

SENATE BILL No. 980

December 13, 2001, Introduced by Senator MC COTTER and referred to the Committee on Finance.

A bill to amend 1943 PA 184, entitled
"Township zoning act,"
by amending section 33 (MCL 125.303), as added by 1996 PA 570.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 33. (1) A PDR program may be financed through 1 or
2 more of the following sources:

3 (a) General appropriations by the township.

4 (b) Proceeds from the sale of development rights by the
5 township subject to section 32(3).

6 (c) Grants.

7 (d) Donations.

8 (e) Bonds or notes issued under subsections (2) to ~~(6)~~
9 (5).

10 (f) General fund revenue.

(g) Special assessments under subsection ~~-(7)-~~ (6).

(h) Other sources approved by the township board and permitted by law.

(2) The township board may borrow money and issue bonds or notes under 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~~ REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821, subject to the general debt limit applicable to the township. The bonds or notes may be revenue bonds or notes; general obligation limited tax bonds or notes; subject to section 6 of article IX of the state constitution of 1963, general obligation unlimited tax bonds or notes; or bonds or notes to refund in advance bonds or notes issued under this section.

(3) The township board may secure bonds or notes issued under this section by mortgage, assignment, or pledge of property including, but not limited to, anticipated tax collections, revenue sharing payments, or special assessment revenues. A pledge made by the township board is valid and binding from the time the pledge is made. The pledge immediately shall be subject to the lien of the pledge without a filing or further act. The lien of the pledge shall be valid and binding as against parties having claims in tort, contract, or otherwise against the township, irrespective of whether the parties have notice of the lien. Filing of the resolution, the trust agreement, or another instrument by which a pledge is created is not required.

1 (4) Bonds or notes issued under this section are exempt from
2 all taxation in this state except inheritance and transfer taxes,
3 and the interest on the bonds or notes is exempt from all taxa-
4 tion in this state, notwithstanding that the interest may be
5 subject to federal income tax.

6 (5) The bonds and notes issued under this section may be
7 invested in by the state treasurer and all other public officers,
8 state agencies and political subdivisions, insurance companies,
9 banks, savings and loan associations, investment companies, and
10 fiduciaries and trustees, and may be deposited with and received
11 by the state treasurer and all other public officers and the
12 agencies and political subdivisions of this state for all pur-
13 poses for which the deposit of bonds or notes is authorized. The
14 authority granted by this section is in addition to all other
15 authority granted by law.

16 ~~-(6) The township board may borrow money and issue bonds or~~
17 ~~notes for refunding all or part of existing bond or note indebt-~~
18 ~~edness only if the net present value of the principal and inter-~~
19 ~~est to be paid on the refunding bonds or notes, excluding the~~
20 ~~cost of issuance, will be less than the net present value of the~~
21 ~~principal and interest to be paid on the bonds or notes being~~
22 ~~refunded, as calculated using a method approved by the department~~
23 ~~of treasury.~~

24 (6) ~~-(7)~~ A development rights ordinance may authorize the
25 township board to finance a PDR program by special assessments.
26 In addition to meeting the requirements of section 32, the
27 development rights ordinance shall include in the procedure to

1 approve and establish a special assessment district both of the
2 following:

3 (a) The requirement that there be filed with the township
4 board a petition containing all of the following:

5 (i) A description of the development rights to be purchased,
6 including a legal description of the land from which the purchase
7 is to be made.

8 (ii) A description of the proposed special assessment
9 district.

10 (iii) The signatures of the owners of at least 66% of the
11 land area in the proposed special assessment district.

12 (iv) The amount and duration of the proposed special
13 assessments.

14 (b) The requirement that the township board specify how the
15 proposed purchase of development rights will specially benefit
16 the land in the proposed special assessment district.