

Legislative Analysis



DDA: ADJOINING TOWNSHIP

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House Bill 4679

Sponsor: Rep. Chris Ward

Committee: Commerce

Complete to 6-13-05

A SUMMARY OF HOUSE BILL 4679 AS INTRODUCED 4-27-05

The bill would amend the Downtown Development Authority Act to allow a municipality with an existing downtown district to enter into an interlocal agreement with a qualified adjoining township under which the municipality would operate its district in a downtown district within the township. (Under the act, a municipality can be a city, village, or township.)

A qualified township would be defined as a township that 1) was not eligible to create an authority prior to January 3, 2005; 2) adjoins a municipality with an existing authority; and 3) is a member of the same joint planning commission as the municipality.

The interlocal agreement between the municipality and the township would have to provide for the size and makeup of the board; the determination and modification of the downtown district, business district, and development area; the modification of the development area and development plan; the issuance and repayment of obligations; and the capture of taxes. The bill specifically permits the DDA board to be modified by the interlocal agreement

MCL 125.1651

FISCAL IMPACT:

The bill should not have any significant fiscal impact on the state. At the local level, any expansion of a DDA would mean an additional capture of tax increments from the various taxing units within the DDA territory.

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