

HOUSE BILL No. 6639

November 14, 2006, Introduced by Reps. Drolet, Tobocman and Lemmons, III and referred to the Committee on Government Operations.

A bill to amend 1945 PA 344, entitled

"An act to authorize counties, cities, villages and townships of this state to adopt plans to prevent blight and to adopt plans for the rehabilitation of blighted areas; to authorize assistance in carrying out such plans by the acquisition of real property, the improvement of such real property and the disposal of real property in such areas; to prescribe the methods of financing the exercise of these powers; and to declare the effect of this act,"

by amending sections 2, 3, and 5 (MCL 125.72, 125.73, and 125.75), sections 2 and 3 as amended by 1986 PA 320.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. As used in this act:

2 (a) "Blighted area" means a portion of a municipality,
3 developed or undeveloped, improved or unimproved, with business or
4 residential uses, marked by a demonstrated pattern of deterioration

1 in physical, economic, or social conditions, and characterized by
2 such conditions as functional or economic obsolescence of buildings
3 or the area as a whole, physical deterioration of structures,
4 substandard building or facility conditions, improper or
5 inefficient division or arrangement of lots and ownerships and
6 streets and other open spaces, inappropriate mixed character and
7 uses of the structures, deterioration in the condition of public
8 facilities or services, or any other similar characteristics which
9 endanger the health, safety, morals, or general welfare of the
10 municipality, and which may include any buildings or improvements
11 not in themselves obsolescent, and any real property, residential
12 or nonresidential, whether improved or unimproved, the acquisition
13 of which is considered necessary for rehabilitation of the area. It
14 is expressly recognized that blight is observable at different
15 stages of severity, and that moderate blight unremedied creates a
16 strong probability that severe blight will follow. Therefore, the
17 conditions that constitute blight are to be broadly construed to
18 permit a municipality to make an early identification of problems
19 and to take early remedial action to correct a demonstrated pattern
20 of deterioration and to prevent worsening of blight conditions.

21 (B) "BLIGHTED PROPERTY" MEANS PROPERTY THAT MEETS ANY OF THE
22 FOLLOWING CRITERIA:

23 (i) THE PROPERTY HAS BEEN DECLARED A PUBLIC NUISANCE IN
24 ACCORDANCE WITH A LOCAL HOUSING, BUILDING, PLUMBING, FIRE, OR OTHER
25 RELATED CODE OR ORDINANCE.

26 (ii) THE PROPERTY IS AN ATTRACTIVE NUISANCE BECAUSE OF PHYSICAL
27 CONDITION OR USE.

1 (iii) THE PROPERTY IS A FIRE HAZARD OR IS OTHERWISE DANGEROUS TO
2 THE SAFETY OF PERSONS OR PROPERTY.

3 (iv) THE PROPERTY HAS HAD THE UTILITIES, PLUMBING, HEATING, OR
4 SEWERAGE DISCONNECTED, DESTROYED, REMOVED, OR RENDERED INEFFECTIVE
5 FOR A PERIOD OF 1 YEAR OR MORE SO THAT THE PROPERTY IS UNFIT FOR
6 ITS INTENDED USE.

7 (v) THE PROPERTY IS TAX REVERTED PROPERTY OWNED BY A QUALIFIED
8 LOCAL GOVERNMENTAL UNIT, BY A COUNTY, OR BY THIS STATE. THE SALE,
9 LEASE, OR TRANSFER OF TAX REVERTED PROPERTY BY A QUALIFIED LOCAL
10 GOVERNMENTAL UNIT, COUNTY, OR THIS STATE SHALL NOT RESULT IN THE
11 LOSS TO THE PROPERTY OF THE STATUS AS BLIGHTED FOR PURPOSES OF THIS
12 ACT.

13 (vi) THE PROPERTY IS OWNED OR IS UNDER THE CONTROL OF A LAND
14 BANK FAST TRACK AUTHORITY UNDER THE LAND BANK FAST TRACK ACT, 2003
15 PA 258, MCL 124.751 TO 124.774, WHETHER OR NOT LOCATED WITHIN A
16 QUALIFIED LOCAL GOVERNMENTAL UNIT, AS THAT TERM IS DEFINED IN
17 SECTION 2 OF THE BROWNFIELD REDEVELOPMENT FINANCING ACT, 1996 PA
18 381, MCL 125.2652. THE SALE, LEASE, OR TRANSFER OF THE PROPERTY BY
19 A LAND BANK FAST TRACK AUTHORITY SHALL NOT RESULT IN THE LOSS TO
20 THE PROPERTY OF THE STATUS AS BLIGHTED PROPERTY FOR PURPOSES OF
21 THIS ACT.

