

HOUSE BILL No. 4461

March 14, 2013, Introduced by Reps. Haugh, Kowall, Jacobsen, Haines, Price, Townsend, Crawford, McCready, MacMaster, Forlini, Cavanagh, Stallworth, Santana, Singh, Hobbs, Lipton, Kesto and Goike and referred to the Committee on Tax Policy.

A bill to amend 1986 PA 281, entitled "The local development financing act," by amending section 2 (MCL 125.2152), as amended by 2012 PA 290.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. 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) "Alternative energy technology" means equipment, component

1 parts, materials, electronic devices, testing equipment, and
2 related systems that are specifically designed, specifically
3 fabricated, and used primarily for 1 or more of the following:

4 (i) The storage, generation, reformation, or distribution of
5 clean fuels integrated within an alternative energy system or
6 alternative energy vehicle, not including an anaerobic digester
7 energy system or a hydroelectric energy system, for use within the
8 alternative energy system or alternative energy vehicle.

9 (ii) The process of generating and putting into a usable form
10 the energy generated by an alternative energy system. Alternative
11 energy technology does not include those component parts of an
12 alternative energy system that are required regardless of the
13 energy source.

14 (iii) Research and development of an alternative energy vehicle.

15 (iv) Research, development, and manufacturing of an alternative
16 energy system.

17 (v) Research, development, and manufacturing of an anaerobic
18 digester energy system.

19 (vi) Research, development, and manufacturing of a
20 hydroelectric energy system.

21 (c) "Alternative energy technology business" means a business
22 engaged in the research, development, or manufacturing of
23 alternative energy technology or a business located in an authority
24 district that includes a military installation that was operated by
25 the United States department of defense and closed after 1980.

26 (d) "Assessed value" means 1 of the following:

27 (i) For valuations made before January 1, 1995, the state

1 equalized valuation as determined under the general property tax
2 act, 1893 PA 206, MCL 211.1 to 211.155.

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

6 (e) "Authority" means a local development finance authority
7 created pursuant to this act.

8 (f) "Authority district" means an area or areas within which
9 an authority exercises its powers.

10 (g) "Board" means the governing body of an authority.

11 (h) "Business development area" means an area designated as a
12 certified industrial park under this act prior to June 29, 2000, or
13 an area designated in the tax increment financing plan that meets
14 all of the following requirements:

15 (i) The area is zoned to allow its use for eligible property.

16 (ii) The area has a site plan or plat approved by the city,
17 village, or township in which the area is located.

18 (i) "Business incubator" means real and personal property that
19 meets all of the following requirements:

20 (i) Is located in a certified technology park or a certified
21 alternative energy park.

22 (ii) Is subject to an agreement under section 12a or 12c.

23 (iii) Is developed for the primary purpose of attracting 1 or
24 more owners or tenants who will engage in activities that would
25 each separately qualify the property as eligible property under
26 subdivision (s) (iii).

27 (j) "Captured assessed value" means the amount in any 1 year

1 by which the current assessed value of the eligible property
2 identified in the tax increment financing plan or, for a certified
3 technology park, a certified alternative energy park, or a next
4 Michigan development area, the real and personal property included
5 in the tax increment financing plan, including the current assessed
6 value of property for which specific local taxes are paid in lieu
7 of property taxes as determined pursuant to subdivision (hh),
8 exceeds the initial assessed value. The state tax commission shall
9 prescribe the method for calculating captured assessed value.

10 Except as otherwise provided in this act, tax abated property in a
11 renaissance zone as defined under section 3 of the Michigan
12 renaissance zone act, 1996 PA 376, MCL 125.2683, shall be excluded
13 from the calculation of captured assessed value to the extent that
14 the property is exempt from ad valorem property taxes or specific
15 local taxes.

16 (k) "Certified alternative energy park" means that portion of
17 an authority district designated by a written agreement entered
18 into pursuant to section 12c between the authority, the
19 municipality or municipalities, and the Michigan economic
20 development corporation.

