

Act No. 325  
Public Acts of 1994  
Approved by the Governor  
October 11, 1994  
Filed with the Secretary of State  
October 12, 1994

**STATE OF MICHIGAN  
87TH LEGISLATURE  
REGULAR SESSION OF 1994**

Introduced by Reps Profit Pitoniak Yokich Rivers Barns Bender Martin Randall and Sugars  
Reps Allen Alley Anthony Bandstra Banks Bullard Byrum Clack DeMars Gagliardi Gustafson  
Hammerstrom Horton Jersevic Johnson Kukuk Llewellyn London McBryde Middaugh Middleton  
Porreca Stille Tesanovich Varga Voorhees Vorva and Whyman named co sponsors

## **ENROLLED HOUSE BILL No. 5464**

AN ACT to create certain authorities to authorize creation of certain funds to authorize expenditures from the funds to finance the purchase of land and the development of facilities and of public improvements or related facilities to provide for appropriations and to prescribe the powers and duties of certain state and local officials

*The People of the State of Michigan enact*

Sec 1 This act shall be known and may be cited as the international tradeport development authority act

Sec 2 The legislature of this state finds and declares that there exists in this state continuing need for programs to assist certain authorities in encouraging international tradeport development and consequent job retention and creation and ancillary economic growth within this state In order to achieve these purposes it is necessary to assist and encourage certain authorities to renovate and develop international tradeport facilities

Sec 3 As used in this act

(a) Airport facility means an airport owned and operated by a public agency or an authority as authorized under the aeronautics code of the state of Michigan Act No 327 of the Public Acts of 1945 being sections 259 1 to 259 208 of the Michigan Compiled Laws that meets all of the following

(i) Has a runway or approval of a runway of 10 000 lineal feet or greater approved by the Michigan aeronautics commission and the federal aviation administration

(ii) Has full time United States customs service available

(b) Authority means an international tradeport development authority created under section 4

(c) Board means the board of directors of an authority

(d) Captured assessed value means the amount in any 1 year by which the current assessed value as equalized of the property located within a zone including the current assessed value of property for which specific local taxes are paid in lieu of property taxes as determined as provided in subdivision (n) exceeds the initial assessed value The state tax commission shall prescribe the method for calculating captured assessed value

(e) Develop unless the context clearly indicates a different meaning means to acquire market promote construct improve enlarge renew renovate replace lease equip furnish or operate

(f) Development plan means a plan that meets the criteria established for a project plan under section 8 of the economic development corporation act Act No 338 of the Public Acts of 1974 being section 125 1608 of the Michigan Compiled Laws

(g) Enterprise zone authority means the Michigan enterprise zone authority created in section 4 of the enterprise zone act Act No 224 of the Public Acts of 1985 being section 125 2104 of the Michigan Compiled Laws

(h) Fund means an international tradeport development fund created for each authority as provided in section 13

(i) Initial assessed value means the assessed value as equalized of property located within a zone at the time the authority is established as shown by the most recent assessment roll for which equalization has been completed at the time the authority is established Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero Property for which a specific local tax is paid in lieu of property tax shall not be considered exempt from taxation The initial assessed value of property for which a specific local tax was paid in lieu of property tax shall be determined as provided in subdivision (n)

(j) Intergovernmental agreement means an agreement structured by the authority using powers authorized in section 12

(k) International tradeport development zone means a geographic area established as prescribed by section 10

(l) Local governmental unit means a city village or township

(m) Qualified county means any of the following

(i) A county in which all or a portion of an airport facility is located

(ii) A county that is adjacent to a county in which all or a portion of an airport facility is located

