

Legislative Analysis



VALIDATE DDA PLANS

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House Bill 6005 as introduced
Sponsor: Rep. Chris Ward
Committee: Commerce

Complete to 7-7-06

A SUMMARY OF HOUSE BILL 6005 AS REPORTED FROM COMMITTEE

The bill would amend the Downtown Development Authority Act (MCL 125.1653b) to validate and ratify a development plan and tax increment financing plan in a village even though the plans were approved by resolution rather than by ordinance (as the act requires), if an amendment to the plans was adopted by the village council by ordinance using the required procedures in the act for adopting such ordinances. The bill applies specifically to a village with a population of less than 7,000 and where the plans were approved by resolution before June 1, 1998.

BACKGROUND INFORMATION:

According to committee testimony, the bill applies to the Village of Milford. The Milford DDA was established by resolution and not by ordinance, a fact subsequently brought to light by bond counsel for the village. The bill would validate and ratify the Milford DDA.

FISCAL IMPACT:

The bill would have no impact on state revenues and could reallocate some local tax revenue to a downtown development authority.

POSITIONS:

The Michigan Economic Development Corporation (MEDC) has indicated support for the bill. (6-13-06)

A representative from the Village of Milford testified in support of the bill. (6-13-06)

The Michigan Association of Home Builders indicated support for the bill. (6-13-06)

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