21 (l) "Certified business park" means a business development area
22 that has been designated by the Michigan economic development
23 corporation as meeting criteria established by the Michigan
24 economic development corporation. The criteria shall establish
25 standards for business development areas including, but not limited
26 to, use, types of building materials, landscaping, setbacks,
27 parking, storage areas, and management.

1 (m) "Certified technology park" means that portion of the
2 authority district designated by a written agreement entered into
3 pursuant to section 12a between the authority, the municipality,
4 and the Michigan economic development corporation.

5 (n) "Chief executive officer" means the mayor or city manager
6 of a city, the president of a village, or, for other local units of
7 government or school districts, the person charged by law with the
8 supervision of the functions of the local unit of government or
9 school district.

10 (o) "Development plan" means that information and those
11 requirements for a development set forth in section 15.

12 (p) "Development program" means the implementation of a
13 development plan.

14 (q) "Eligible advance" means an advance made before August 19,
15 1993.

16 (r) "Eligible obligation" means an obligation issued or
17 incurred by an authority or by a municipality on behalf of an
18 authority before August 19, 1993 and its subsequent refunding by a
19 qualified refunding obligation. Eligible obligation includes an
20 authority's written agreement entered into before August 19, 1993
21 to pay an obligation issued after August 18, 1993 and before
22 December 31, 1996 by another entity on behalf of the authority.

23 (s) "Eligible property" means land improvements, buildings,
24 structures, and other real property, and machinery, equipment,
25 furniture, and fixtures, or any part or accessory thereof whether
26 completed or in the process of construction comprising an
27 integrated whole, located within an authority district, of which

1 the primary purpose and use is or will be 1 of the following:

2 (i) The manufacture of goods or materials or the processing of
3 goods or materials by physical or chemical change.

4 (ii) Agricultural processing.

5 (iii) A high technology activity.

6 (iv) The production of energy by the processing of goods or
7 materials by physical or chemical change by a small power
8 production facility as defined by the federal energy regulatory
9 commission pursuant to the public utility regulatory policies act
10 of 1978, Public Law 95-617, which facility is fueled primarily by
11 biomass or wood waste. This act does not affect a person's rights
12 or liabilities under law with respect to groundwater contamination
13 described in this subparagraph. This subparagraph applies only if
14 all of the following requirements are met:

15 (A) Tax increment revenues captured from the eligible property
16 will be used to finance, or will be pledged for debt service on tax
17 increment bonds used to finance, a public facility in or near the
18 authority district designed to reduce, eliminate, or prevent the
19 spread of identified soil and groundwater contamination, pursuant
20 to law.

21 (B) The board of the authority exercising powers within the
22 authority district where the eligible property is located adopted
23 an initial tax increment financing plan between January 1, 1991 and
24 May 1, 1991.

25 (C) The municipality that created the authority establishes a
26 special assessment district whereby not less than 50% of the
27 operating expenses of the public facility described in this

1 subparagraph will be paid for by special assessments. Not less than
2 50% of the amount specially assessed against all parcels in the
3 special assessment district shall be assessed against parcels owned
4 by parties potentially responsible for the identified groundwater
5 contamination pursuant to law.

6 (v) A business incubator.

7 (vi) An alternative energy technology business.

8 (vii) A transit-oriented facility.

9 (viii) A transit-oriented development.

10 (ix) An eligible next Michigan business, as that term is
11 defined in section 3 of the Michigan economic growth authority act,
12 1995 PA 24, MCL 207.803, and other businesses within a next
13 Michigan development area, but only to the extent designated as
14 eligible property within a development plan approved by a next
15 Michigan development corporation.

16 (t) "Fiscal year" means the fiscal year of the authority.

17 (u) "Governing body" means, except as otherwise provided in
18 this subdivision, the elected body having legislative powers of a
19 municipality creating an authority under this act. For a next
20 Michigan development corporation, governing body means the
21 executive committee of the next Michigan development corporation,
22 unless otherwise provided in the interlocal agreement or articles
23 of incorporation creating the next Michigan development corporation
24 or the governing body of an eligible urban entity or its designee
25 as provided in the next Michigan development act, 2010 PA 275, MCL
26 125.2951 to 125.2959.

27 (v) "High-technology activity" means that term as defined in

1 section 3 of the Michigan economic growth authority act, 1995 PA
2 24, MCL 207.803.