(n) Specific local taxes means a tax levied under Act No 198 of the Public Acts of 1974 being sections 207 551 to 207 572 of the Michigan Compiled Laws the commercial redevelopment act Act No 255 of the Public Acts of 1978 being sections 207 651 to 207 668 of the Michigan Compiled Laws the enterprise zone act Act No 224 of the Public Acts of 1985 being sections 125 2101 to 125 2122 of the Michigan Compiled Laws Act No 189 of the Public Acts of 1953 being sections 211 181 to 211 182 of the Michigan Compiled Laws and the technology park development act Act No 385 of the Public Acts of 1984 being sections 207 701 to 207 718 of the Michigan Compiled Laws The initial assessed value or current assessed value of property subject to a specific local tax is the quotient of the specific local tax paid divided by the ad valorem millage rate

(o) Tax increment finance authority district means the authority or the area of land under control of the authority under 1 or more of the following

(i) Act No 197 of the Public Acts of 1975 being sections 125 1651 to 125 1681 of the Michigan Compiled Laws

(ii) The local development financing act Act No 281 of the Public Acts of 1986 being sections 125 2151 to 125 2174 of the Michigan Compiled Laws

(iii) The tax increment finance authority act Act No 450 of the Public Acts of 1980 being sections 125 1801 to 125 1830 of the Michigan Compiled Laws

(p) Zone means an international tradeport development zone

Sec 4 (1) A qualified county in which all or a portion of an airport facility is located or 2 or more qualified counties that are adjacent to each other one of which is a county in which all or a portion of an airport facility is located may by resolutions of their respective governing bodies jointly establish an authority under this act On the date the certified copies of the resolution or all the certified copies of the resolutions establishing the authority are filed with the secretary of state the authority is created as a body corporate and politic

(2) Except for a qualified county that has within its boundaries an airport facility operated by the United States armed forces that was directly affected by actions of the United States base realignment and closure commission in 1991 or 1993 a qualified county in which an airport facility is located that is operated by an agency of the United States government for the use of 1 or more branches of the United States armed forces shall not establish an authority under this act

(3) A qualified county shall not be a member of more than 1 authority under this act

Sec 5 (1) The powers duties and functions of an authority are vested in and shall be exercised by a board of directors The board shall consist of 1 of the following

(a) In an authority consisting of 1 qualified county all of the following

(i) The elected county executive in a county organized under Act No 293 of the Public Acts of 1966 being sections 45 501 to 45 521 of the Michigan Compiled Laws or organized under Act No 139 of the Public Acts of 1973 being sections 45 551 to 45 573 of the Michigan Compiled Laws or the chairperson of the county board of commissioners in a county without a county executive in the qualified county included in the authority

(u) Four residents of the qualified county included in the authority all of whom shall be appointed by the elected county executive or the chairperson of the county board of commissioners in a county without a county executive

(b) In an authority consisting of 2 or more qualified counties all of the following

(i) For each qualified county included in the authority the elected county executive in a county organized under Act No 293 of the Public Acts of 1966 or Act No 139 of the Public Acts of 1973 or the chairperson of the county board of commissioners in a county without a county executive

(u) Two residents from each qualified county included in the authority both of whom shall be appointed by the elected county executive or the chairperson of the county board of commissioners in a county without a county executive

(m) If the total number of members of the board under this subdivision is an even number then the county executive or the chairperson of the county board of commissioners in a county without a county executive in each of the qualified counties included in the authority shall by mutual agreement appoint an additional member to the board who is a resident of 1 of those qualified counties If an agreement cannot be reached within 45 days of the creation of the authority then the qualified county within that authority with the largest population shall appoint an additional member to the board

(2) The elected county executive or the chairperson of the county board of commissioners in a county without a county executive shall appoint the resident members within 30 days of the creation of the authority Members of the board shall be appointed for a term of 3 years

(3) Upon appointment to a board under subsection (1) and upon taking and the filing of the constitutional oath of office a member of the board shall enter office and exercise the duties of the office to which he or she is appointed

(4) A vacancy on a board of a member serving for a fixed term shall be filled in the same manner as the original appointment for the balance of the unexpired term A member of the board holds office until a successor is appointed and qualified

