SUBSTITUTE FOR

HOUSE BILL NO. 6137

A bill to amend 1996 PA 381, entitled
"Brownfield redevelopment financing act,"
by amending sections 2 and 13 (MCL 125.2652 and 125.2663),
section 2 as amended by 2002 PA 254 and section 13 as amended by
2000 PA 145.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2. As used in this act:
- 2 (a) "Additional response activities" means response activi-
- 3 ties identified as part of a brownfield plan that are in addition
- 4 to baseline environmental assessment activities and due care
- 5 activities for an eligible property.
- 6 (b) "Authority" means a brownfield redevelopment authority
- 7 created under this act.

- 1 (c) "Baseline environmental assessment" means that term as
- 2 defined in section 20101 of the natural resources and
- 3 environmental protection act, 1994 PA 451, MCL 324.20101.
- 4 (d) "Baseline environmental assessment activities" means
- 5 those response activities identified as part of a brownfield plan
- 6 that are necessary to complete a baseline environmental assess-
- 7 ment for an eligible property in the brownfield plan.
- 8 (e) "Blighted" means property that meets any of the follow-
- 9 ing criteria:
- 10 (i) Has been declared a public nuisance in accordance with a
- 11 local housing, building, plumbing, fire, or other related code or
- 12 ordinance.
- 13 (ii) Is an attractive nuisance to children because of physi-
- 14 cal condition, use, or occupancy.
- 15 (iii) Is a fire hazard or is otherwise dangerous to the
- 16 safety of persons or property.
- 17 (iv) Has had the utilities, plumbing, heating, or sewerage
- 18 permanently disconnected, destroyed, removed, or rendered inef-
- 19 fective so that the property is unfit for its intended use.
- 20 (v) Is tax reverted property owned by a qualified local gov-
- 21 ernmental unit, by a county, or by this state. The sale, lease,
- 22 or transfer of tax reverted property by a qualified local govern-
- 23 mental unit, county, or this state after the property's inclusion
- 24 in a brownfield plan shall not result in the loss to the property
- 25 of the status as blighted property for purposes of this act.
- 26 (vi) IS PROPERTY OWNED OR UNDER THE CONTROL OF A LAND BANK
- 27 UNDER THE MICHIGAN LAND BANK AND COMMUNITY DEVELOPMENT AUTHORITY

House Bill No. 6137

- 1 ACT. THE SALE, LEASE, OR TRANSFER OF THE PROPERTY BY A LAND BANK
- 2 AFTER THE PROPERTY'S INCLUSION IN A BROWNFIELD PLAN SHALL NOT
- 3 RESULT IN THE LOSS TO THE PROPERTY OF THE STATUS AS BLIGHTED
- 4 PROPERTY FOR PURPOSES OF THIS ACT.
- 5 (f) "Board" means the governing body of an authority.
- 6 (g) "Brownfield plan" means a plan that meets the require-
- 7 ments of section 13 and is adopted under section 14.
- 8 (h) "Captured taxable value" means the amount in 1 year by
- 9 which the current taxable value of an eligible property subject
- 10 to a brownfield plan, including the taxable value or assessed
- 11 value, as appropriate, of the property for which specific taxes
- 12 are paid in lieu of property taxes, exceeds the initial taxable
- 13 value of that eligible property. The state tax commission shall
- 14 prescribe the method for calculating captured taxable value.
- 15 (i) "Chief executive officer" means the mayor of a city, the
- 16 village manager of a village, the township supervisor of a town-
- 17 ship, or the county executive of a county or, if the county does
- 18 not have an elected county executive, the chairperson of the
- 19 county board of commissioners.
- 20 (j) "Department" means the department of environmental
- 21 quality.
- 22 (k) "Due care activities" means those response activities
- 23 identified as part of a brownfield plan that are necessary to
- 24 allow the owner or operator of an eligible property in the plan
- 25 to comply with the requirements of section 20107a of the natural
- 26 resources and environmental protection act, 1994 PA 451,
- **27** MCL 324.20107a.

