

HOUSE BILL No. 6503

September 24, 2008, Introduced by Rep. Byrnes and referred to the Committee on New Economy and Quality of Life.

A bill to amend 1986 PA 281, entitled "The local development financing act," by amending sections 3 and 4 (MCL 125.2153 and 125.2154), section 3 as amended by 2000 PA 248 and section 4 as amended by 2005 PA 15.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) Except as otherwise provided by subsection (2), a
2 municipality may establish not more than 1 authority under the
3 provisions of this act. An authority established under this
4 subsection shall exercise its powers in all authority districts.

5 (2) In addition to an authority established under subsection
6 (1), a municipality may join with 1 or more other municipality
7 located within the same county to establish an authority under this
8 act. An authority created under this subsection may only exercise

1 its powers in a certified technology park designated in an
2 agreement made under section 12a. A municipality shall not
3 establish more than 1 authority under this subsection.

4 (3) AN AEROTROPOLIS DEVELOPMENT CORPORATION MAY ESTABLISH NOT
5 MORE THAN 1 AUTHORITY UNDER THE PROVISIONS OF THIS ACT. AN
6 AUTHORITY ESTABLISHED UNDER THIS SUBSECTION SHALL EXERCISE ITS
7 POWERS WITHIN ITS AUTHORITY DISTRICT AND IN ALL AEROTROPOLIS
8 DEVELOPMENT AREAS. THE AUTHORITY DISTRICT IN WHICH THE AUTHORITY
9 MAY EXERCISE ITS POWERS SHALL INCLUDE ALL OR PART OF THE TERRITORY
10 OF AN AEROTROPOLIS DEVELOPMENT CORPORATION, AS DETERMINED BY THE
11 GOVERNING BODY OF THE AEROTROPOLIS DEVELOPMENT CORPORATION.

12 (4) ~~(3)~~—The authority shall be a public body corporate which
13 may sue and be sued in any court of this state. The authority
14 possesses all the powers necessary to carry out the purpose of its
15 incorporation. The enumeration of a power in this act shall not be
16 construed as a limitation upon the general powers of the authority.
17 The powers granted in this act to an authority may be exercised
18 notwithstanding that bonds are not issued by the authority.

19 Sec. 4. (1) The governing body of a municipality may declare
20 by resolution adopted by a majority of its members elected and
21 serving its intention to create and provide for the operation of an
22 authority.

23 (2) In the resolution of intent, the governing body proposing
24 to create the authority shall set a date for holding a public
25 hearing on the adoption of a proposed resolution creating the
26 authority and designating the boundaries of the authority district
27 or districts. Notice of the public hearing shall be published twice

1 in a newspaper of general circulation in the municipality, not less
2 than 20 nor more than 40 days before the date of the hearing. Not
3 less than 20 days before the hearing, the governing body proposing
4 to create the authority shall also mail notice of the hearing to
5 the property taxpayers of record in a proposed authority district
6 and, for a public hearing to be held after February 15, 1994, to
7 the governing body of each taxing jurisdiction levying taxes that
8 would be subject to capture if the authority is established and a
9 tax increment financing plan is approved. Beginning June 1, 2005,
10 the notice of hearing within the time frame described in this
11 subsection shall be mailed by certified mail to the governing body
12 of each taxing jurisdiction levying taxes that would be subject to
13 capture if the authority is established and a tax increment
14 financing plan is approved. Failure of a property taxpayer to
15 receive the notice shall not invalidate these proceedings. The
16 notice shall state the date, time, and place of the hearing, and
17 shall describe the boundaries of the proposed authority district or
18 districts. At that hearing, a resident, taxpayer, or property owner
19 from a taxing jurisdiction in which the proposed district is
20 located or an official from a taxing jurisdiction with millage that
21 would be subject to capture has the right to be heard in regard to
22 the establishment of the authority and the boundaries of that
23 proposed authority district. The governing body of the municipality
24 in which a proposed district is to be located shall not incorporate
25 land into an authority district not included in the description
26 contained in the notice of public hearing, but it may eliminate
27 lands described in the notice of public hearing from an authority

1 district in the final determination of the boundaries.

2 (3) ~~Not~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (8), NOT**
3 more than 60 days after a public hearing held after February 15,
4 1994, the governing body of a taxing jurisdiction with millage that
5 would otherwise be subject to capture may exempt its taxes from
6 capture by adopting a resolution to that effect and filing a copy
7 with the clerk of the municipality proposing to create the
8 authority. However, a resolution by a governing body of a taxing
9 jurisdiction to exempt its taxes from capture is not effective for
10 the capture of taxes that are used for a certified technology park.
11 The resolution takes effect when filed with that clerk and remains
12 effective until a copy of a resolution rescinding that resolution
13 is filed with that clerk.