3 (w) "Initial assessed value" means the assessed value of the
4 eligible property identified in the tax increment financing plan
5 or, for a certified technology park, a certified alternative energy
6 park, or a next Michigan development area, the assessed value of
7 any real and personal property included in the tax increment
8 financing plan, at the time the resolution establishing the tax
9 increment financing plan is approved as shown by the most recent
10 assessment roll for which equalization has been completed at the
11 time the resolution is adopted or, for property that becomes
12 eligible property in other than a certified technology park or a
13 certified alternative energy park after the date the plan is
14 approved, at the time the property becomes eligible property.
15 Property exempt from taxation at the time of the determination of
16 the initial assessed value shall be included as zero. Property for
17 which a specific local tax is paid in lieu of property tax shall
18 not be considered exempt from taxation. The initial assessed value
19 of property for which a specific local tax was paid in lieu of
20 property tax shall be determined as provided in subdivision (hh).

21 (x) "Michigan economic development corporation" means the
22 public body corporate created under section 28 of article VII of
23 the state constitution of 1963 and the urban cooperation act of
24 1967, 1967 (Ex Sess) PA 7, MCL 124.501 to 124.512, by a contractual
25 interlocal agreement effective April 5, 1999 between local
26 participating economic development corporations formed under the
27 economic development corporations act, 1974 PA 338, MCL 125.1601 to

1 125.1636, and the Michigan strategic fund. If the Michigan economic
2 development corporation is unable for any reason to perform its
3 duties under this act, those duties may be exercised by the
4 Michigan strategic fund.

5 (y) "Michigan strategic fund" means the Michigan strategic
6 fund as described in the Michigan strategic fund act, 1984 PA 270,
7 MCL 125.2001 to 125.2094.

8 (z) "Municipality" means a city, village, or urban township.
9 However, for purposes of creating and operating a certified
10 alternative energy park or a certified technology park,
11 municipality includes townships that are not urban townships.

12 (aa) "Next Michigan development area" means a portion of an
13 authority district designated by a next Michigan development
14 corporation under section 12e to which a development plan is
15 applicable.

16 (bb) "Next Michigan development corporation" means that term
17 as defined in section 3 of the next Michigan development act, 2010
18 PA 275, MCL 125.2953.

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

1 (i) A requirement to pay proceeds derived from ad valorem
2 property taxes or taxes levied in lieu of ad valorem property
3 taxes.

4 (ii) A management contract or a contract for professional
5 services.

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

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

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

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

26 (i) A reimbursement agreement between the municipality and an
27 authority it established.

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

3 (iii) A resolution of the authority agreeing to make payments to
4 the incorporating unit.

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

7 (ee) "Other protected obligation" means:

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

13 (ii) An obligation issued or incurred by an authority or by a
14 municipality on behalf of an authority after August 19, 1993, but
15 before December 31, 1994, to finance a project described in a tax
16 increment finance plan approved by the municipality in accordance
17 with this act before August 19, 1993, for which a contract for
18 final design is entered into by the municipality or authority
19 before March 1, 1994.

20 (iii) An obligation incurred by an authority or municipality
21 after August 19, 1993, to reimburse a party to a development
22 agreement entered into by a municipality or authority before August
23 19, 1993, for a project described in a tax increment financing plan
24 approved in accordance with this act before August 19, 1993, and
25 undertaken and installed by that party in accordance with the
26 development agreement.

27 (iv) An ongoing management or professional services contract

1 with the governing body of a county that was entered into before
2 March 1, 1994 and that was preceded by a series of limited term
3 management or professional services contracts with the governing
4 body of the county, the last of which was entered into before
5 August 19, 1993.