- 1 (*l*) "Eliqible activities" or "eliqible activity" does not
- 2 include activities related to multisource commercial hazardous
- 3 waste disposal wells as that term is defined in section 62506a of
- 4 the natural resources and environmental protection act, 1994
- 5 PA 451, MCL 324.62506a, but means 1 or more of the following:
- 6 (i) Baseline environmental assessment activities.
- 7 (ii) Due care activities.
- 8 (iii) Additional response activities.
- 9 (iv) For eligible activities on eligible property that was
- 10 used or is currently used for commercial, industrial, or residen-
- 11 tial purposes that is in a qualified local governmental unit and
- 12 is a facility, functionally obsolete, or blighted, and except for
- 13 purposes of section 38d of the single business tax act, 1975
- 14 PA 228, MCL 208.38d, the following additional activities:
- 15 (A) Infrastructure improvements that directly benefit eligi-
- 16 ble property.
- 17 (B) Demolition of structures that is not response activity
- 18 under section $\frac{201}{100}$ 20101 of the natural resources and environ-
- 19 mental protection act, 1994 PA 451, MCL 324.20101.
- (C) Lead or asbestos abatement.
- 21 (D) Site preparation that is not response activity under
- 22 section $\frac{201}{201}$ 20101 of the natural resources and environmental
- 23 protection act, 1994 PA 451, MCL 324.20101.
- 24 (E) ASSISTANCE TO A LAND BANK IN CLEARING OR OUIETING TITLE
- 25 TO AND DISPOSING OF TAX REVERTED PROPERTY AND RELATED ACTIVITIES
- 26 OF THE LAND BANK UNDER THE MICHIGAN LAND BANK AND COMMUNITY
- 27 DEVELOPMENT AUTHORITY ACT.

House Bill No. 6137

- 1 (v) Relocation of public buildings or operations for
- 2 economic development purposes with prior approval of the Michigan

- 3 economic development authority.
- 4 (m) "Eligible property" means property for which eligible
- 5 activities are identified under a brownfield plan that was used
- 6 or is currently used for commercial, industrial, or residential
- 7 purposes that is either in a qualified local governmental unit
- 8 and is a facility, functionally obsolete, or blighted or is not
- 9 in a qualified local governmental unit and is a facility, and
- 10 includes parcels that are adjacent or contiguous to that property
- 11 if the development of the adjacent and contiguous parcels is
- 12 estimated to increase the captured taxable value of that
- 13 property. ELIGIBLE PROPERTY INCLUDES, TO THE EXTENT INCLUDED IN
- 14 A BROWNFIELD PLAN, TAX REVERTED PROPERTY OWNED OR UNDER THE CON-
- 15 TROL OF A LAND BANK. Eligible property includes, to the extent
- 16 included in the brownfield plan, personal property located on the
- 17 property. Eligible property does not include qualified agricul-
- 18 tural property exempt under section 7ee of the general property
- 19 tax act, 1893 PA 206, MCL 211.7ee, from the tax levied by a local
- 20 school district for school operating purposes to the extent pro-
- 21 vided under section 1211 of the revised school code, 1976 PA 451,
- **22** MCL 380.1211.
- 23 (n) "Facility" means that term as defined in section 20101
- 24 of the natural resources and environmental protection act, 1994
- 25 PA 451, MCL 324.20101.
- (o) "Fiscal year" means the fiscal year of the authority.

- 1 (p) "Functionally obsolete" means that the property is
- 2 unable to be used to adequately perform the function for which it
- 3 was intended due to a substantial loss in value resulting from
- 4 factors such as overcapacity, changes in technology, deficiencies
- 5 or superadequacies in design, or other similar factors that
- 6 affect the property itself or the property's relationship with
- 7 other surrounding property.
- 8 (q) "Governing body" means the elected body having legisla-
- 9 tive powers of a municipality creating an authority under this
- **10** act.
- 11 (r) "Infrastructure improvements" means a street, road,
- 12 sidewalk, parking facility, pedestrian mall, alley, bridge,
- 13 sewer, sewage treatment plant, property designed to reduce, elim-
- 14 inate, or prevent the spread of identified soil or groundwater
- 15 contamination, drainage system, waterway, waterline, water stor-
- 16 age facility, rail line, utility line or pipeline, or other simi-
- 17 lar or related structure or improvement, together with necessary
- 18 easements for the structure or improvement, owned or used by a
- 19 public agency or functionally connected to similar or supporting
- 20 property owned or used by a public agency, or designed and dedi-
- 21 cated to use by, for the benefit of, or for the protection of the
- 22 health, welfare, or safety of the public generally, whether or
- 23 not used by a single business entity, provided that any road,
- 24 street, or bridge shall be continuously open to public access and
- 25 that other property shall be located in public easements or
- 26 rights-of-way and sized to accommodate reasonably foreseeable
- 27 development of eligible property in adjoining areas.

