

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 4679

A bill to amend 1975 PA 197, entitled

"An act to provide for the establishment of a downtown development authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials,"

by amending sections 1, 3, 4, and 7 (MCL 125.1651, 125.1653, 125.1654, and 125.1657), sections 1 and 3 as amended by 2005 PA 13, section 4 as amended by 1987 PA 66, and section 7 as amended by 2004 PA 196.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. As used in this act:

2 (a) "Advance" means a transfer of funds made by a municipality
3 to an authority or to another person on behalf of the authority in
4 anticipation of repayment by the authority. Evidence of the intent
5 to repay an advance may include, but is not limited to, an executed
6 agreement to repay, provisions contained in a tax increment
7 financing plan approved prior to the advance, or a resolution of
8 the authority or the municipality.

9 (b) "Assessed value" means 1 of the following:

10 (i) For valuations made before January 1, 1995, the state
11 equalized valuation as determined under the general property tax
12 act, 1893 PA 206, MCL 211.1 to 211.157.

13 (ii) For valuations made after December 31, 1994, the taxable
14 value as determined under section 27a of the general property tax
15 act, 1893 PA 206, MCL 211.27a.

16 (c) "Authority" means a downtown development authority created
17 pursuant to this act.

18 (d) "Board" means the governing body of an authority.

19 (e) "Business district" means an area in the downtown of a
20 municipality zoned and used principally for business.

21 (f) "Captured assessed value" means the amount in any 1 year
22 by which the current assessed value of the project area, including
23 the assessed value of property for which specific local taxes are
24 paid in lieu of property taxes as determined in subdivision (y),
25 exceeds the initial assessed value. The state tax commission shall
26 prescribe the method for calculating captured assessed value.

1 (g) "Chief executive officer" means the mayor or city manager
2 of a city, the president or village manager of a village, or the
3 supervisor of a township or, if designated by the township board
4 for purposes of this act, the township superintendent or township
5 manager of a township.

6 (h) "Development area" means that area to which a development
7 plan is applicable.

8 (i) "Development plan" means that information and those
9 requirements for a development plan set forth in section 17.

10 (j) "Development program" means the implementation of the
11 development plan.

12 (k) "Downtown district" means that part of an area in a
13 business district that is specifically designated by ordinance of
14 the governing body of the municipality pursuant to this act. A
15 downtown district may include 1 or more separate and distinct
16 geographic areas in a business district as determined by the
17 municipality if **THE MUNICIPALITY ENTERS INTO AN AGREEMENT WITH A**
18 **QUALIFIED TOWNSHIP UNDER SECTION 3(7) OR IF** the municipality is a
19 city that surrounds another city and that other city lies between
20 the 2 separate and distinct geographic areas. If the downtown
21 district contains more than 1 separate and distinct geographic area
22 in the downtown district, the separate and distinct geographic
23 areas shall be considered 1 downtown district.

24 (l) "Eligible advance" means an advance made before August 19,
25 1993.

26 (m) "Eligible obligation" means an obligation issued or
27 incurred by an authority or by a municipality on behalf of an

1 authority before August 19, 1993 and its subsequent refunding by a
2 qualified refunding obligation. Eligible obligation includes an
3 authority's written agreement entered into before August 19, 1993
4 to pay an obligation issued after August 18, 1993 and before
5 December 31, 1996 by another entity on behalf of the authority.

6 (n) "Fire alarm system" means a system designed to detect and
7 annunciate the presence of fire, or by-products of fire. Fire alarm
8 system includes smoke detectors.

9 (o) "Fiscal year" means the fiscal year of the authority.

10 (p) "Governing body of a municipality" means the elected body
11 of a municipality having legislative powers.

12 (q) "Initial assessed value" means the assessed value, as
13 equalized, of all the taxable property within the boundaries of the
14 development area at the time the ordinance establishing the tax
15 increment financing plan is approved, as shown by the most recent
16 assessment roll of the municipality for which equalization has been
17 completed at the time the resolution is adopted. Property exempt
18 from taxation at the time of the determination of the initial
19 assessed value shall be included as zero. For the purpose of
20 determining initial assessed value, property for which a specific
21 local tax is paid in lieu of a property tax shall not be considered
22 to be property that is exempt from taxation. The initial assessed
23 value of property for which a specific local tax was paid in lieu
24 of a property tax shall be determined as provided in subdivision
25 (y). In the case of a municipality having a population of less than
26 35,000 that established an authority prior to 1985, created a
27 district or districts, and approved a development plan or tax

