Senate Fiscal Agency P. O. Box 30036 Lansing, Michigan 48909-7536



Telephone: (517) 373-5383 Fax: (517) 373-1986 TDD: (517) 373-0543

House Bill 5038 (Substitute S-1 as reported)

House Bill 5252 (Substitute S-1 as reported by the Committee of the Whole)

House Bill 5267 (Substitute S-1 as reported)

Sponsor: Representative Ruth Johnson (H.B. 5038)

Representative James Koetje (H.B. 5252) Representative Patricia Birkholz (H.B. 5267)

House Committee: Land Use and Environment

Senate Committee: Natural Resources and Environmental Affairs

Date Completed: 12-11-01

RATIONALE

Local land use planning involves issues such as wildlife and farmland preservation, infrastructure redevelopment, large-scale housing development, and management of local land use needs. Many people believe that effective local land use planning requires cooperation among county, township, and municipal planning commissions. example, one community apparently had plans under way to develop luxury condominiums until local planners discovered that the land was approved for future use in airport expansion plans. To avoid this type of situation and promote communication among planning jurisdictions, it has been suggested that local planners be required to share proposed plans with neighboring communities and solicit comments for future developments.

CONTENT

The bills would amend various acts to require local planning commissions to adopt a basic, county, or municipal plan that would address land use issues and could project 20 years or more into the future under procedures described in the bills. The bills would do the following:

- Require a township, county, or municipal planning commission to send a notice to various local entities before preparing a plan.
- -- Require planning commissions to submit a proposed plan to a township or county board, or the legislative body of a municipality, for review and comment.

- -- Allow planning commissions and other entities 65 days to submit comments on a proposed plan.
- -- Provide that the planning commission's approval would be final unless the township or county board, or the legislative body of a municipality asserted the right to approve or reject the plan.
- -- Require planning commissions to review their plans at least every five years and determine whether to commence the procedure to amend a plan or adopt a new plan.
- Allow planning commissions to meet with other governmental planning commissions to deliberate.

House Bill 5038 (S-1) would amend Public Act 168 of 1959, which provides for township planning commissions; House Bill 5252 (S-1) would amend Public Act 282 of 1945, which provides for county planning commissions; and House Bill 5267 (S-1) would amend Public Act 285 of 1931, which provides for municipal planning commissions.

Notice

Before preparing a plan, a township, county, or municipal planning commission would have to send a notice by first-class mail, explaining that the planning commission intended to prepare a plan and requesting the recipient's cooperation and comment, to all of the following:

-- The planning commission, or the local legislative body if there were no planning

Page 1 of 3 hb5038etal./0102

commission, of each township, city, or village (or county, under House Bill 5252 (S-1)) located within or contiguous to the township, county, or municipality sending the notice.

- -- The regional planning commission for the region in which a township or municipality was located, if there were no county planning commission for the county where the township or municipality was located, under House Bills 5038 (S-1) and 5267 (S-1); or the regional planning commission, if any, for the region in which a county was located, under House Bill 5252 (S-1).
- -- The county planning commission or, if there were none, the county board of commissioners, for each county in which a township or municipality was located, under House Bills 5038 (S-1) and 5267 (S-1), or for each county located contiguous to a county, under House Bill 5252 (S-1). In the case of a township or municipality, if there were a county planning commission for the county, the township or municipality planning commission could consult with the regional planning commission, but would not have to do so.
- -- Each public utility company and railroad company owning or operating a public utility or railroad within the township, county, or municipality that registered its name and mailing address for this purpose with the planning commission.

In addition, under House Bills 5038 (S-1) and 5267 (S-1), the notice to an entity described above could request permission for the township or county, or the municipality, to submit electronically any information that would have to be submitted to that entity under the bills. If the entity to which the notice was sent granted the permission, information submitted to or by that entity under the bills could be submitted electronically. Otherwise, the information would have to be submitted in writing by firstclass mail or personal delivery.

Plan Adoption & Approval

The bills provide that a plan could be adopted as a whole or by successive parts corresponding with major geographical areas of the township, county, or municipality or with functional subject matter areas of the plan. After preparing a proposed plan, the planning commission would have to submit it for review and comment to the township

board, the county board of commissioners, or the legislative body of the municipality, as applicable. The process of adopting a plan could not proceed further unless that body or board approved the distribution of the proposed plan.