House Bill No. 6137 7

- 1 (s) "Initial taxable value" means the taxable value of an
- 2 eligible property identified in and subject to a brownfield plan
- 3 at the time the resolution adding that eligible property in the
- 4 brownfield plan is adopted, as shown by the most recent assess-
- 5 ment roll for which equalization has been completed at the time
- 6 the resolution is adopted. Property exempt from taxation at the
- 7 time the initial taxable value is determined shall be included
- 8 with the initial taxable value of zero. Property for which a
- 9 specific tax is paid in lieu of property tax shall not be consid-
- 10 ered exempt from taxation. The state tax commission shall pre-
- 11 scribe the method for calculating the initial taxable value of
- 12 property for which a specific tax was paid in lieu of property
- 13 tax.
- 14 (T) "LAND BANK" MEANS THAT TERM AS DEFINED IN THE MICHIGAN
- 15 LAND BANK AND COMMUNITY DEVELOPMENT AUTHORITY ACT.
- 16 (U) $\overline{\text{(t)}}$ "Local taxes" means all taxes levied other than
- 17 taxes levied for school operating purposes.
- 18 (V) $\frac{(u)}{(u)}$ "Municipality" means all of the following:
- 19 (i) A city.
- (ii) A village.
- 21 (iii) A township in those areas of the township that are
- 22 outside of a village.
- (iv) A township in those areas of the township that are in a
- 24 village upon the concurrence by resolution of the village in
- 25 which the zone would be located.
- 26 (v) A county.

- $\mathbf{1}$ (W) $\overline{\text{(v)}}$ "Qualified local governmental unit" means that
- 2 term as defined in the obsolete property rehabilitation act, 2000
- **3** PA 146, MCL 125.2781 TO 125.2797.
- 4 (X) $\overline{(w)}$ "Qualified taxpayer" means that term as defined in
- 5 sections 38d and 38g of the single business tax act, 1975 PA 228,
- 6 MCL 208.38d and 208.38g.
- 7 (Y) $\overline{(x)}$ "Remedial action plan" means a plan that meets
- 8 both of the following requirements:
- $\mathbf{9}$ (i) Is a remedial action plan as that term is defined in
- 10 section 20101 of the natural resources and environmental protec-
- 11 tion act, 1994 PA 451, MCL 324.20101.
- (ii) Describes each individual activity to be conducted to
- 13 complete eligible activities and the associated costs of each
- 14 individual activity.
- 15 (Z) $\frac{(y)}{(y)}$ "Response activity" means that term as defined in
- 16 section 20101 of the natural resources and environmental protec-
- 17 tion act, 1994 PA 451, MCL 324.20101.
- 18 (AA) $\frac{(z)}{(z)}$ "Specific taxes" means a tax levied under 1974
- 19 PA 198, MCL 207.551 to 207.572; the commercial redevelopment act,
- 20 1978 PA 255, MCL 207.651 to 207.668; the enterprise zone act,
- 21 1985 PA 224, MCL 125.2101 to 125.2123; 1953 PA 189, MCL 211.181
- 22 to 211.182; the technology park development act, 1984 PA 385,
- 23 MCL 207.701 to 207.718; the obsolete property rehabilitation act,
- 24 2000 PA 146, MCL 125.2781 to 125.2797; or the neighborhood
- 25 enterprise zone act, 1992 PA 147, MCL 207.771 to 207.787; OR THE
- 26 TAX REVERTED PROPERTY CLEAN TITLE ACT.