1 increment financing plan or amendments to a plan, and which plan or
2 tax increment financing plan or amendments to a plan, and which
3 plan expired by its terms December 31, 1991, the initial assessed
4 value for the purpose of any plan or plan amendment adopted as an
5 extension of the expired plan shall be determined as if the plan
6 had not expired December 31, 1991. For a development area
7 designated before 1997 in which a renaissance zone has subsequently
8 been designated pursuant to the Michigan renaissance zone act, 1996
9 PA 376, MCL 125.2681 to 125.2696, the initial assessed value of the
10 development area otherwise determined under this subdivision shall
11 be reduced by the amount by which the current assessed value of the
12 development area was reduced in 1997 due to the exemption of
13 property under section 7ff of the general property tax act, 1893 PA
14 206, MCL 211.7ff, but in no case shall the initial assessed value
15 be less than zero.

16 (r) "Municipality" means a city, village, or township.

17 (s) "Obligation" means a written promise to pay, whether
18 evidenced by a contract, agreement, lease, sublease, bond, or note,
19 or a requirement to pay imposed by law. An obligation does not
20 include a payment required solely because of default upon an
21 obligation, employee salaries, or consideration paid for the use of
22 municipal offices. An obligation does not include those bonds that
23 have been economically defeased by refunding bonds issued under
24 this act. Obligation includes, but is not limited to, the
25 following:

26 (i) A requirement to pay proceeds derived from ad valorem
27 property taxes or taxes levied in lieu of ad valorem property

1 taxes.

2 (ii) A management contract or a contract for professional
3 services.

4 (iii) A payment required on a contract, agreement, bond, or note
5 if the requirement to make or assume the payment arose before
6 August 19, 1993.

7 (iv) A requirement to pay or reimburse a person for the cost of
8 insurance for, or to maintain, property subject to a lease, land
9 contract, purchase agreement, or other agreement.

10 (v) A letter of credit, paying agent, transfer agent, bond
11 registrar, or trustee fee associated with a contract, agreement,
12 bond, or note.

13 (t) "On behalf of an authority", in relation to an eligible
14 advance made by a municipality, or an eligible obligation or other
15 protected obligation issued or incurred by a municipality, means in
16 anticipation that an authority would transfer tax increment
17 revenues or reimburse the municipality from tax increment revenues
18 in an amount sufficient to fully make payment required by the
19 eligible advance made by the municipality, or eligible obligation
20 or other protected obligation issued or incurred by the
21 municipality, if the anticipation of the transfer or receipt of tax
22 increment revenues from the authority is pursuant to or evidenced
23 by 1 or more of the following:

24 (i) A reimbursement agreement between the municipality and an
25 authority it established.

26 (ii) A requirement imposed by law that the authority transfer
27 tax increment revenues to the municipality.

1 (iii) A resolution of the authority agreeing to make payments to
2 the incorporating unit.

3 (iv) Provisions in a tax increment financing plan describing
4 the project for which the obligation was incurred.

5 (u) "Operations" means office maintenance, including salaries
6 and expenses of employees, office supplies, consultation fees,
7 design costs, and other expenses incurred in the daily management
8 of the authority and planning of its activities.

9 (v) "Other protected obligation" means:

10 (i) A qualified refunding obligation issued to refund an
11 obligation described in subparagraph (ii), (iii), or (iv), an
12 obligation that is not a qualified refunding obligation that is
13 issued to refund an eligible obligation, or a qualified refunding
14 obligation issued to refund an obligation described in this
15 subparagraph.

16 (ii) An obligation issued or incurred by an authority or by a
17 municipality on behalf of an authority after August 19, 1993, but
18 before December 31, 1994, to finance a project described in a tax
19 increment finance plan approved by the municipality in accordance
20 with this act before December 31, 1993, for which a contract for
21 final design is entered into by or on behalf of the municipality or
22 authority before March 1, 1994 or for which a written agreement
23 with a developer, titled preferred development agreement, was
24 entered into by or on behalf of the municipality or authority in
25 July 1993.

26 (iii) An obligation incurred by an authority or municipality
27 after August 19, 1993, to reimburse a party to a development

1 agreement entered into by a municipality or authority before August
2 19, 1993, for a project described in a tax increment financing plan
3 approved in accordance with this act before August 19, 1993, and
4 undertaken and installed by that party in accordance with the
5 development agreement.