22 (vii) THE PROPERTY IS IMPROVED REAL PROPERTY THAT HAS REMAINED
23 VACANT FOR 5 CONSECUTIVE YEARS AND THAT IS NOT MAINTAINED IN
24 ACCORDANCE WITH APPLICABLE LOCAL HOUSING OR PROPERTY MAINTENANCE
25 CODES OR ORDINANCES.

26 (viii) THE PROPERTY HAS CODE VIOLATIONS POSING A SEVERE AND
27 IMMEDIATE HEALTH OR SAFETY THREAT AND HAS NOT BEEN SUBSTANTIALLY

1 REHABILITATED WITHIN 1 YEAR AFTER THE RECEIPT OF NOTICE TO
2 REHABILITATE FROM THE APPROPRIATE CODE ENFORCEMENT AGENCY OR FINAL
3 DETERMINATION OF ANY APPEAL, WHICHEVER IS LATER.

4 (C) ~~—(b)—~~ "Municipality" means a county, city, village, or
5 township in the state.

6 (D) ~~—(e)—~~ "Development plan" means a plan for the
7 rehabilitation of all or any part of a blighted area.

8 (E) ~~—(d)—~~ "Development area" means that portion of a blighted
9 area to which a development plan is applicable.

10 (F) ~~—(e)—~~ "Real property" means land, buildings, improvements,
11 land under water, waterfront property, and any and all easements,
12 franchises and hereditaments, corporeal or incorporeal, and every
13 estate, interest, privilege, easement, franchise and right therein,
14 or appurtenant thereto, legal or equitable, including rights of
15 way, terms for years, and liens, charges, or incumbrances by
16 mortgage, judgment, or otherwise.

17 (G) ~~—(f)—~~ "Local taxes" means state, county, city, village,
18 township and school taxes, any special district taxes, and any
19 other tax on real property, but does not include special assessment
20 for local benefit improvements.

21 (H) ~~—(g)—~~ "Public use" when used with reference to land
22 reserved for public use means only such uses as are for the general
23 use and benefit of the public as a whole, such as schools,
24 libraries, public institutions, administration buildings, parks,
25 boulevards, playgrounds, streets, alleys, or easements for sewers,
26 public lighting, water, gas, or other similar utilities.

27 (I) ~~—(h)—~~ "Project" means all of the undertakings authorized

1 in this act for the rehabilitation of a blighted area.

2 Sec. 3. A municipality may bring about the rehabilitation of
3 blighted areas and the prevention, reduction, or elimination of
4 blight, blighting factors, or causes of blight, and for that
5 purpose may ~~acquire~~ **DO ANY OF THE FOLLOWING:**

6 (A) **ACQUIRE** real property by purchase, gift, **OR** exchange. ~~—~~
7 ~~or~~

8 (B) **ACQUIRE BLIGHTED PROPERTY BY** condemnation. ~~—, and may~~
9 ~~lease,~~

10 (C) **LEASE**, sell, renovate, improve, or exchange ~~such~~
11 **BLIGHTED PROPERTY OR OTHER** real property in accordance with the
12 ~~provisions of~~ **STATE CONSTITUTION OF 1963 AND** this act.

13 Sec. 5. (1) For the accomplishment of the purposes of this
14 act, the municipality shall acquire fee simple title in real
15 property by purchase, gift, **OR** exchange, **AND MAY ACQUIRE FEE SIMPLE**
16 **TITLE TO BLIGHTED PROPERTY BY** condemnation. ~~or otherwise, and~~ **THE**
17 **MUNICIPALITY** shall **THEN** apply ~~such~~ **THAT BLIGHTED PROPERTY AND**
18 **OTHER** real property ~~thereafter~~ to the expressed purposes of this
19 act.

20 (2) ~~The~~ **WITH REGARD TO BLIGHTED PROPERTY, THE** local
21 legislative body may institute and prosecute proceedings under the
22 power of eminent domain in accordance with the **STATE CONSTITUTION**
23 **OF 1963 AND THE** laws of the state or provisions of any local
24 charter relative to condemnation. ~~The purposes contemplated by~~
25 ~~this act are hereby declared to be public purposes within the~~
26 ~~meaning of the constitution, state laws and charters relative to~~
27 ~~the power of eminent domain. No~~ **A** resident owner in a development

1 area may **NOT** be dispossessed after condemnation under the
2 provisions of this act until other adequate housing accommodations
3 are available, to the people displaced.