- 1 (BB) (aa) "Tax increment revenues" means the amount of ad
- 2 valorem property taxes and specific taxes attributable to the
- 3 application of the levy of all taxing jurisdictions upon the cap-
- 4 tured taxable value of each parcel of eligible property subject
- 5 to a brownfield plan and personal property located on that
- 6 property. Tax increment revenues exclude ad valorem property
- 7 taxes specifically levied for the payment of principal of and
- 8 interest on either obligations approved by the electors or obli-
- 9 gations pledging the unlimited taxing power of the local govern-
- 10 mental unit, and specific taxes attributable to those ad valorem
- 11 property taxes. Tax increment revenues attributable to eligible
- 12 property also exclude the amount of ad valorem property taxes or
- 13 specific taxes captured by a downtown development authority, tax
- 14 increment finance authority, or local development finance author-
- 15 ity if those taxes were captured by these other authorities on
- 16 the date that eligible property became subject to a brownfield
- 17 plan under this act.
- 18 (CC) (bb) "Taxable value" means the value determined under
- 19 section 27a of the general property tax act, 1893 PA 206,
- **20** MCL 211.27a.
- 21 (DD) (cc) "Taxes levied for school operating purposes"
- 22 means all of the following:
- 23 (i) The taxes levied by a local school district for operat-
- 24 ing purposes.
- 25 (ii) The taxes levied under the state education tax act,
- 26 1993 PA 331, MCL 211.901 to 211.906.

- 1 (iii) That portion of specific taxes attributable to taxes
- **2** described under subparagraphs (i) and (ii).
- (EE) (dd) "Work plan" means a plan that describes each
- 4 individual activity to be conducted to complete eligible activi-
- 5 ties and the associated costs of each individual activity.
- 6 (FF) (ee) "Zone" means, for an authority established
- 7 before the effective date of the amendatory act that added sub-
- 8 division (r) JUNE 6, 2000, a brownfield redevelopment zone des-
- 9 ignated under this act.
- 10 Sec. 13. (1) Subject to section 15, the board may implement
- 11 a brownfield plan. The brownfield plan may apply to 1 or more
- 12 parcels of eligible property whether or not those parcels of eli-
- 13 gible property are contiguous and may be amended to apply to
- 14 additional parcels of eligible property. If more than 1 parcel
- 15 of eligible property is included within the plan, the tax incre-
- 16 ment revenues under the plan shall be determined individually for
- 17 each parcel of eligible property. Each plan or an amendment to a
- 18 plan shall be approved by the governing body of the municipality
- 19 and shall contain all of the following:
- 20 (a) A description of the costs of the plan intended to be
- 21 paid for with the tax increment revenues, including a brief sum-
- 22 mary of the eligible activities that are proposed for each eligi-
- 23 ble property.
- 24 (b) An estimate of the captured taxable value and tax incre-
- 25 ment revenues for each year of the plan from each parcel of eli-
- 26 gible property and in the aggregate. The plan may provide for
- 27 the use of part or all of the captured taxable value, including

House Bill No. 6137

- 1 deposits in the local site remediation revolving fund, but the
- 2 portion intended to be used shall be clearly stated in the plan.

- 3 The plan shall not provide either for an exclusion from captured
- 4 taxable value of a portion of the captured taxable value or for
- 5 an exclusion of the tax levy of 1 or more taxing jurisdictions
- 6 unless the tax levy is excluded from tax increment revenues in
- 7 section $\frac{-2(aa)}{}$ 2(BB), or unless the tax levy is excluded from
- 8 capture under section 15.
- 9 (c) The method by which the costs of the plan will be
- 10 financed, including a description of any advances made or antici-
- 11 pated to be made for the costs of the plan from the
- 12 municipality.
- 13 (d) The maximum amount of note or bonded indebtedness to be
- 14 incurred, if any.
- 15 (e) The duration of the brownfield plan, which shall not
- 16 exceed the lesser of the period authorized under subsections (4)
- **17** and (5) or 30 years.
- 18 (f) An estimate of the impact of tax increment financing on
- 19 the revenues of all taxing jurisdictions in which the eligible
- 20 property is located.
- 21 (g) A legal description of each parcel of eligible property
- 22 to which the plan applies, a map showing the location and dimen-
- 23 sions of each eligible property, a statement of the characteris-
- 24 tics that qualify the property as eligible property, and a state-
- 25 ment of whether personal property is included as part of the eli-
- 26 gible property.

