

HOUSE BILL No. 4318

February 15, 2005, Introduced by Reps. Meyer, Ball and Gosselin and referred to the Committee on Commerce.

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 3 and 18 (MCL 125.1653 and 125.1668), section 3 as amended by 2004 PA 521.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) When the governing body of a municipality

1 determines that it is necessary for the best interests of the
2 public to halt property value deterioration and increase property
3 tax valuation where possible in its business district, to eliminate
4 the causes of that deterioration, and to promote economic growth,
5 or to permit the development of a new commercial property with a
6 total cash value after development of not less than
7 \$100,000,000.00, which includes more than 2 detached buildings
8 containing together not less than 500,000 square feet, the
9 governing body may, by resolution, declare its intention to create
10 and provide for the operation of an authority.

11 (2) In the resolution of intent, the governing body shall set
12 a date for the holding of a public hearing on the adoption of a
13 proposed ordinance creating the authority and designating the
14 boundaries of the downtown district. Notice of the public hearing
15 shall be published twice in a newspaper of general circulation in
16 the municipality, not less than 20 or more than 40 days before the
17 date of the hearing. Not less than 20 days before the hearing, the
18 governing body proposing to create the authority shall also mail
19 notice of the hearing to the property taxpayers of record in the
20 proposed district and for a public hearing to be held after
21 February 15, 1994 to the governing body of each taxing jurisdiction
22 levying taxes that would be subject to capture if the authority is
23 established and a tax increment financing plan is approved.

24 **BEGINNING JUNE 1, 2005, THE NOTICE OF HEARING WITHIN THE TIME FRAME**
25 **DESCRIBED IN THIS SUBSECTION SHALL BE MAILED BY CERTIFIED MAIL TO**
26 **THE TREASURER, CLERK, AND CHAIRPERSON OF THE BOARD OF COMMISSIONERS**
27 **OF THE COUNTY IN WHICH THE BUSINESS DISTRICT IS LOCATED.** Failure of

1 a property taxpayer to receive the notice shall not invalidate
2 these proceedings. Notice of the hearing shall be posted in at
3 least 20 conspicuous and public places in the proposed downtown
4 district not less than 20 days before the hearing. The notice shall
5 state the date, time, and place of the hearing, and shall describe
6 the boundaries of the proposed downtown district. A citizen,
7 taxpayer, or property owner of the municipality or an official from
8 a taxing jurisdiction with millage that would be subject to capture
9 has the right to be heard in regard to the establishment of the
10 authority and the boundaries of the proposed downtown district. The
11 governing body of the municipality shall not incorporate land into
12 the downtown district not included in the description contained in
13 the notice of public hearing, but it may eliminate described lands
14 from the downtown district in the final determination of the
15 boundaries.

16 (3) Not more than 60 days after a public hearing held after
17 February 15, 1994, the governing body of a taxing jurisdiction
18 levying ad valorem property taxes that would otherwise be subject
19 to capture may exempt its taxes from capture by adopting a
20 resolution to that effect and filing a copy with the clerk of the
21 municipality proposing to create the authority. The resolution
22 takes effect when filed with that clerk and remains effective until
23 a copy of a resolution rescinding that resolution is filed with
24 that clerk.

25 (4) Not less than 60 days after the public hearing, if the
26 governing body of the municipality intends to proceed with the
27 establishment of the authority, it shall adopt, by majority vote of

1 its members, an ordinance establishing the authority and
2 designating the boundaries of the downtown district within which
3 the authority shall exercise its powers. The adoption of the
4 ordinance is subject to any applicable statutory or charter
5 provisions in respect to the approval or disapproval by the chief
6 executive or other officer of the municipality and the adoption of
7 an ordinance over his or her veto. This ordinance shall be filed
8 with the secretary of state promptly after its adoption and shall
9 be published at least once in a newspaper of general circulation in
10 the municipality.

11 (5) The governing body of the municipality may alter or amend
12 the boundaries of the downtown district to include or exclude lands
13 from the downtown district pursuant to the same requirements for
14 adopting the ordinance creating the authority.

15 (6) A municipality that has created an authority may enter
16 into an agreement with an adjoining municipality that has created
17 an authority to jointly operate and administer those authorities
18 under an interlocal agreement under the urban cooperation act of
19 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512.

20 Sec. 18. (1) The governing body, before adoption of an
21 ordinance approving **OR AMENDING** a development plan or **APPROVING OR**
22 **AMENDING A** tax increment financing plan, shall hold a public
23 hearing on the development plan. Notice of the time and place of
24 the hearing shall be given by publication twice in a newspaper of
25 general circulation designated by the municipality, the first of
26 which shall be not less than 20 days before the date set for the
27 hearing. Notice of the hearing shall be posted in at least 20

1 conspicuous and public places in the downtown district not less
2 than 20 days before the hearing. Notice shall also be mailed to all
3 property taxpayers of record in the downtown district not less than
4 20 days before the hearing. **BEGINNING JUNE 1, 2005, THE NOTICE OF**
5 **HEARING WITHIN THE TIME FRAME DESCRIBED IN THIS SUBSECTION SHALL BE**
6 **MAILED BY CERTIFIED MAIL TO THE TREASURER, CLERK, AND CHAIRPERSON**
7 **OF THE BOARD OF COMMISSIONERS OF THE COUNTY IN WHICH THE PROPOSED**
8 **DEVELOPMENT AREA IS LOCATED.**

9 (2) Notice of the time and place of hearing on a development
10 plan shall contain: a description of the proposed development area
11 in relation to highways, streets, streams, or otherwise; a
12 statement that maps, plats, and a description of the development
13 plan, including the method of relocating families and individuals
14 who may be displaced from the area, are available for public
15 inspection at a place designated in the notice, and that all
16 aspects of the development plan will be open for discussion at the
17 public hearing; and other information that the governing body
18 ~~deems~~ **CONSIDERS** appropriate. At the time set for hearing, the
19 governing body shall provide an opportunity for interested persons
20 to be heard and shall receive and consider communications in
21 writing with reference ~~thereto~~ **TO THE DEVELOPMENT PLAN**. The
22 hearing shall provide the fullest opportunity for expression of
23 opinion, for argument on the merits, and for introduction of
24 documentary evidence pertinent to the development plan. The
25 governing body shall make and preserve a record of the public
26 hearing, including all data presented thereat.