6 (ff) "Public facility" means 1 or more of the following:

7 (i) A street, road, bridge, storm water or sanitary sewer,
8 sewage treatment facility, facility designed to reduce, eliminate,
9 or prevent the spread of identified soil or groundwater
10 contamination, drainage system, retention basin, pretreatment
11 facility, waterway, waterline, water storage facility, rail line,
12 electric, gas, telephone or other communications, or any other type
13 of utility line or pipeline, transit-oriented facility, transit-
14 oriented development, or other similar or related structure or
15 improvement, together with necessary easements for the structure or
16 improvement. Except for rail lines, utility lines, or pipelines,
17 the structures or improvements described in this subparagraph shall
18 be either owned or used by a public agency, functionally connected
19 to similar or supporting facilities owned or used by a public
20 agency, or designed and dedicated to use by, for the benefit of, or
21 for the protection of the health, welfare, or safety of the public
22 generally, whether or not used by a single business entity. Any
23 road, street, or bridge shall be continuously open to public
24 access. A public facility shall be located on public property or in
25 a public, utility, or transportation easement or right-of-way.

26 (ii) The acquisition and disposal of land that is proposed or
27 intended to be used in the development of eligible property or an

1 interest in that land, demolition of structures, site preparation,
2 and relocation costs.

3 (iii) All administrative and real and personal property
4 acquisition and disposal costs related to a public facility
5 described in subparagraphs (i) and (iv), including, but not limited
6 to, architect's, engineer's, legal, and accounting fees as
7 permitted by the district's development plan.

8 (iv) An improvement to a facility used by the public or a
9 public facility as those terms are defined in section 1 of 1966 PA
10 1, MCL 125.1351, which improvement is made to comply with the
11 barrier free design requirements of the state construction code
12 promulgated under the Stille-DeRossett-Hale single state
13 construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

14 (v) All of the following costs approved by the Michigan
15 economic development corporation:

16 (A) Operational costs and the costs related to the
17 acquisition, improvement, preparation, demolition, disposal,
18 construction, reconstruction, remediation, rehabilitation,
19 restoration, preservation, maintenance, repair, furnishing, and
20 equipping of land and other assets that are or may become eligible
21 for depreciation under the internal revenue code of 1986 for a
22 business incubator located in a certified technology park or
23 certified alternative energy park.

24 (B) Costs related to the acquisition, improvement,
25 preparation, demolition, disposal, construction, reconstruction,
26 remediation, rehabilitation, restoration, preservation,
27 maintenance, repair, furnishing, and equipping of land and other

1 assets that, if privately owned, would be eligible for depreciation
2 under the internal revenue code of 1986 for laboratory facilities,
3 research and development facilities, conference facilities,
4 teleconference facilities, testing, training facilities, and
5 quality control facilities that are or that support eligible
6 property under subdivision (s) (iii), that are owned by a public
7 entity, and that are located within a certified technology park.

8 (C) Costs related to the acquisition, improvement,
9 preparation, demolition, disposal, construction, reconstruction,
10 remediation, rehabilitation, restoration, preservation,
11 maintenance, repair, furnishing, and equipping of land and other
12 assets that, if privately owned, would be eligible for depreciation
13 under the internal revenue code of 1986 for facilities that are or
14 that will support eligible property under subdivision (s) (vi), that
15 have been or will be owned by a public entity at the time such
16 costs are incurred, that are located within a certified alternative
17 energy park, and that have been or will be conveyed, by gift or
18 sale, by such public entity to an alternative energy technology
19 business.

20 (vi) Operating and planning costs included in a plan pursuant
21 to section 12(1)(f), including costs of marketing property within
22 the district and attracting development of eligible property within
23 the district.

24 (gg) "Qualified refunding obligation" means an obligation
25 issued or incurred by an authority or by a municipality on behalf
26 of an authority to refund an obligation if the refunding obligation
27 meets both of the following:

1 (i) The net present value of the principal and interest to be
2 paid on the refunding obligation, including the cost of issuance,
3 will be less than the net present value of the principal and
4 interest to be paid on the obligation being refunded, as calculated
5 using a method approved by the department of treasury.

6 (ii) The net present value of the sum of the tax increment
7 revenues described in subdivision (jj) (ii) and the distributions
8 under section 11a to repay the refunding obligation will not be
9 greater than the net present value of the sum of the tax increment
10 revenues described in subdivision (jj) (ii) and the distributions
11 under section 11a to repay the obligation being refunded, as
12 calculated using a method approved by the department of treasury.