6 (iv) An obligation incurred by the authority evidenced by or to
7 finance a contract to purchase real property within a development
8 area or a contract to develop that property within the development
9 area, or both, if all of the following requirements are met:

10 (A) The authority purchased the real property in 1993.

11 (B) Before June 30, 1995, the authority enters a contract for
12 the development of the real property located within the development
13 area.

14 (C) In 1993, the authority or municipality on behalf of the
15 authority received approval for a grant from both of the following:

16 (I) The department of natural resources for site reclamation
17 of the real property.

18 (II) The department of consumer and industry services for
19 development of the real property.

20 (v) An ongoing management or professional services contract
21 with the governing body of a county which was entered into before
22 March 1, 1994 and which was preceded by a series of limited term
23 management or professional services contracts with the governing
24 body of the county, the last of which was entered into before
25 August 19, 1993.

26 (vi) A loan from a municipality to an authority if the loan was
27 approved by the legislative body of the municipality on April 18,

1 1994.

2 (vii) Funds expended to match a grant received by a
3 municipality on behalf of an authority for sidewalk improvements
4 from the Michigan department of transportation if the legislative
5 body of the municipality approved the grant application on April 5,
6 1993 and the grant was received by the municipality in June 1993.

7 (viii) For taxes captured in 1994, an obligation described in
8 this subparagraph issued or incurred to finance a project. An
9 obligation is considered issued or incurred to finance a project
10 described in this subparagraph only if all of the following are
11 met:

12 (A) The obligation requires raising capital for the project or
13 paying for the project, whether or not a borrowing is involved.

14 (B) The obligation was part of a development plan and the tax
15 increment financing plan was approved by a municipality on May 6,
16 1991.

17 (C) The obligation is in the form of a written memorandum of
18 understanding between a municipality and a public utility dated
19 October 27, 1994.

20 (D) The authority or municipality captured school taxes during
21 1994.

22 (w) "Public facility" means a street, plaza, pedestrian mall,
23 and any improvements to a street, plaza, or pedestrian mall
24 including street furniture and beautification, park, parking
25 facility, recreational facility, right-of-way, structure, waterway,
26 bridge, lake, pond, canal, utility line or pipe, building, and
27 access routes to any of the foregoing, designed and dedicated to

1 use by the public generally, or used by a public agency. Public
2 facility includes an improvement to a facility used by the public
3 or a public facility as those terms are defined in section 1 of
4 1966 PA 1, MCL 125.1351, which improvement is made to comply with
5 the barrier free design requirements of the state construction code
6 promulgated under the Stille-DeRossett-Hale single state
7 construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

8 (x) "Qualified refunding obligation" means an obligation
9 issued or incurred by an authority or by a municipality on behalf
10 of an authority to refund an obligation if the obligation is issued
11 to refund a qualified refunding obligation issued in November 1997
12 and any subsequent refundings of that obligation issued before
13 January 1, 2010 or the refunding obligation meets both of the
14 following:

15 (i) The net present value of the principal and interest to be
16 paid on the refunding obligation, including the cost of issuance,
17 will be less than the net present value of the principal and
18 interest to be paid on the obligation being refunded, as calculated
19 using a method approved by the department of treasury.

20 (ii) The net present value of the sum of the tax increment
21 revenues described in subdivision ~~—(aa)(ii)—~~ **(BB) (ii)** and the
22 distributions under section 13b to repay the refunding obligation
23 will not be greater than the net present value of the sum of the
24 tax increment revenues described in subdivision ~~—(aa)(ii)—~~ **(BB) (ii)**
25 and the distributions under section 13b to repay the obligation
26 being refunded, as calculated using a method approved by the
27 department of treasury.

1 (Y) "QUALIFIED TOWNSHIP" MEANS A TOWNSHIP THAT MEETS ALL OF
2 THE FOLLOWING REQUIREMENTS:

3 (i) WAS NOT ELIGIBLE TO CREATE AN AUTHORITY PRIOR TO JANUARY 3,
4 2005.

5 (ii) ADJOINS A MUNICIPALITY THAT PREVIOUSLY CREATED AN
6 AUTHORITY.