14 (4) ~~Not~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (8), NOT**
15 less than 60 days after the public hearing, if the governing body
16 creating the authority intends to proceed with the establishment of
17 the authority, it shall adopt, by majority vote of its members
18 elected and serving, a resolution establishing the authority and
19 designating the boundaries of the authority district or districts
20 within which the authority shall exercise its powers. The adoption
21 of the resolution is subject to any applicable statutory or charter
22 provisions with respect to the approval or disapproval of
23 resolutions by the chief executive officer of the municipality and
24 the adoption of a resolution over his or her veto. This resolution
25 shall be filed with the secretary of state promptly after its
26 adoption and shall be published at least once in a newspaper of
27 general circulation in the municipality.

1 (5) The governing body may alter or amend the boundaries of an
2 authority district to include or exclude lands from that authority
3 district or create new authority districts pursuant to the same
4 requirements prescribed for adopting the resolution creating the
5 authority.

6 (6) The validity of the proceedings establishing an authority
7 shall be conclusive unless contested in a court of competent
8 jurisdiction within 60 days after the last of the following takes
9 place:

10 (a) Publication of the resolution creating the authority as
11 adopted.

12 (b) Filing of the resolution creating the authority with the
13 secretary of state.

14 (7) Except as otherwise provided by this subsection, if 2 or
15 more municipalities desire to establish an authority under section
16 3(2), each municipality in which the authority district will be
17 located shall comply with the procedures prescribed by this act.
18 The notice required by subsection (2) may be published jointly by
19 the municipalities establishing the authority. The resolutions
20 establishing the authority shall include, or shall approve an
21 agreement including, provisions governing the number of members on
22 the board, the method of appointment, the members to be represented
23 by governmental units or agencies, the terms of initial and
24 subsequent appointments to the board, the manner in which a member
25 of the board may be removed for cause before the expiration of his
26 or her term, the manner in which the authority may be dissolved,
27 and the disposition of assets upon dissolution. An authority

1 described in this subsection shall not be considered established
2 unless all of the following conditions are satisfied:

3 (a) A resolution is approved and filed with the secretary of
4 state by each municipality in which the authority district will be
5 located.

6 (b) The same boundaries have been approved for the authority
7 district by the governing body of each municipality in which the
8 authority district will be located.

9 (c) The governing body of the county in which a majority of
10 the authority district will be located has approved by resolution
11 the creation of the authority.

12 (8) FOR AN AUTHORITY CREATED UNDER SECTION 3(3), EXCEPT AS
13 OTHERWISE PROVIDED BY THIS SUBSECTION, THE AEROTROPOLIS DEVELOPMENT
14 CORPORATION SHALL COMPLY WITH THE PROCEDURES PRESCRIBED FOR A
15 MUNICIPALITY BY SUBSECTIONS (1) AND (2) AND THIS SUBSECTION. THE
16 PROVISIONS OF SUBSECTIONS (3) AND (4) SHALL NOT APPLY TO AN
17 AUTHORITY EXERCISING ITS POWERS UNDER SECTION 3(3). THE NOTICE
18 REQUIRED BY SUBSECTION (2) MAY BE PUBLISHED BY THE AEROTROPOLIS
19 DEVELOPMENT CORPORATION IN A NEWSPAPER OR NEWSPAPERS OF GENERAL
20 CIRCULATION WITHIN THE MUNICIPALITIES WHICH ARE CONSTITUENT MEMBERS
21 OF THE AEROTROPOLIS DEVELOPMENT CORPORATION, AND NOTICE SHALL NOT
22 BE REQUIRED TO BE MAILED TO THE PROPERTY TAXPAYERS OF RECORD IN THE
23 PROPOSED AUTHORITY DISTRICT. THE GOVERNING BODY OF THE AEROTROPOLIS
24 DEVELOPMENT CORPORATION SHALL BE THE GOVERNING BODY OF THE
25 AUTHORITY. A TAXING JURISDICTION WITH MILLAGE THAT WOULD OTHERWISE
26 BE SUBJECT TO CAPTURE WHICH IS NOT A PARTY TO THE INTERGOVERNMENTAL
27 AGREEMENT MAY EXEMPT ITS TAXES FROM CAPTURE BY ADOPTING A