(5) In addition to the members of a board described in subsection (1) there shall be 1 additional member appointed by each local governmental unit in which all or a portion of the zone is located The legislative body of each local governmental unit shall appoint the member under this subsection and that member shall serve without a fixed term and at the pleasure of the legislative body appointing that member A member appointed under this subsection shall serve only with respect to and shall be authorized to vote solely on the approval or rejection of the development plan or amendment to the development plan A member appointed under this subsection shall not vote on any other matter before the board and shall not be considered for purposes of a quorum

Sec 6 (1) Members of a board and officers and employees of the authority are subject to Act No 317 of the Public Acts of 1968 being sections 15 321 to 15 330 of the Michigan Compiled Laws and Act No 318 of the Public Acts of 1968 being sections 15 301 to 15 310 of the Michigan Compiled Laws A member of the board or an officer employee or agent of the authority shall discharge the duties of his or her position in a nonpartisan manner in good faith and with the degree of diligence care and skill that an ordinarily prudent person would exercise under similar circumstances in a like position In discharging his or her duties a member of the board or an officer employee or agent of the authority when acting in good faith may rely upon any of the following

(a) The opinion of counsel for the authority

(b) The report of an independent appraiser selected with reasonable care by the board

(c) Financial statements of the authority represented to the member of the board officer employee or agent to be correct by the officer of the authority having charge of its books of account or stated in a written report by the state auditor general or a certified public accountant or a firm of certified accountants fairly to reflect the financial condition of the authority

(2) A board shall organize and make its own policies and procedures and shall adopt bylaws governing its operations A majority of the members of a board constitutes a quorum for transaction of business notwithstanding the existence of 1 or more vacancies on the board Except as otherwise provided in this act actions taken by the board shall be by a majority vote of the members present in person at a meeting of the board or if authorized by the bylaws by the use of amplified telephonic or video conferencing equipment A county officer who is a member of the board may designate a representative from county government to serve instead of that county officer as a voting member of the board for 1 or more meetings The authority shall meet at the call of the chairperson and as may be provided in the bylaws Meetings of the board may be held anywhere within this state

(3) A board may delegate to 1 or more members officers agents or employees any of the powers duties or functions of the authority as the board considers proper

(4) Members of a board shall serve without compensation for their membership on the board but members of the board may receive reasonable reimbursement for necessary travel and expenses

Sec 7 (1) A board shall conduct all business at public meetings held in compliance with the open meetings act Act No 267 of the Public Acts of 1976 being sections 15 261 to 15 275 of the Michigan Compiled Laws Public notice of the time date and place of each meeting shall be given in the manner required by the open meetings act Act No 267 of the Public Acts of 1976

(2) A record or a portion of a record material or other data received prepared used or retained by the authority that relates to financial or proprietary information that is identified in writing by the person submitting the information and acknowledged by the board as confidential is not subject to the disclosure requirements of the freedom of information act Act No 442 of the Public Acts of 1976 being sections 15 231 to 15 246 of the Michigan Compiled Laws The board may meet in closed session pursuant to the open meetings act Act No 267 of the Public Acts of 1976 to make a determination of whether it acknowledges as confidential any financial or proprietary information submitted and considered by the person submitting the information as confidential For the purpose of this subsection financial or proprietary information means information that has not been publicly disseminated or that is unavailable from other sources the release of which might cause the person submitting the information competitive harm

Sec 8 An authority may do all things necessary or convenient to carry out the purposes objectives and provisions of this act or rules promulgated under this act and the purposes objectives and powers delegated to the authority or the board by other laws or executive orders including without limitation all of the following

- (a) Adopt an official seal and bylaws for the regulation of its affairs and alter the seal or bylaws at its pleasure
- (b) Sue and be sued in its own name and plead and be impleaded
- (c) Borrow money and issue negotiable bonds and other obligations as provided in this act
- (d) Enter into contracts and other instruments necessary incidental or convenient to the performance of its duties and the exercise of its powers and designate the person or persons who have authority to execute those contracts and investments on behalf of the authority
- (e) Solicit receive and accept from any source gifts grants loans or contributions of money property or other things of value and other aid or payment or participate in any other way in a federal state or local government program
- (f) Procure insurance against loss in connection with the property assets or activities of the authority
- (g) Invest money of the authority at the board's discretion in instruments obligations securities or property determined proper by the board and name and use depositories for its money
- (h) Engage on a contract basis the services of private consultants managers legal counsel and auditors for rendering professional or technical assistance and advice payable out of any money of the authority
- (i) Indemnify and procure insurance indemnifying members of the board from personal loss or accountability for liability asserted by a person with regard to bonds or other obligations of the authority or from any personal liability or accountability by reason of the issuance of the bonds or other obligations or by reason of any other action taken or the failure to act by the authority