7 (iii) ALONG WITH THE ADJOINING MUNICIPALITY THAT PREVIOUSLY
8 CREATED AN AUTHORITY, IS A MEMBER OF THE SAME JOINT PLANNING
9 COMMISSION UNDER THE JOINT MUNICIPAL PLANNING ACT, 2003 PA 226, MCL
10 125.131 TO 125.143.

11 (Z) ~~—(y)—~~ "Specific local tax" means a tax levied under 1974
12 PA 198, MCL 207.551 to 207.572, the commercial redevelopment act,
13 1978 PA 255, MCL 207.651 to 207.668, the technology park
14 development act, 1984 PA 385, MCL 207.701 to 207.718, and 1953 PA
15 189, MCL 211.181 to 211.182. The initial assessed value or current
16 assessed value of property subject to a specific local tax shall be
17 the quotient of the specific local tax paid divided by the ad
18 valorem millage rate. However, after 1993, the state tax commission
19 shall prescribe the method for calculating the initial assessed
20 value and current assessed value of property for which a specific
21 local tax was paid in lieu of a property tax.

22 (AA) ~~—(z)—~~ "State fiscal year" means the annual period
23 commencing October 1 of each year.

24 (BB) ~~—(aa)—~~ "Tax increment revenues" means the amount of ad
25 valorem property taxes and specific local taxes attributable to the
26 application of the levy of all taxing jurisdictions upon the
27 captured assessed value of real and personal property in the

1 development area, subject to the following requirements:

2 (i) Tax increment revenues include ad valorem property taxes
3 and specific local taxes attributable to the application of the
4 levy of all taxing jurisdictions other than the state pursuant to
5 the state education tax act, 1993 PA 331, MCL 211.901 to 211.906,
6 and local or intermediate school districts upon the captured
7 assessed value of real and personal property in the development
8 area for any purpose authorized by this act.

9 (ii) Tax increment revenues include ad valorem property taxes
10 and specific local taxes attributable to the application of the
11 levy of the state pursuant to the state education tax act, 1993 PA
12 331, MCL 211.901 to 211.906, and local or intermediate school
13 districts upon the captured assessed value of real and personal
14 property in the development area in an amount equal to the amount
15 necessary, without regard to subparagraph (i), to repay eligible
16 advances, eligible obligations, and other protected obligations.

17 (iii) Tax increment revenues do not include any of the
18 following:

19 (A) Ad valorem property taxes attributable either to a portion
20 of the captured assessed value shared with taxing jurisdictions
21 within the jurisdictional area of the authority or to a portion of
22 value of property that may be excluded from captured assessed value
23 or specific local taxes attributable to such ad valorem property
24 taxes.

25 (B) Ad valorem property taxes excluded by the tax increment
26 financing plan of the authority from the determination of the
27 amount of tax increment revenues to be transmitted to the authority

1 or specific local taxes attributable to such ad valorem property
2 taxes.

3 (C) Ad valorem property taxes exempted from capture under
4 section 3(3) or specific local taxes attributable to such ad
5 valorem property taxes.

6 (iv) The amount of tax increment revenues authorized to be
7 included under subparagraph (ii) or (v), and required to be
8 transmitted to the authority under section 14(1), from ad valorem
9 property taxes and specific local taxes attributable to the
10 application of the levy of the state education tax act, 1993 PA
11 331, MCL 211.901 to 211.906, a local school district or an
12 intermediate school district upon the captured assessed value of
13 real and personal property in a development area shall be
14 determined separately for the levy by the state, each school
15 district, and each intermediate school district as the product of
16 sub-subparagraphs (A) and (B):

17 (A) The percentage that the total ad valorem taxes and
18 specific local taxes available for distribution by law to the
19 state, local school district, or intermediate school district,
20 respectively, bears to the aggregate amount of ad valorem millage
21 taxes and specific taxes available for distribution by law to the
22 state, each local school district, and each intermediate school
23 district.

24 (B) The maximum amount of ad valorem property taxes and
25 specific local taxes considered tax increment revenues under
26 subparagraph (ii) or (v).

27 (v) Tax increment revenues include ad valorem property taxes

1 and specific local taxes, in an annual amount and for each year
2 approved by the state treasurer, attributable to the levy by this
3 state under the state education tax act, 1993 PA 331, MCL 211.901
4 to 211.906, and by local or intermediate school districts, upon the
5 captured assessed value of real and personal property in the
6 development area of an authority established in a city with a
7 population of 750,000 or more to pay for, or reimburse an advance
8 for, not more than \$8,000,000.00 for the demolition of buildings or
9 structures on public or privately owned property within a
10 development area that commences in 2005, or to pay the annual
11 principal of or interest on an obligation, the terms of which are
12 approved by the state treasurer, issued by an authority, or by a
13 city on behalf of an authority, to pay not more than \$8,000,000.00
14 of the costs to demolish buildings or structures on public or
15 privately owned property within a development area that commences
16 in 2005.

