Legislative
Analysis
Section**

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PERMIT DDA REINSTATEMENT

House Bill 4504

Sponsor: Rep. Philip E. Hoffman

Committee: Economic Development

Complete to 3-22-93

A SUMMARY OF HOUSE BILL 4504 AS INTRODUCED 3-17-93

The bill would amend the downtown development authority act to permit the reinstatement of a downtown development authority that had been dissolved.

Under the bill, within 28 months after the effective date of an ordinance dissolving an authority established before December 31, 1988, the governing board of a municipality could by ordinance declare its actions in error, make a finding that the purposes for which the authority had been established were not completed, and declare its intent to reinstate the authority as it had existed on the day before its dissolution. The resolution of intent would have to set a date for a public hearing on the reinstatement ordinance. The hearing and the adoption of the reinstatement ordinance would be carried out in the same manner as when the authority was first established.

The bill would specify that if the governing body had determined or could have determined when it originally established the authority that the necessary conditions existed to establish it or could have determined that the establishment of the authority would promote economic growth, then an authority reinstated under the bill could not be invalidated on the grounds that, based on the standards that must be met to establish an authority, a governing body improperly determined that the necessary conditions existed for reinstatement.

The validity of the proceedings, findings, and determinations reinstating the authority would be conclusive unless contested in a court of competent jurisdiction within 60 days after whichever of the following occurred last: the publication of the reinstatement ordinance; the filing of the ordinance with the secretary of state; or the effective date of the act created by this bill.

(The act allows the creation of an authority "when the governing body of a municipality determines that it is necessary for the best interests of the public to halt property value deterioration and increase property tax valuation where possible in its business district, to eliminate the causes of that deterioration, and to promote economic growth." These are the standards referred to earlier.)

MCL 125.1680

House Bill 4504 (3-22-93)