Sec 9 (1) An authority may employ staff including legal and technical experts and other officers or employees permanent or temporary paid from the funds of the authority

(2) The accounts of an authority are subject to annual audits by the state auditor general or a certified public accountant appointed by the auditor general Records shall be maintained according to generally accepted accounting principles

Sec 10 (1) Within 60 days after establishment of an authority and subject to approval of the enterprise zone authority that authority shall establish the geographic boundaries of the zone which shall include an airport facility and surrounding area the total area of which is greater than 5 000 acres The geographic boundaries of the zone shall be contiguous In addition the board shall determine which of the following are included in the geographic boundary of the zone

- (a) Multimodal facilities or planned multimodal facilities
- (b) Pertinent access roads and truck facilities
- (c) Industrial parks or warehousing facilities
- (d) Manufacturing plants that have been closed or abandoned causing significant job loss
- (e) Infrastructure services
- (f) Relevant land uses directly related to the zone
- (g) Land capable of providing high value added development that will enhance the authority's bond activities

(2) After the board makes a determination establishing the geographic boundaries of the authority the board shall submit those determinations to the enterprise zone authority for approval If the enterprise zone authority approves

the geographic boundaries then the geographic boundaries of the zone shall be so fixed If the enterprise zone authority rejects the determinations of the geographic boundaries then the board shall redetermine the geographic boundaries under this section and resubmit them to the enterprise zone authority for approval

(3) After the geographic boundaries of the zone are determined under subsections (1) and (2) the geographic boundaries of the zone may be altered only on approval by a majority of the board and the approval of the enterprise zone authority

(4) Within 12 months after the establishment of an authority and subject to approval by the enterprise zone authority the authority shall approve a development plan The authority shall approve the development plan for the zone of a 2/3 vote of the board Criteria for approval of a development plan shall include but are not limited to the following

(a) The development plan shall encompass the entire geographic area of the zone

(b) The development plan shall identify site uses and phases for development

(c) The development plan shall identify the proposed source and use of funds

(5) The board shall coordinate its development plan and any amendments to the development plan with both of the following

(a) The master plan and zoning ordinances of the qualified counties and local governmental units in which all or a portion of the zone is located

(b) The development plan of a tax increment finance authority district in which all or a portion of the zone is located

(6) After the board develops a development plan under subsection (4) the board shall submit the plan to the enterprise zone authority for approval If the enterprise zone authority approves the development plan that development plan shall be the development plan of that authority If the enterprise zone authority rejects the development plan then the board shall develop a new development plan under this section and resubmit it to the enterprise zone authority for approval

(7) After the development plan is approved under subsections (4) and (6) the development plan may be amended or altered only upon approval of a 2/3 majority of the board and approval of the enterprise zone authority

(8) The authority is subject to local ordinances and regulatory codes

(9) Approval of the geographic boundaries of the zone and the development plan by the board and the enterprise zone authority conclusively establishes that the requirements of this section have been met

Sec 11 An authority may acquire and develop property within an international tradeport development zone by purchase lease gift devise grant land contract installment purchase contract or other legal means The authority may hold clear remediate improve maintain manage control sell exchange mortgage and hold mortgages on and other security interests in lease as lessor or lessee and obtain or grant easements and licenses on property that it acquires A sale exchange lease or other disposition of authority property shall be to a person or persons for a project or projects involving a tradeport development facility or facilities with respect to which project or projects a project development plan has been submitted to and approved by the board pursuant to criteria adopted by the board by resolution in accordance with the purposes of this act Property acquired by the authority and later determined by the authority to be not necessary for a project may be sold or otherwise disposed of for use or uses not inconsistent with the purposes of this act Temporary or permanent easements or licenses or other appropriate interests in property acquired by the authority may be conveyed or granted by the authority for utility vehicular or pedestrian traffic facilities or related purposes not inconsistent with this act The authority does not have the power to condemn property under this act