17 Sec. 3. (1) When the governing body of a municipality
18 determines that it is necessary for the best interests of the
19 public to halt property value deterioration and increase property
20 tax valuation where possible in its business district, to eliminate
21 the causes of that deterioration, and to promote economic growth,
22 ~~or to permit the development of a new commercial property with a~~
23 ~~total cash value after development of not less than~~
24 ~~\$100,000,000.00, which includes more than 2 detached buildings~~
25 ~~containing together not less than 500,000 square feet,~~ the
26 governing body may, by resolution, declare its intention to create
27 and provide for the operation of an authority.

1 (2) In the resolution of intent, the governing body shall set
2 a date for the holding of a public hearing on the adoption of a
3 proposed ordinance creating the authority and designating the
4 boundaries of the downtown district. Notice of the public hearing
5 shall be published twice in a newspaper of general circulation in
6 the municipality, not less than 20 or more than 40 days before the
7 date of the hearing. Not less than 20 days before the hearing, the
8 governing body proposing to create the authority shall also mail
9 notice of the hearing to the property taxpayers of record in the
10 proposed district and for a public hearing to be held after
11 February 15, 1994 to the governing body of each taxing jurisdiction
12 levying taxes that would be subject to capture if the authority is
13 established and a tax increment financing plan is approved.
14 Beginning June 1, 2005, the notice of hearing within the time frame
15 described in this subsection shall be mailed by certified mail to
16 the governing body of each taxing jurisdiction levying taxes that
17 would be subject to capture if the authority is established and a
18 tax increment financing plan is approved. Failure of a property
19 taxpayer to receive the notice shall not invalidate these
20 proceedings. Notice of the hearing shall be posted in at least 20
21 conspicuous and public places in the proposed downtown district not
22 less than 20 days before the hearing. The notice shall state the
23 date, time, and place of the hearing, and shall describe the
24 boundaries of the proposed downtown district. A citizen, taxpayer,
25 or property owner of the municipality or an official from a taxing
26 jurisdiction with millage that would be subject to capture has the
27 right to be heard in regard to the establishment of the authority

1 and the boundaries of the proposed downtown district. The governing
2 body of the municipality shall not incorporate land into the
3 downtown district not included in the description contained in the
4 notice of public hearing, but it may eliminate described lands from
5 the downtown district in the final determination of the boundaries.

6 (3) Not more than 60 days after a public hearing held after
7 February 15, 1994, the governing body of a taxing jurisdiction
8 levying ad valorem property taxes that would otherwise be subject
9 to capture may exempt its taxes from capture by adopting a
10 resolution to that effect and filing a copy with the clerk of the
11 municipality proposing to create the authority. The resolution
12 takes effect when filed with that clerk and remains effective until
13 a copy of a resolution rescinding that resolution is filed with
14 that clerk.

15 (4) Not less than 60 days after the public hearing, if the
16 governing body of the municipality intends to proceed with the
17 establishment of the authority, it shall adopt, by majority vote of
18 its members, an ordinance establishing the authority and
19 designating the boundaries of the downtown district within which
20 the authority shall exercise its powers. The adoption of the
21 ordinance is subject to any applicable statutory or charter
22 provisions in respect to the approval or disapproval by the chief
23 executive or other officer of the municipality and the adoption of
24 an ordinance over his or her veto. This ordinance shall be filed
25 with the secretary of state promptly after its adoption and shall
26 be published at least once in a newspaper of general circulation in
27 the municipality.

1 (5) The governing body of the municipality may alter or amend
2 the boundaries of the downtown district to include or exclude lands
3 from the downtown district pursuant to the same requirements for
4 adopting the ordinance creating the authority.