If distribution of the proposed plan were approved, the township or county board or municipal legislative body would have to notify the secretary of the planning commission and he or she would have to submit a copy of the proposed plan, for review and comment, to the same entities receiving the notice described above. A public utility or railroad company receiving a copy of the proposed plan would have to reimburse the township, county, or municipality for any copying and postage costs.

An entity that received a copy of the proposed plan could submit its comments to the planning commission within 65 days after the plan was submitted to that entity.

House Bills 5038 (S-1) and 5267 (S-1) would require a planning commission or legislative body that submitted comments to the township or municipality to submit its comments concurrently to the county planning commission or county board commissioners. At least 75 days but not more than 95 days after the proposed plan was submitted to it, the county planning commission or board of commissioners would have to submit its comments on the proposed plan, and include a statement whether it considered the proposed plan to inconsistent with the plan of any city, village, township, or region consulted, and a statement whether it considered the proposed plan to be inconsistent with the county plan, if the county had one.

Before approving a proposed plan, a planning commission would have to hold a public hearing on it after the deadline for comment expired (after giving notice as required in the bills). Under House Bill 5038 (S-1), at or after the hearing, a township planning commission could approve the proposed plan by a majority vote of its membership. Under House Bill 5252 (S-1), a county planning commission would have to adopt a plan by a resolution approved by a majority of the full membership of the commission, after the public hearing. Under House Bill 5267 (S-1), approval of a

Page 2 of 3 hb5038etal./0102

plan would have to be by resolution of a municipal planning commission by the affirmative vote of at least two-thirds of the members.

Following approval, the secretary of the planning commission would have to submit a copy of the proposed plan to the township board, the county board of commissioners, or the legislative body of the municipality, as Approval of the plan by the applicable. planning commission would be the final step for adoption of the plan unless the township board, county board of commissioners, or municipal legislative body by resolution asserted the right to approve or reject the plan. If the board or legislative body rejected the plan, it would have to submit a statement of its objections to the planning commission, which would have to revise the plan to address the objections. The procedures would have to be repeated until the board or legislative body approved the plan.

Once approved, copies of the plan would have to be submitted to the jurisdictions and entities that received the proposed plan for comment.

Other Provisions

The bills provide that an extension, addition, revision, or other amendment to a basic, county, or municipal plan, or a successive part of a plan, would have to be adopted under the same procedures. For an amendment other than a revision of the plan, however, the 65-day period for submitting comments would be 40 days, and, under House Bills 5038 (S-1) and 5267 (S-1), the 75- to 95-day period for a county board to submit comments would be 55 to 75 days.

In addition, House Bill 5267 (S-1) provides that the Act would not alter the authority of a planning department established by charter to submit a proposed plan, or a proposed extension, addition, revision, or other amendment to a plan, to a planning commission whether directly or indirectly as provided by a charter. A planning commission would have to comply with the Act's requirements.

The bills provide that until one year after their effective dates, a township, county, or municipality could adopt a plan or an

extension, addition, revision, or other amendment to a plan under the procedures immediately provided for in the Acts before the bills' effective dates.

House Bill 5038 (S-1) would allow a township to develop a capital improvement program.

MCL 125.321 et al. (H.B. 5038) 125.104 et al. (H.B. 5252) 125.31 et al. (H.B. 5267)

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

By requiring local units to notify adjacent communities and counties of proposed plans, the bills would improve communication and cooperation among neighboring jurisdictions engaged in developing master plans that guide land use and community development. The bills would prescribe specific procedures for notification, review and comment, and plan adoption and approval, for local communities to share proposed land use plans in order to improve predictability and expand regional development and coordination. While the notification procedures would be mandatory, local units would retain control of planning decisions. In addition, the bills would promote cooperation between planning commissions and local elected governing bodies, since a governing body would have to approve a proposed plan before it was distributed and could assert the right to approve or reject a plan.

Legislative Analyst: N. Nagata

FISCAL IMPACT

The bills would have no direct fiscal impact on State revenues and minimal fiscal impact on local units. By potentially altering the future uses of property, the bills could affect future property values and thus affect both State and local revenues. The impact of such secondary effects is indeterminate.

Fiscal Analyst: D. Zin

H0102\s5038a

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.