Sec 12 An authority may enter into contracts with 1 or more of the following

(a) Economic development corporations as defined under the economic development corporations act Act No 338 of the Public Acts of 1974 being sections 125 1601 to 125 1636 of the Michigan Compiled Laws

(b) Other governmental units under an intergovernmental agreement pursuant to the urban cooperation act of 1967 Act No 7 of the Public Acts of the Extra Session of 1967 being sections 124 501 to 124 512 of the Michigan Compiled Laws

(c) An airport authority as defined under the aeronautics code of the state of Michigan Act No 327 of the Public Acts of 1945 being sections 259 1 to 259 208 of the Michigan Compiled Laws

Sec 13 An international tradeport development fund is created for each authority An authority shall deposit money collected from qualified counties within that authority pursuant to section 21(1) and (3) into the fund

Sec 14 (1) The payment of principal interest and other costs including engineering financial and issuance costs associated with the bonds or other obligations issued by the authority may be made by the authority from any of the following revenues

(a) Federal grants loans appropriations payments or contributions

(b) The proceeds from the sale exchange mortgage lease or other disposition of property that the authority has acquired

(c) Grants loans appropriations payments proceeds from repayments of loans made by the authority or contributions from public or private sources

(d) Money in the fund

(e) Investment earnings on the revenues described in subdivisions (a) to (d)

(2) To the extent the revenues are not necessary for payments under subsection (1) the authority may make payments for other purposes authorized in this act from the revenues described in subsection (1)

Sec 15 (1) An authority may authorize and issue its bonds notes or other obligations payable solely from the revenues or funds available to the authority under sections 14 and 21 Bonds notes or other obligations of an authority are not a debt or liability of the state a qualified county that is a member of the authority or a local governmental unit that is a member of the authority and do not create or constitute an indebtedness liability or obligation or constitute a pledge of faith and credit of this state the qualified county that is a member of the authority or a local governmental unit that is a member of the authority Bonds notes and other obligations issued by an authority are payable solely from revenues or funds pledged or available for their payment as authorized in this act or as provided in the resolution of the board authorizing the bonds notes or other obligations Each bond note and other obligation shall contain on its face a statement to the effect that the authority is obligated to pay the principal of and the interest on the bond note or other obligation only from revenues or from funds of the authority pledged for such payment and that this state a qualified county that is a member of the authority or a local governmental unit that is a member of the authority is not obligated to pay that principal or interest and that neither the faith and credit nor the taxing power of this state a qualified county that is a member of the authority or a local governmental unit that is a member of the authority is pledged to the payment of the principal of or the interest on the bond note or other obligation

(2) Expenses incurred in implementing this act are payable solely from revenues or money provided or to be provided under this act This act does not authorize an authority to incur indebtedness or liability on behalf of or payable by this state a qualified county that is a member of the authority or a local governmental unit that is a member of the authority

Sec 16 (1) An authority may issue from time to time bonds notes or other obligations in principal amounts the authority considers necessary to provide funds for the following

(a) Acquiring and improving property within an international tradeport development zone

(b) The payment funding or refunding of the principal of interest on or redemption premiums on bonds or other obligations issued by the authority whether the bonds or other obligations or interest to be funded or refunded have or have not become due

(c) The establishment or increase of reserves to secure or to pay bonds or other obligations of the authority or interest on those bonds or other obligations

(d) The payment of interest on the bonds or other obligations for a period determined by the authority

(e) The payment of all other costs or expenses of the authority incident to and necessary or convenient to carry out its corporate purposes and powers