House Bill No. 6137

- 1 (h) Estimates of the number of persons residing on each
- 2 eliqible property to which the plan applies and the number of
- 3 families and individuals to be displaced. If occupied residences
- 4 are designated for acquisition and clearance by the authority,
- 5 the plan shall include a demographic survey of the persons to be
- 6 displaced, a statistical description of the housing supply in the
- 7 community, including the number of private and public units in
- 8 existence or under construction, the condition of those in exis-
- 9 tence, the number of owner-occupied and renter-occupied units,
- 10 the annual rate of turnover of the various types of housing and
- 11 the range of rents and sale prices, an estimate of the total
- 12 demand for housing in the community, and the estimated capacity
- 13 of private and public housing available to displaced families and
- 14 individuals.
- 15 (i) A plan for establishing priority for the relocation of
- 16 persons displaced by implementation of the plan.
- 17 (j) Provision for the costs of relocating persons displaced
- 18 by implementation of the plan, and financial assistance and reim-
- 19 bursement of expenses, including litigation expenses and expenses
- 20 incident to the transfer of title, in accordance with the stan-
- 21 dards and provisions of the uniform relocation assistance and
- 22 real property acquisition policies act of 1970, Public Law
- 23 91-646, 84 Stat. 1894.
- 24 (k) A strategy for compliance with 1972 PA 227, MCL 213.321
- 25 to 213.332.
- 26 (1) A description of proposed use of the local site
- 27 remediation revolving fund.

- 1 (m) Other material that the authority or governing body
- 2 considers pertinent.
- 3 (2) The percentage of all taxes levied on a parcel of eligi-
- 4 ble property for school operating expenses that is captured and
- 5 used under a brownfield plan and all tax increment finance plans
- 6 under 1975 PA 197, MCL 125.1651 to 125.1681, the tax increment
- 7 finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830, or
- 8 the local development financing act, 1986 PA 281, MCL 125.2151 to
- 9 125.2174, shall not be greater than the combination of the plans'
- 10 percentage capture and use of all local taxes levied for purposes
- 11 other than for the payment of principal of and interest on either
- 12 obligations approved by the electors or obligations pledging the
- 13 unlimited taxing power of the local unit of government. This
- 14 subsection shall apply only when taxes levied for school operat-
- 15 ing purposes are subject to capture under section 15.
- 16 (3) Except as provided in subsections (5) and (16), tax
- 17 increment revenues related to a brownfield plan shall be used
- 18 only for costs of eligible activities attributable to the eligi-
- 19 ble property, the captured taxable value of which produces the
- 20 tax increment revenues, including the cost of principal of and
- 21 interest on any obligation issued by the authority to pay the
- 22 costs of eligible activities attributable to the eligible proper-
- 23 ty, and the reasonable costs of preparing a work plan or remedial
- 24 action plan for the eligible property, including the actual cost
- 25 of the review of the work plan or remedial action plan under
- 26 section 15. FOR PROPERTY OWNED OR UNDER THE CONTROL OF A LAND
- 27 BANK, TAX INCREMENT REVENUES RELATED TO A BROWNFIELD PLAN MAY BE

- 1 USED FOR ELIGIBLE ACTIVITIES ATTRIBUTABLE TO ANY ELIGIBLE
- 2 PROPERTY OWNED OR UNDER THE CONTROL OF THE LAND BANK.
- 3 (4) Except as provided in subsection (5), a brownfield plan
- 4 shall not authorize the capture of tax increment revenue from
- 5 eligible property after the year in which the total amount of tax
- 6 increment revenues captured is equal to the sum of the costs of
- 7 eligible activities attributable to the eligible property includ-
- 8 ing the cost of principal of and interest on any obligation
- 9 issued by the authority to pay the costs of eligible activities
- 10 on the eligible property, and the reasonable cost of preparing a
- 11 work plan or remedial action plan for eligible property, and the
- 12 actual cost of the department's review of the work plan or reme-
- 13 dial action plan.
- 14 (5) A brownfield plan may authorize the capture of addi-
- 15 tional tax increment revenue from an eliquible property in excess
- 16 of the amount authorized under subsection (4) during the time of
- 17 capture for the purpose of paying the costs of eligible activi-
- 18 ties under subsection (3), or for not more than 5 years after the
- 19 time that capture is required for the purpose of paying the costs
- 20 of eligible activities under subsection (3), or both. Excess
- 21 revenues captured under this subsection shall be deposited in the
- 22 local site remediation revolving fund created under section 8 and
- 23 used for the purposes authorized in section 8. If tax increment
- 24 revenues levied for school operating purposes from eligible prop-
- 25 erty are captured by the authority for purposes authorized under
- 26 subsection (3), the tax increment revenues captured for deposit
- 27 in the local site remediation revolving fund also may include tax

