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House Bill 5028 (Substitute S-4 as reported by the Committee of the Whole)
House Bill 5029 (Substitute S-4 as reported by the Committee of the Whole)
Sponsor: Representative Randy Richardville (House Bill 5028)
Representative Chris Kolb (House Bill 5029)
House Committee: Tax Policy
Senate Committee: Farming, Agribusiness and Food Systems

CONTENT

House Bills 5028 (S-4) and 5029 (S-4) would amend the County Zoning Act and the City and Village Zoning Act, respectively, to require that qualified local units include "Open Space Preservation" provisions for residential development in their existing ordinances. (To qualify, a city, village, or county would have to have adopted a zoning ordinance, have a population of 1,800 or more, and contain undeveloped land zoned for residential development at a density described below.) The zoning ordinances would have to allow a land owner to develop land zoned as residential by, in effect, clustering residences on one portion of the land and leaving the remaining land perpetually in an undeveloped state. These requirements would apply one year after the bills' effective date.

Under the bills, zoning ordinances would have to state that the land owner could develop a portion of the land with the same number of dwelling units currently allowed on the whole parcel of land. The remaining percentage of land, as specified in the zoning ordinances, would have to remain perpetually in an undeveloped state by means of a conservation easement, plat dedication, restrictive covenant, or other legal means running with the land. The amount of open space preserved would have to be at least 50% for counties and 20% for cities and villages. Land developed in this way would be subject to other applicable ordinances, laws, and rules, including rules relating to suitability of soils for on-site sewage disposal for land not served by public sewers, and suitability of groundwater for on-site water supply for land not served by public water.

The bills also include requirements that the land developed under these provisions be zoned at a density equivalent of two or fewer dwelling units per acre or, if the land were served by a public sewer system, three or fewer dwelling units per acre; that the development not depend on the extension of a public sewer or water system, unless other development of the land also would depend on such an extension; and that the land not already have been developed in a similar way.

The bills' ordinance requirement would not apply if, before October 1, 2001, a local unit had in effect a similar zoning ordinance provision and a land owner had exercised the option provided under that ordinance. In addition, House Bill 5028 (S-4) states that the requirement would be subject to Section 12 of the County Zoning Act, which provides for a referendum on a new zoning ordinance upon the submission of petitions containing sufficient signatures. House Bill 5029 (S-4) states that the ordinance requirement would be subject to the right of referendum if provided by charter.

MCL 125.240 et al. (H.B. 5028)
125.600 et al. (H.B. 5029)

Legislative Analyst: C. Layman

FISCAL IMPACT

It is unlikely that the bills would have any significant impact on local units or State revenues. The bills could have some minimal impact on specific local units depending on whether undeveloped areas are appraised separately from homesteads or are taxed separately from homesteads (for instance, as nonhomestead property), and whether market demographics value smaller individual properties with common areas differently from larger individual properties with no common areas.

The bills would not affect approximately half of the local units in Michigan, including Keweenaw County and 911 other local units, because the units' population would not meet the definition of "qualified".

Date Completed: 11-7-01

Fiscal Analyst: D. Zin