(f) Any other purpose reasonably related to or connected with the purposes described in this subsection

(2) The bonds or other obligations of an authority are not a general obligation of the authority but are payable solely from the revenues or funds or both pledged to the payment of the principal of and interest on the bonds or other obligations as provided in the resolution authorizing the bonds or other obligations

(3) The bonds or other obligations of an authority shall be authorized by resolution of the authority and

(a) Shall bear the date or dates of issuance

(b) May be issued in 1 or more series

(c) May be issued as either tax exempt bonds or other obligations or taxable bonds or other obligations for federal income tax purposes

(d) Shall be serial bonds term bonds or term and serial bonds

(e) Shall mature at a time or times not exceeding 20 years from the date of issuance

(f) May provide for sinking fund payments

(g) May provide for redemption at the option of the authority for any reason or reasons

(h) May provide for redemption at the option of the holder of the bonds or other obligations for any reason or reasons

(i) Shall bear interest at a fixed or variable rate or rates of interest per annum or at no interest

(j) Shall be in either registered or coupon form or both

(k) May contain a registration or a conversion feature or both

(l) May be transferable

(m) Shall be in the form in the denomination or denominations and with other provisions and terms as the authority determines necessary or beneficial all as the resolution provides

(4) If a member of a board or an officer of the authority whose signature or a facsimile of whose signature appears on the bond or other obligation or coupon ceases to be a member or officer before the delivery of that bond or other obligation or coupon the signature or facsimile signature continues to be valid and sufficient for all purposes as if the member or officer had remained in office until the delivery

(5) Bonds or other obligations of an authority may be sold at a public or private sale at the time or times at the price or prices and at a discount or premium as the authority determines. An authority bond or other obligation is not subject to the municipal finance act Act No 202 of the Public Acts of 1943 being sections 131 1 to 139 3 of the Michigan Compiled Laws. The bond or other obligation does not require the approval of the state treasurer under Act No 202 of the Public Acts of 1943 and is not required to be registered. The bond or other obligation is not required to be filed under the uniform securities act Act No 265 of the Public Acts of 1964 being sections 451 501 to 451 818 of the Michigan Compiled Laws

Sec 17 An authority may create and establish a special fund or funds to secure an issue of bonds or other obligations referred to as a reserve fund and shall pay into the reserve fund proceeds of a sale of an issue of bonds or other obligations to the extent provided in the resolution of the board authorizing the issuance of the bonds or obligations and other money that may be available to the authority under this act. Money held in a reserve fund shall be used solely for the payment of the principal of or interest on the bonds or other obligations for which the reserve fund was established or the payment of a redemption premium required to be paid when the bonds or other obligations are redeemed before maturity or for any other lawful purpose after satisfaction of the reserve requirements respecting the bonds notes or other obligations. Except as otherwise provided in the resolution authorizing the bonds or other obligations money in the reserve fund shall not be withdrawn except for the purpose of paying principal of and interest on the bonds or other obligations for which the reserve fund was established that mature and become due and for the payment of which other money of the authority is not available or otherwise provided in this act or after defeasance of the bonds or other obligations for which the reserve fund was established for any other corporate purpose of the authority as the board determines by resolution. Income or interest earned by or increment to the reserve fund due to the investment or reinvestment of the reserve fund may only be withdrawn and used for purposes for which bonds or other obligations may be issued and to pay interest and to pay at maturity purchase or call for redemption bonds or other obligations of the authority for which the reserve fund was established as the board determines in the resolution authorizing the bonds or other obligations

Sec 18 Within limitations that are contained in the issuance or authorization resolution of an authority the authority may authorize a member of the board or the chairperson president or other officer of the authority to do 1 or more of the following

(a) Sell and deliver and receive payment for bonds or other obligations

(b) Refund bonds or other obligations by the delivery of new bonds or other obligations whether or not the bonds or other obligations to be refunded have matured or are subject to redemption

(c) Deliver bonds or other obligations partly to refund bonds or other obligations and partly for any other authorized purpose

