

HOUSE BILL No. 5384

December 16, 2003, Introduced by Reps. Tobocman, Law, Hunter, Bieda, Jamnick, Lipsey, Ward, Hager, Stewart, Mortimer, Accavitti and Pappageorge and referred to the Committee on Local Government and Urban Policy.

A bill to amend 2002 PA 27, entitled

"An act to establish procedures for municipalities to designate individual lots or structures as blighting; to purchase or condemn blighting property; to transfer blighting property for development; and to repeal acts and parts of acts,"

by amending sections 2 and 4 (MCL 125.2802 and 125.2804), section 2 as amended by 2003 PA 129.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Attractive nuisance" means a condition on property that
3 children are reasonably likely to come in contact with or be
4 exposed to and that involves an unreasonable risk of death or
5 serious bodily harm to children.

6 (b) "Blighting property", subject to subdivision (c), means
7 property that is likely to have a negative financial impact on
8 the value of surrounding property or on the increase in value of
9 surrounding property and that meets any of the following

1 criteria:

2 (i) The property has been declared a public nuisance in
3 accordance with a local housing, building, plumbing, fire, or
4 other related code or ordinance.

5 (ii) The property is an attractive nuisance because of
6 physical condition, use, or occupancy. A structure or lot is not
7 blighting property under this subparagraph because of an activity
8 that is inherent to the functioning of a lawful business.

9 (iii) The property is a fire hazard or is otherwise dangerous
10 to the safety of persons or property.

11 (iv) The property has had the utilities, plumbing, heating,
12 or sewerage permanently disconnected, destroyed, removed, or
13 rendered ineffective so that the property is unfit for its
14 intended use.

15 (v) A portion of a building or structure located on the
16 property has been damaged by any event so that the structural
17 strength or stability of the building or structure is appreciably
18 less than it was before the event and does not meet the minimum
19 requirements of the housing law of Michigan, 1917 PA 167,
20 MCL 125.401 to 125.543, or a building code of the city, village,
21 or township in which the building or structure is located for a
22 new building or structure.

23 (vi) A building or structure or part of a building or
24 structure located on the property is likely to fall, become
25 detached or dislodged, or collapse and injure persons or damage
26 property.

27 (vii) A building or structure located on the property used or

1 intended to be used as a dwelling **or for industrial use**,
 2 including the adjoining grounds, because of dilapidation, decay,
 3 damage, or faulty construction; accumulation of trash or debris;
 4 an infestation of rodents or other vermin; or any other reason,
 5 is unsanitary or unfit for human habitation, is in a condition
 6 that a local health officer determines is likely to cause
 7 sickness or disease, or is likely to injure the health, safety,
 8 or general welfare of people living in the dwelling.

9 (c) "Blighting property" does not include any of the
 10 following:

11 (i) Structures or lots, whether improved or unimproved, that
 12 are inherent to the functioning of a farm or farm operation as
 13 those terms are defined in section 2 of the Michigan right to
 14 farm act, 1981 PA 93, MCL 286.472.

15 ~~(ii) Structures or lots, whether improved or unimproved,~~
 16 ~~that are industrial properties in an area zoned industrial and~~
 17 ~~that are current on tax obligations.~~

18 (ii) ~~(iii)~~ Track belonging to a railroad company,
 19 right-of-way belonging to a railroad company, rolling stock
 20 belonging to a railroad company, or any other property
 21 necessarily used in operating a railroad in this state belonging
 22 to a railroad company.

23 (iii) ~~(iv)~~ A single family dwelling for which the owner
 24 claims an exemption under section 7cc of the general property tax
 25 act, 1893 PA 206, MCL 211.7cc.

26 (d) "Dwelling" means any house, building, structure, tent,
 27 shelter, trailer, or vehicle, or portion thereof, which is

1 occupied in whole or in part as the home, residence, or living or
2 sleeping place of 1 or more human beings, either permanently or
3 transiently. Dwelling does not include railroad rolling stock on
4 tracks or rights-of-way.

5 (e) "Fire hazard" means that term as defined in section 1 of
6 the fire prevention code, 1941 PA 207, MCL 29.1.

7 (f) "Municipality" means a city, village, or township in this
8 state or a county described in section 3(1)(b).

9 (g) "Person" means an individual, partnership, association,
10 trust, or corporation, or any other legal entity.

11 (h) "Public nuisance" means an unreasonable interference with
12 a common right enjoyed by the general public involving conduct
13 that significantly interferes, or that is known or should have
14 been known to significantly interfere, with the public's health,
15 safety, peace, comfort, or convenience, including conduct
16 prescribed by law.