5 (6) A municipality that has created an authority may enter
6 into an agreement with an adjoining municipality that has created
7 an authority to jointly operate and administer those authorities
8 under an interlocal agreement under the urban cooperation act of
9 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

10 **(7) A MUNICIPALITY THAT HAS CREATED AN AUTHORITY MAY ENTER**
11 **INTO AN AGREEMENT WITH A QUALIFIED TOWNSHIP TO OPERATE ITS**
12 **AUTHORITY IN A DOWNTOWN DISTRICT IN THE QUALIFIED TOWNSHIP UNDER AN**
13 **INTERLOCAL AGREEMENT UNDER THE URBAN COOPERATION ACT OF 1967, 1967**
14 **(EX SESS) PA 7, MCL 124.501 TO 124.512. THE INTERLOCAL AGREEMENT**
15 **BETWEEN THE MUNICIPALITY AND THE QUALIFIED TOWNSHIP SHALL PROVIDE**
16 **FOR, BUT IS NOT LIMITED TO, ALL OF THE FOLLOWING:**

17 **(A) SIZE AND MAKEUP OF THE BOARD.**

18 **(B) DETERMINATION AND MODIFICATION OF DOWNTOWN DISTRICT,**
19 **BUSINESS DISTRICT, AND DEVELOPMENT AREA.**

20 **(C) MODIFICATION OF DEVELOPMENT AREA AND DEVELOPMENT PLAN.**

21 **(D) ISSUANCE AND REPAYMENT OF OBLIGATIONS.**

22 **(E) CAPTURE OF TAXES.**

23 **(F) NOTICE, HEARING, AND EXEMPTION OF TAXES FROM CAPTURE**
24 **PROVISIONS DESCRIBED IN THIS SECTION.**

25 Sec. 4. (1) Except as provided in subsections (7), ~~and~~ (8),
26 **AND (9)**, an authority shall be under the supervision and control of
27 a board consisting of the chief executive officer of the

1 municipality and not less than 8 or more than 12 members as
2 determined by the governing body of the municipality. Members shall
3 be appointed by the chief executive officer of the municipality,
4 subject to approval by the governing body of the municipality. Not
5 less than a majority of the members shall be persons having an
6 interest in property located in the downtown district. Not less
7 than 1 of the members shall be a resident of the downtown district,
8 if the downtown district has 100 or more persons residing within
9 it. Of the members first appointed, an equal number of the members,
10 as near as is practicable, shall be appointed for 1 year, 2 years,
11 3 years, and 4 years. A member shall hold office until the member's
12 successor is appointed. Thereafter, each member shall serve for a
13 term of 4 years. An appointment to fill a vacancy shall be made by
14 the chief executive officer of the municipality for the unexpired
15 term only. Members of the board shall serve without compensation,
16 but shall be reimbursed for actual and necessary expenses. The
17 chairperson of the board shall be elected by the board.

18 (2) Before assuming the duties of office, a member shall
19 qualify by taking and subscribing to the constitutional oath of
20 office.

21 (3) The business which the board may perform shall be
22 conducted at a public meeting of the board held in compliance with
23 the open meetings act, ~~Act No. 267 of the Public Acts of 1976,~~
24 ~~being sections 15.261 to 15.275 of the Michigan Compiled Laws 1976~~
25 **PA 267, MCL 15.261 TO 15.275.** Public notice of the time, date, and
26 place of the meeting shall be given in the manner required by ~~Act~~
27 ~~No. 267 of the Public Acts of 1976~~ **THE OPEN MEETINGS ACT, 1976 PA**

1 267, MCL 15.261 TO 15.275. The board shall adopt rules consistent
2 with ~~Act No. 267 of the Public Acts of 1976~~ **THE OPEN MEETINGS**
3 **ACT, 1976 PA 267, MCL 15.261 TO 15.275**, governing its procedure and
4 the holding of regular meetings, subject to the approval of the
5 governing body. Special meetings may be held if called in the
6 manner provided in the rules of the board.

7 (4) Pursuant to notice and after having been given an
8 opportunity to be heard, a member of the board may be removed for
9 cause by the governing body. Removal of a member is subject to
10 review by the circuit court.

11 (5) All expense items of the authority shall be publicized
12 monthly and the financial records shall always be open to the
13 public.