House Bill No. 6137

- 1 increment revenues levied for school operating purposes in an
- 2 amount not greater than the tax increment revenues levied for
- 3 school operating purposes captured from the eligible property by
- 4 the authority for the purposes authorized under subsection (3).
- 5 Excess revenues from taxes levied for school operating purposes
- 6 for eligible activities authorized under subsection (15) by the
- 7 Michigan economic growth authority shall not be captured for
- 8 deposit in the local site remediation revolving fund.
- 9 (6) An authority shall not expend tax increment revenues to
- 10 acquire or prepare eligible property, unless the acquisition or
- 11 preparation is an eligible activity.
- 12 (7) Costs of eligible activities attributable to eligible
- 13 property include all costs that are necessary or related to a
- 14 release from the eligible property, including eligible activities
- 15 on properties affected by a release from the eligible property.
- 16 For purposes of this subsection, "release" means that term as
- 17 defined in section 20101 of the natural resources and environmen-
- 18 tal protection act, 1994 PA 451, MCL 324.20101.
- 19 (8) Costs of a response activity paid with tax increment
- 20 revenues that are captured pursuant to subsection (3) may be
- 21 recovered from a person who is liable for the costs of eligible
- 22 activities at an eligible property. This state or an authority
- 23 may undertake cost recovery for tax increment revenue captured.
- 24 Before an authority or this state may institute a cost recovery
- 25 action, it must provide the other with 120 days' notice. This
- 26 state or an authority that recovers costs under this subsection

House Bill No. 6137

- 1 shall apply those recovered costs to the following, in the
- 2 following order of priority:
- 3 (a) The reasonable attorney fees and costs incurred by this
- 4 state or an authority in obtaining the cost recovery.
- 5 (b) One of the following:
- 6 (i) If an authority undertakes the cost recovery action, the
- 7 authority shall deposit the remaining recovered funds into the
- 8 local site remediation fund created pursuant to section 8, if
- 9 such a fund has been established by the authority. If a local
- 10 site remediation fund has not been established, the authority
- 11 shall disburse the remaining recovered funds to the local taxing
- 12 jurisdictions in the proportion that the local taxing
- 13 jurisdictions' taxes were captured.
- 14 (ii) If this state undertakes a cost recovery action, this
- 15 state shall deposit the remaining recovered funds into the revi-
- 16 talization revolving loan fund established under section 20108a
- 17 of the natural resources and environmental protection act, 1994
- 18 PA 451, MCL 324.20108a.
- 19 (iii) If this state and an authority each undertake a cost
- 20 recovery action, undertake a cost recovery action jointly, or 1
- 21 on behalf of the other, the amount of any remaining recovered
- 22 funds shall be deposited pursuant to subparagraphs (i) and (ii)
- 23 in the proportion that the tax increment revenues being recovered
- 24 represent local taxes and taxes levied for school operating pur-
- 25 poses, respectively.