(d) Buy bonds or other obligations so issued and resell those bonds or other obligations

(e) Approve interest rates or methods for fixing interest rates prices discounts premiums maturities principal amounts denominations dates of issuance interest payment dates redemption rights at the option of the authority or the holder the place of delivery and payment and other matters and procedures necessary to complete the transactions authorized

(f) Direct the investment of any and all money of the authority that the authority has the power to invest

(g) Approve terms of an insurance contract an agreement for a line of credit or a letter of credit a commitment to purchase bonds or other obligations an agreement to remarket bonds or other obligations or an agreement to manage payment revenue or interest rate exposure or any other transaction to provide security to assure timely payment of a bond or other obligation

(h) Execute any power duty function or responsibility of the authority

Sec 19 (1) An authority may authorize approve enter into and obtain an insurance contract an agreement for a line of credit or a letter of credit a commitment to purchase bonds or other obligations an interest rate exchange or swap hedge or similar agreement an agreement to remarket bonds or other obligations an agreement to manage payment revenue or interest rate exposure and any other transaction to provide security to assure timely payment of a bond or other obligation

(2) An authority may authorize payment from the proceeds of the bonds or other obligations or other available money of the costs of issuance of the bonds or other obligations including without limitation fees for placement charges for insurance letters of credit lines of credit remarketing agreements agreements to manage payment revenue or interest rate exposure reimbursement agreements purchase or sales agreements or commitments or agreements to provide security to assure timely payment of bonds or other obligations

Sec 20 In addition to its other powers duties and functions an authority may make and perform all of the following and a resolution of the board authorizing bonds or other obligations may provide for all or any portion of the following that if provided in the resolution are part of the contract with the holders of the bonds or other obligations

(a) A pledge to any payment or purpose of all or any part of the fund or authority revenues or assets to which its right then exists or may later come to exist and of money derived from the revenues or assets and of the proceeds of bonds or other obligations subject to existing agreements with holders of bonds or other obligations

(b) A pledge of a loan grant or contribution from the federal or state government

(c) The establishment and setting aside of reserves or sinking funds and the regulation and disposition of reserves or sinking funds subject to this act

(d) Authority for and limitations on the issuance of additional bonds or other obligations for the purposes provided in the resolution and the terms upon which additional bonds or other obligations may be issued and secured

(e) The procedure if any by which the terms of a contract with holders of the bonds or other obligations may be amended or abrogated the amount of bonds or other obligations the holders of which are required to consent to the amendment or abrogation and the manner in which the consent may be given

(f) A contract with the holders of the bonds or other obligations as to the custody collection securing investment and payment of money of the authority Money of the authority and deposits of money may be secured in the manner determined by the authority Banks and trust companies may give security for the deposits

(g) Vesting in a trustee or a secured party in or outside the state the property income revenues receipts rights remedies powers and duties in trust or otherwise that the authority determines necessary or appropriate to adequately secure and protect the holders of bonds or other obligations or limiting or abrogating the right of the holders of bonds or other obligations to appoint a trustee under this act or limiting the rights powers and duties of the trustee

(h) Providing to a trustee or the holders of the bonds or other obligations remedies that may be exercised if the authority fails or refuses to comply with this act or defaults in an agreement made with the holders of an issue of the bonds or other obligations which may include any of the following

(i) By mandamus or other suit action or proceeding to enforce the rights of the holders of bonds or other obligations and require the authority to implement any other agreements with the holders of the bonds or other obligations and to perform the authority's duties under this act

(ii) Bring suit upon the bonds or other obligations

(iii) By action or suit require the authority to account as if it were the trustee of an express trust for the holders of the bonds or other obligations

(iv) By action suit or proceeding enjoin any act or thing that may be unlawful or in violation of the rights of the holders of the bonds or other obligations

(v) Declare the bonds or other obligations due and payable and if all defaults are made good then as permitted by the resolution to annul that declaration and its consequences

(i) A limit on the rights of the holders of the bonds or other obligations to enforce a pledge or covenant securing the bonds or other obligations