14 (6) In addition to the items and records prescribed in
15 subsection (5), a writing prepared, owned, used, in the possession
16 of, or retained by the board in the performance of an official
17 function shall be made available to the public in compliance with
18 the freedom of information act, ~~Act No. 442 of the Public Acts of~~
19 ~~1976, being sections 15.231 to 15.246 of the Michigan Compiled Laws~~
20 **1976 PA 442, MCL 15.231 TO 15.246.**

21 (7) By resolution of its governing body, a municipality having
22 more than 1 authority may establish a single board to govern all
23 authorities in the municipality. The governing body may designate
24 the board of an existing authority as the board for all authorities
25 or may establish by resolution a new board in the same manner as
26 provided in subsection (1). A member of a board governing more than
27 1 authority may be a resident of or have an interest in property in

1 any of the downtown districts controlled by the board in order to
2 meet the requirements of this section.

3 (8) By ordinance, the governing body of a municipality that
4 has a population of less than 5,000 may have the municipality's
5 planning commission created pursuant to ~~Act No. 285 of the Public~~
6 ~~Acts of 1931, being sections 125.31 to 125.45 of the Michigan~~
7 ~~Compiled Laws 1931 PA 285, MCL 125.31 TO 125.45~~, serve as the
8 board provided for in subsection (1).

9 (9) IF A MUNICIPALITY ENTERS INTO AN AGREEMENT WITH A
10 QUALIFIED TOWNSHIP UNDER SECTION 3(7), THE MEMBERSHIP OF THE BOARD
11 MAY BE MODIFIED BY THE INTERLOCAL AGREEMENT DESCRIBED IN SECTION
12 3(7).

13 Sec. 7. The board may:

14 (a) Prepare an analysis of economic changes taking place in
15 the downtown district.

16 (b) Study and analyze the impact of metropolitan growth upon
17 the downtown district.

18 (c) Plan and propose the construction, renovation, repair,
19 remodeling, rehabilitation, restoration, preservation, or
20 reconstruction of a public facility, an existing building, or a
21 multiple-family dwelling unit which may be necessary or appropriate
22 to the execution of a plan which, in the opinion of the board, aids
23 in the economic growth of the downtown district.

24 (d) Plan, propose, and implement an improvement to a public
25 facility within the development area to comply with the barrier
26 free design requirements of the state construction code promulgated
27 under the Stille-DeRossett-Hale single state construction code act,

1 1972 PA 230, MCL 125.1501 to 125.1531.

2 (e) Develop long-range plans, in cooperation with the agency
3 which is chiefly responsible for planning in the municipality,
4 designed to halt the deterioration of property values in the
5 downtown district and to promote the economic growth of the
6 downtown district, and take such steps as may be necessary to
7 persuade property owners to implement the plans to the fullest
8 extent possible.

9 (f) Implement any plan of development in the downtown district
10 necessary to achieve the purposes of this act, in accordance with
11 the powers of the authority as granted by this act.

12 (g) Make and enter into contracts necessary or incidental to
13 the exercise of its powers and the performance of its duties.

14 (h) Acquire by purchase or otherwise, on terms and conditions
15 and in a manner the authority considers proper or own, convey, or
16 otherwise dispose of, or lease as lessor or lessee, land and other
17 property, real or personal, or rights or interests in property,
18 which the authority determines is reasonably necessary to achieve
19 the purposes of this act, and to grant or acquire licenses,
20 easements, and options with respect to that property.

21 (i) Improve land and construct, reconstruct, rehabilitate,
22 restore and preserve, equip, improve, maintain, repair, and operate
23 any building, including multiple-family dwellings, and any
24 necessary or desirable appurtenances to that property, within the
25 downtown district for the use, in whole or in part, of any public
26 or private person or corporation, or a combination of them.

27 (j) Fix, charge, and collect fees, rents, and charges for the

1 use of any building or property under its control or any part
2 thereof, or facility therein, and pledge the fees, rents, and
3 charges for the payment of revenue bonds issued by the authority.

4 (k) Lease any building or property under its control, or any
5 part of a building or property.

6 (l) Accept grants and donations of property, labor, or other
7 things of value from a public or private source.

8 (m) Acquire and construct public facilities.

9 (n) Create, operate, and fund marketing initiatives that
10 benefit only retail and general marketing of the downtown district.

11 (o) Contract for broadband service and wireless technology
12 service in the downtown district.

13 (P) OPERATE AND PERFORM ALL DUTIES AND EXERCISE ALL
14 RESPONSIBILITIES DESCRIBED IN THIS SECTION IN A QUALIFIED TOWNSHIP
15 IF THE QUALIFIED TOWNSHIP HAS ENTERED INTO AN AGREEMENT WITH THE
16 MUNICIPALITY UNDER SECTION 3(7).