House Bill No. 6137

1 (9) Approval of the brownfield plan or an amendment to a

- 2 brownfield plan shall be in accordance with the notice and
- 3 approval provisions of this section and section 14.
- 4 (10) Before approving a brownfield plan for an eligible
- 5 property, the governing body shall hold a public hearing on the
- 6 brownfield plan. Notice of the time and place of the hearing
- 7 shall be given by publication twice in a newspaper of general
- 8 circulation designated by the municipality, the first of which
- 9 shall be not less than 20 or more than 40 days before the date
- 10 set for the hearing.
- 11 (11) Notice of the time and place of the hearing on a brown-
- 12 field plan shall contain all of the following:
- 13 (a) A description of the property to which the plan applies
- 14 in relation to existing or proposed highways, streets, streams,
- 15 or otherwise.
- 16 (b) A statement that maps, plats, and a description of the
- 17 brownfield plan are available for public inspection at a place
- 18 designated in the notice and that all aspects of the brownfield
- 19 plan are open for discussion at the public hearing required by
- 20 this subsection.
- 21 (c) Any other information that the governing body considers
- 22 appropriate.
- 23 (12) At the time set for the hearing on the brownfield plan
- 24 required under subsection (10), the governing body shall provide
- 25 an opportunity for interested persons to be heard and shall
- 26 receive and consider communications in writing with reference to
- 27 the brownfield plan. The governing body shall make and preserve

- 1 a record of the public hearing, including all data presented at
- 2 the hearing.
- 3 (13) Not less than 20 days before the hearing on the brown-
- 4 field plan, the governing body shall provide notice of the hear-
- 5 ing to the taxing jurisdictions that levy taxes subject to cap-
- 6 ture under this act. The authority shall fully inform the taxing
- 7 jurisdictions about the fiscal and economic implications of the
- 8 proposed brownfield plan. At that hearing, an official from a
- 9 taxing jurisdiction with millage that would be subject to capture
- 10 under this act has the right to be heard in regard to the adop-
- 11 tion of the brownfield plan.
- 12 (14) The authority shall not enter into agreements with the
- 13 taxing jurisdictions and the governing body of the municipality
- 14 to share a portion of the captured taxable value of an eligible
- 15 property. Upon adoption of the plan, the collection and trans-
- 16 mission of the amount of tax increment revenues as specified in
- 17 this act shall be binding on all taxing units levying ad valorem
- 18 property taxes or specific taxes against property located in the
- 19 zone.
- 20 (15) If a brownfield plan includes the capture of taxes
- 21 levied for school operating purposes, approval of a work plan by
- 22 the Michigan economic growth authority before January 1, 2003 to
- 23 use school operating taxes and a development agreement between
- 24 the municipality and the owner of the eligible property are
- 25 required if the revenues will be used for infrastructure improve-
- 26 ments that directly benefit eligible property, demolition of
- 27 structures that is not response activity under part 201 of the

- 1 natural resources and environmental protection act, 1994 PA 451,
- 2 MCL 324.20101 to 324.20142, lead or asbestos abatement, or site
- 3 preparation that is not response activity under section 201 of
- 4 the natural resources and environmental protection act, 1994
- 5 PA 451, MCL 324.20101. The eligible activities to be conducted
- 6 described in this subsection shall be consistent with the work
- 7 plan submitted by the authority to the Michigan economic growth
- 8 authority. The department's approval is not required for the
- 9 capture of taxes levied for school operating purposes for eligi-
- 10 ble activities described in this subsection.
- 11 (16) A brownfield authority may reimburse reasonable and
- 12 actual administrative and operating expenses that include, but
- 13 are not limited to, baseline environmental assessments, due care
- 14 activities, and additional response activities, related directly
- 15 to work conducted by the authority on prospective eligible prop-
- 16 erties prior to approval of the brownfield plan and on eligible
- 17 properties and for eligible activities after the approval of the
- 18 brownfield plan, only from captured local taxes not to exceed
- 19 \$75,000.00 for each authority in each fiscal year. Reasonable
- 20 and actual administrative and operating expenses do not include
- 21 reasonable costs of preparing a work plan or remedial action plan
- 22 or the cost of the review of a work plan for which taxes may be
- 23 used under section 13(3) SUBSECTION (3).
- 24 Enacting section 1. This amendatory act does not take
- 25 effect unless all of the following bills of the 91st Legislature
- 26 are enacted into law:

20 House Bill No. 6137 (a) House Bill No. 4851. 1 2 (b) House Bill No. 4852. 3 (c) House Bill No. 4853. (d) House Bill No. 5450. 5 (e) House Bill No. 5451.