17 (i) "Taxing jurisdiction" means a jurisdiction, including,
18 but not limited to, this state, an agency of this state, a state
19 authority, an intergovernmental authority of this state, a school
20 district, or a municipality, that levies taxes under the general
21 property tax act, 1893 PA 206, MCL 211.1 to 211.157.

22 Sec. 4. (1) A municipality that proposes to designate a
23 property as blighting property under section 3 shall hold a
24 hearing on the designation. The hearing shall take place not
25 less than 42 days, and not more than 119 days, after the
26 municipality provides written notice of the hearing and the
27 proposed designation as required by this section. A municipality

1 may hold the hearing more than 119 days after it provides written
2 notice only if an extension is requested by a person with a legal
3 interest in the property that is contesting the blighting
4 designation.

5 (2) The written notice provided under this section shall
6 explain, in plain English, that the property is subject to
7 designation as blighting property, and shall include all of the
8 following:

9 (a) The time, date, and location of the hearing.

10 (b) A description, including the street address, of the
11 property subject to designation as blighting property.

12 (c) An explanation of the reasons the municipality considers
13 the property to be blighting property.

14 (d) The name, address, and telephone number of the person to
15 whom communications about the hearing may be addressed.

16 (e) Names, addresses, and telephone numbers of public and
17 private agencies or other resources that may be available to
18 assist an occupant of the property to avoid the designation of
19 the property as blighting property or, **if the property is a**
20 **dwelling**, to obtain comparable safe, decent, and quality
21 affordable housing.

22 (f) A description of the improvements that should be made to
23 the property before the hearing to avoid designation of the
24 property as blighting.

25 (3) The municipality shall perform a thorough title search to
26 identify all persons with a legal interest in the property. The
27 municipality shall take the following steps to provide notice to

1 any person with a legal interest in the property:

2 (a) Determine the address reasonably calculated to apprise
3 those persons with a legal interest in the property of the
4 pendency of the hearing under this section and send notice of the
5 hearing to each person with a legal interest in the property by
6 certified mail, return receipt requested, not less than 42 days
7 before the hearing.

8 (b) Send a representative to the property to ascertain
9 personally whether or not the property is occupied. If the
10 property appears to be occupied, the municipality shall do all of
11 the following not less than 42 days before the hearing:

12 (i) Make reasonable efforts in good faith personally to serve
13 upon a person occupying the property a copy of the written notice
14 described in subsection (2).

15 (ii) If a person occupying the property is personally served,
16 orally inform the occupant of both of the following:

17 (A) That the property may be designated as blighting
18 property.

19 (B) Public and private agencies or other resources that may
20 be available to assist the occupant to avoid the designation of
21 the property as blighting property or, **if the property is a**
22 **dwelling**, to obtain comparable safe, decent, and quality
23 affordable housing.

24 (iii) If **the property is a dwelling and** the occupant
25 indicates that he or she has a health problem that affects his or
26 her ability to make improvements that will cause the property no
27 longer to meet the definition of blighting property or if it

1 should be apparent to the representative of the municipality that
2 the occupant has such a health problem, place the occupant with
3 an appropriate public or private agency to assist the occupant to
4 avoid the designation of the property as blighting property.

5 (iv) If the occupant appears to lack the ability to
6 understand the advice given or is unwilling to cooperate, provide
7 the occupant with the names and telephone numbers of public and
8 private agencies that may be able to assist the occupant.

9 (v) If an authorized representative of the municipality is
10 not able personally to meet with the occupant, place the written
11 notice at a conspicuous location on the property.

12 (c) Correct any deficiency that the municipality may know of
13 in the provision of the notice required by this section as soon
14 as practicable before designating the property as blighting
15 property.

16 (d) If the municipality is unable to ascertain the address
17 reasonably calculated to apprise all persons with a legal
18 interest in the property of the pendency of the hearing, or is
19 unable to deliver notice to any occupant of the property, service
20 of the notice shall be made by publication. The notice shall be
21 published for 3 successive weeks, once each week, in a newspaper
22 published and circulated in the county in which the property is
23 located, if there is one. If no paper is published in that
24 county, publication shall be made in a newspaper published and
25 circulated in an adjoining county.

26 (4) Any notice provided under this section shall include an
27 explanation of any tax benefits or other incentives offered by

1 the municipality that may encourage the transfer of the blighting
2 property.

3 Enacting section 1. This amendatory act takes effect
4 January 1, 2004.