1 RESOLUTION TO THAT EFFECT AND FILING A COPY NOT MORE THAN 60 DAYS
2 AFTER THE PUBLIC HEARING WITH THE RECORDING OFFICER OF THE
3 AEROTROPOLIS DEVELOPMENT CORPORATION. THE AEROTROPOLIS DEVELOPMENT
4 CORPORATION SHALL MAIL NOTICE OF THE PUBLIC HEARING TO THE
5 GOVERNING BODY OF EACH TAXING JURISDICTION WHICH IS NOT A PARTY TO
6 THE INTERGOVERNMENTAL AGREEMENT NOT LESS THAN 20 DAYS BEFORE THE
7 HEARING. FOLLOWING THE PUBLIC HEARING, THE GOVERNING BODY OF THE
8 AEROTROPOLIS DEVELOPMENT CORPORATION SHALL ADOPT A RESOLUTION
9 DESIGNATING THE BOUNDARIES OF THE AUTHORITY DISTRICT WITHIN WHICH
10 THE AUTHORITY SHALL EXERCISE ITS POWERS, WHICH MAY INCLUDE ANY
11 CERTIFIED TECHNOLOGY PARK WITHIN THE PROPOSED AUTHORITY DISTRICT
12 AND MAY INCLUDE PROPERTY ADJACENT TO OR WITHIN 500 FEET OF A ROAD
13 CLASSIFIED AS AN ARTERIAL OR COLLECTOR ACCORDING TO THE FEDERAL
14 HIGHWAY ADMINISTRATION MANUAL "HIGHWAY FUNCTIONAL CLASSIFICATION -
15 CONCEPTS, CRITERIA AND PROCEDURES" OR OF ANOTHER ROAD IN THE
16 DISCRETION OF THE AEROTROPOLIS DEVELOPMENT CORPORATION, AND
17 PROPERTY ADJACENT TO THAT PROPERTY WITHIN THE TERRITORY OF THE
18 AEROTROPOLIS DEVELOPMENT CORPORATION, AS PROVIDED IN THE
19 RESOLUTION. THE RESOLUTION SHALL BE EFFECTIVE WHEN ADOPTED, SHALL
20 BE FILED WITH THE SECRETARY OF STATE PROMPTLY AFTER ITS ADOPTION,
21 AND SHALL BE PUBLISHED AT LEAST ONCE IN A NEWSPAPER OF GENERAL
22 CIRCULATION IN THE TERRITORY OF THE AEROTROPOLIS DEVELOPMENT
23 CORPORATION. IF AN AUTHORITY DISTRICT DESIGNATED UNDER THIS
24 SUBSECTION INCLUDES A CERTIFIED TECHNOLOGY PARK WHICH IS WITHIN THE
25 AUTHORITY DISTRICT OF ANOTHER AUTHORITY AND WHICH IS SUBJECT TO AN
26 EXISTING DEVELOPMENT PLAN OR TAX INCREMENT FINANCING PLAN, THEN
27 THAT CERTIFIED TECHNOLOGY PARK, AS OF THE EFFECTIVE DATE OF THE

1 RESOLUTION ESTABLISHING THE AUTHORITY UNDER SECTION 3(3), SHALL BE
 2 CONSIDERED TO BE UNDER THE JURISDICTION OF THE AUTHORITY
 3 ESTABLISHED UNDER SECTION 3(3) IF SO PROVIDED IN THE RESOLUTION,
 4 AND THE DEVELOPMENT PLAN AND TAX INCREMENT FINANCING PLAN
 5 APPLICABLE TO THE CERTIFIED TECHNOLOGY PARK, INCLUDING ALL ASSETS
 6 AND OBLIGATIONS UNDER THE PLANS, SHALL BE CONSIDERED ASSIGNED AND
 7 TRANSFERRED FROM THE OTHER AUTHORITY TO THE AUTHORITY CREATED UNDER
 8 SECTION 3(3), AND THE INITIAL ASSESSED VALUE OF THE CERTIFIED
 9 TECHNOLOGY PARK PRIOR TO THE TRANSFER SHALL REMAIN THE INITIAL
 10 ASSESSED VALUE OF THE CERTIFIED TECHNOLOGY PARK FOLLOWING THE
 11 TRANSFER.

12 Enacting section 1. This amendatory act does not take effect
 13 unless all of the following bills of the 94th Legislature are
 14 enacted into law:

15 (a) Senate Bill No. _____ or House Bill No. 6502 (request no.
 16 07377'08 **).

17 (b) Senate Bill No. _____ or House Bill No. 6504 (request no.
 18 07806'08 **).

19 (c) Senate Bill No. _____ or House Bill No. 6505 (request no.
 20 07807'08 **).

21 (d) Senate Bill No. _____ or House Bill No. 6506 (request no.
 22 08280'08 *).

23 (e) Senate Bill No. _____ or House Bill No. 6507 (request no.
 24 08281'08 *).

25 (f) Senate Bill No. _____ or House Bill No. 6508 (request no.
 26 08282'08 *).

27 (g) Senate Bill No. _____ or House Bill No. 6509 (request no.

1 08283'08 *).

2 (h) Senate Bill No. _____ or House Bill No. 6510 (request no.

3 08284'08 *).

4 (i) Senate Bill No. _____ or House Bill No. 6511 (request no.

5 08285'08 *).