(j) Other matters of like or different character that in any way affect the security or protection of the bonds or other obligations

Sec 21 (1) In the calendar year in which an authority is established under this act and for the next 25 calendar years each qualified county within that authority shall deposit an amount equal to the product of 50% of the captured assessed value of property located within the zone multiplied by the millage rate levied by the qualified county into the fund

(2) In the calendar year in which an authority is established under this act and for the next 25 calendar years an amount equal to the product of 50% of the captured assessed value of property located within the zone multiplied by the millage rate levied by the qualified county shall be distributed as follows

(a) In the first calendar year in which an authority is established that amount will be distributed between each qualified county that is a member of the authority in proportion to the funds provided to the authority by each qualified county in subsection (3)

(b) In the second calendar year and subsequent calendar years that amount shall be distributed between the qualified counties that are members of the authority as determined by them. If the qualified counties cannot make a determination on how to distribute the amount described in this subsection the money shall be distributed between the qualified counties that are members of the authority as provided in subdivision (a)

(3) Notwithstanding subsections (1) and (2) in the calendar year in which an authority is established under this act and for the next 20 calendar years each qualified county shall provide to the authority from any source of county revenue provided by law an amount equal to or greater than the product of \$1 00 multiplied by that county's population as determined in the most recent federal decennial census the product of which shall not be greater than \$250 000 00 per year per qualified county that is a member of the authority

Sec 22 Neither the members of a board nor a person executing bonds or other obligations issued under this act or a person executing an agreement on behalf of an authority is liable personally on the bonds or other obligations by reason of their issuance

Sec 23 This state and each qualified county that is a member of an authority pledge to and agree with the holders of bonds or other obligations issued under this act that the state and each qualified county that is a member of the authority shall not limit or restrict the rights vested in the authority by this act to fulfill the terms of an agreement made with the holders of bonds or other obligations or in any way impair the rights or remedies of the holders of the bonds or other obligations until the bonds and other obligations together with interest on the bonds or other obligations and interest on unpaid installments of interest and all costs and expenses in connection with an action or proceedings by or on behalf of those holders are fully met paid and discharged

Sec 24 Notwithstanding a restriction contained in another law this state or a public officer unit of government or agency of the state or of a unit of government a bank trust company savings bank and institution savings and loan association investment company or other person carrying on a banking business an insurance company insurance association or other person carrying on an insurance business or an executor administrator guardian trustee or other fiduciary may legally invest funds belonging to them or within their control in bonds or other obligation issued under this act and authority bonds or other obligations are authorized security for public deposits

Sec 25 (1) Property of an authority is public property devoted to an essential public and governmental function and purpose. Income of the authority is for a public purpose

(2) Except as otherwise provided in this subsection the property of the authority and its income and operations are exempt from all taxes and special assessments of this state or a political subdivision of this state. Property of the authority and its income and operations that are leased to private persons are not exempt from any tax or special assessment of this state or a political subdivision of this state. Property of the authority is not exempt from any ad valorem property taxes levied under the general property tax act Act No 206 of the Public Acts of 1893 being sections 211 1 to 211 157 of the Michigan Compiled Laws

(3) Bonds or other obligations issued by the authority and the interest on or income from those bonds or other obligations are exempt from all taxation of this state or a political subdivision of this state

(4) If an authority acquires property in that authority's zone that is also within the boundaries of a tax increment finance authority district that has outstanding bonded indebtedness the authority shall pay to that tax increment finance authority district each year an amount equal to the amount that would have been captured or levied on the property by that tax increment finance authority district to pay its proportional share of the outstanding bonded indebtedness

Sec 26 This act shall be construed liberally to effectuate the legislative intent and the purposes of this act as complete and independent authority for the performance of each and every act and thing authorized by this act and all powers granted by this act shall be broadly interpreted to effectuate the intent and purposes of this act and not as a limitation of powers

This act is ordered to take immediate effect

Co Clerk of the House of Representatives

Secretary of the Senate

Approved

Governor