

HOUSE BILL No. 4616

April 18, 2001, Introduced by Rep. Bisbee and referred to the Committee on Commerce.

A bill to amend 1986 PA 281, entitled
"The local development financing act,"
by amending section 12a (MCL 125.2162a), as added by 2000 PA
248.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 12a. (1) A municipality that has created an authority
2 may apply to the Michigan economic development corporation for
3 designation of all or a portion of the authority district as a
4 certified technology park and to enter into an agreement govern-
5 ing the terms and conditions of the designation. The form of the
6 application shall be in a form specified by the Michigan economic
7 development corporation and shall include information the
8 Michigan economic development corporation determines necessary to
9 make the determinations required under this section.

1 (2) After receipt of an application, the Michigan economic
2 development corporation may designate, pursuant to an agreement
3 entered into under subsection (3), a certified technology park
4 that is determined by the Michigan economic development corpora-
5 tion to satisfy 1 or more of the following criteria based on the
6 application:

7 (a) A demonstration of significant support from an institu-
8 tion of higher education or a private research-based institute
9 located within the proximity of the proposed certified technology
10 park, as evidenced by, but not limited to, the following types of
11 support:

12 (i) Grants of preferences for access to and commercializ-
13 ation of intellectual property.

14 (ii) Access to laboratory and other facilities owned by or
15 under control of the institution of higher education or private
16 research-based institute.

17 (iii) Donations of services.

18 (iv) Access to telecommunication facilities and other
19 infrastructure.

20 (v) Financial commitments.

21 (vi) Access to faculty, staff, and students.

22 (vii) Opportunities for adjunct faculty and other types of
23 staff arrangements or affiliations.

24 (b) A demonstration of a significant commitment on behalf of
25 the institution of higher education or private research-based
26 institute to the commercialization of research produced at the
27 certified technology park, as evidenced by the intellectual

1 property and, if applicable, tenure policies that reward faculty
2 and staff for commercialization and collaboration with private
3 businesses.

4 (c) A demonstration that the proposed certified technology
5 park will be developed to take advantage of the unique character-
6 istics and specialties offered by the public and private
7 resources available in the area in which the proposed certified
8 technology park will be located.

9 (d) The existence of or proposed development of a business
10 incubator within the proposed certified technology park that
11 exhibits the following types of resources and organization:

12 (i) Significant financial and other types of support from
13 the public or private resources in the area in which the proposed
14 certified technology park will be located.

15 (ii) A business plan exhibiting the economic utilization and
16 availability of resources and a likelihood of successful develop-
17 ment of technologies and research into viable business
18 enterprises.

19 (iii) A commitment to the employment of a qualified
20 full-time manager to supervise the development and operation of
21 the business incubator.

22 (e) The existence of a business plan for the proposed certi-
23 fied technology park that identifies its objectives in a clearly
24 focused and measurable fashion and that addresses the following
25 matters:

26 (i) A commitment to new business formation.

1 (ii) The clustering of businesses, technology, and
2 research.

3 (iii) The opportunity for and costs of development of prop-
4 erties under common ownership or control.

5 (iv) The availability of and method proposed for development
6 of infrastructure and other improvements, including telecommuni-
7 cations technology, necessary for the development of the proposed
8 certified technology park.

9 (v) Assumptions of costs and revenues related to the devel-
10 opment of the proposed certified technology park.

11 (f) A demonstrable and satisfactory assurance that the pro-
12 posed certified technology park can be developed to principally
13 contain eligible property as defined by section 2(p)(iii) and
14 (v).

15 (3) An authority and a municipality that incorporated the
16 authority may enter into an agreement with the Michigan economic
17 development corporation establishing the terms and conditions
18 governing the certified technology park. Upon designation of the
19 certified technology park pursuant to the terms of the agreement,
20 the subsequent failure of any party to comply with the terms of
21 the agreement shall not result in the termination or rescission
22 of the designation of the area as a certified technology park.
23 The agreement shall include, but is not limited to, the following
24 provisions:

25 (a) A description of the area to be included within the cer-
26 tified technology park.

1 (b) Covenants and restrictions, if any, upon all or a
2 portion of the properties contained within the certified
3 technology park and terms of enforcement of any covenants or
4 restrictions.

5 (c) The financial commitments of any party to the agreement
6 and of any owner or developer of property within the certified
7 technology park.

8 (d) The terms of any commitment required from an institution
9 of higher education or private research-based institute for sup-
10 port of the operations and activities at eligible properties
11 within the certified technology park.

12 (e) The terms of enforcement of the agreement, which may
13 include the definition of events of default, cure periods, legal
14 and equitable remedies and rights, and penalties and damages,
15 actual or liquidated, upon the occurrence of an event of
16 default.

17 (f) The public facilities to be developed for the certified
18 technology park.

19 (g) The costs approved for public facilities under section
20 2(aa).

21 (4) If the Michigan economic development corporation has
22 determined that a sale price or rental value at below market rate
23 will assist in increasing employment or private investment in the
24 certified technology park, the authority and municipality have
25 authority to determine the sale price or rental value for public
26 facilities owned or developed by the authority and municipality
27 in the certified technology park at below market rate.

1 (5) If public facilities developed pursuant to an agreement
2 entered into under this section are conveyed or leased at less
3 than fair market value or at below market rates, the terms of the
4 conveyance or lease shall include legal and equitable remedies
5 and rights to assure the public facilities are used as eligible
6 property. Legal and equitable remedies and rights may include
7 penalties and actual or liquidated damages.

8 (6) An agreement designating a certified technology park may
9 not be made after December 31, 2002, but any agreement made on or
10 before December 31, 2002 may be amended after that date.

11 (7) The Michigan economic development corporation shall
12 market the certified technology parks and the certified business
13 parks. The Michigan economic development corporation and an
14 authority may contract with each other or any third party for
15 these marketing services.

16 (8) The Michigan economic development corporation shall not
17 designate more than ~~10~~ 15 certified technology parks. Not more
18 than ~~7~~ 12 of the certified technology parks designated under
19 this section may not include a firm commitment from at least 1
20 business engaged in a high technology activity creating a signif-
21 icant number of jobs.

22 (9) The Michigan economic development corporation shall give
23 priority to applications that include new business activity.

24 (10) For an authority established by 2 or more municipali-
25 ties under sections 3(2) and 4(7), each municipality in which the
26 authority district is located by a majority vote of the members
27 of its governing body may make a limited tax pledge to support

1 the authority's tax increment bonds issued under section 14 or,
2 if authorized by the voters of the municipality, may pledge its
3 full faith and credit for the payment of the principal of and
4 interest on the bonds. The municipalities that have made a
5 pledge to support the authority's tax increment bonds may approve
6 by resolution an agreement among themselves establishing obliga-
7 tions each may have to the other party or parties to the agree-
8 ment for reimbursement of all or any portion of a payment made by
9 a municipality related to its pledge to support the authority's
10 tax increment bonds.