13 (hh) "Specific local taxes" means a tax levied under 1974 PA
14 198, MCL 207.551 to 207.572, the obsolete property rehabilitation
15 act, 2000 PA 146, MCL 125.2781 to 125.2797, the commercial
16 redevelopment act, 1978 PA 255, MCL 207.651 to 207.668, the
17 enterprise zone act, 1985 PA 224, MCL 125.2101 to 125.2123, 1953 PA
18 189, MCL 211.181 to 211.182, and the technology park development
19 act, 1984 PA 385, MCL 207.701 to 207.718. The initial assessed
20 value or current assessed value of property subject to a specific
21 local tax is the quotient of the specific local tax paid divided by
22 the ad valorem millage rate. However, after 1993, the state tax
23 commission shall prescribe the method for calculating the initial
24 assessed value and current assessed value of property for which a
25 specific local tax was paid in lieu of a property tax.

26 (ii) "State fiscal year" means the annual period commencing
27 October 1 of each year.

1 (jj) "Tax increment revenues" means the amount of ad valorem
2 property taxes and specific local taxes attributable to the
3 application of the levy of all taxing jurisdictions upon the
4 captured assessed value of eligible property within the district
5 or, for purposes of a certified technology park, a next Michigan
6 development area, or a certified alternative energy park, real or
7 personal property that is located within the certified technology
8 park, a next Michigan development area, or a certified alternative
9 energy park and included within the tax increment financing plan,
10 subject to the following requirements:

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

18 (ii) Tax increment revenues include ad valorem property taxes
19 and specific local taxes attributable to the application of the
20 levy of the state pursuant to the state education tax act, 1993 PA
21 331, MCL 211.901 to 211.906, and local or intermediate school
22 districts upon the captured assessed value of real and personal
23 property in the development area in an amount equal to the amount
24 necessary, without regard to subparagraph (i), for the following
25 purposes:

26 (A) To repay eligible advances, eligible obligations, and
27 other protected obligations.

1 (B) To fund or to repay an advance or obligation issued by or
2 on behalf of an authority to fund the cost of public facilities
3 related to or for the benefit of eligible property located within a
4 certified technology park or a certified alternative energy park to
5 the extent the public facilities have been included in an agreement
6 under section 12a(3), 12b, or 12c(3), not to exceed 50%, as
7 determined by the state treasurer, of the amounts levied by the
8 state pursuant to the state education tax act, 1993 PA 331, MCL
9 211.901 to 211.906, and local and intermediate school districts for
10 a period, except as otherwise provided in this sub-subparagraph,
11 not to exceed 15 years, as determined by the state treasurer, if
12 the state treasurer determines that the capture under this sub-
13 subparagraph is necessary to reduce unemployment, promote economic
14 growth, and increase capital investment in the municipality.
15 However, upon approval of the state treasurer and the president of
16 the Michigan economic development corporation, a certified
17 technology park may capture under this sub-subparagraph for an
18 additional period of 5 years if the authority agrees to additional
19 reporting requirements and modifies its tax increment financing
20 plan to include regional collaboration as determined by the state
21 treasurer and the president of the Michigan economic development
22 corporation. In addition, upon approval of the state treasurer and
23 the president of the Michigan economic development corporation, if
24 a municipality that has created a certified technology park that
25 has entered into an agreement with another authority that does not
26 contain a certified technology park to designate a distinct
27 geographic area under section 12b, that authority that has created

1 the certified technology park and the associated distinct
2 geographic area may both capture under this sub-subparagraph for an
3 additional period of 15 years as determined by the state treasurer
4 and the president of the Michigan economic development corporation.

5 (C) To fund the cost of public facilities related to or for
6 the benefit of eligible property located within a next Michigan
7 development area to the extent that the public facilities have been
8 included in a development plan, not to exceed 50%, as determined by
9 the state treasurer, of the amounts levied by the state pursuant to
10 the state education tax act, 1993 PA 331, MCL 211.901 to 211.906,
11 and local and intermediate school districts for a period not to
12 exceed 15 years, as determined by the state treasurer, if the state
13 treasurer determines that the capture under this sub-subparagraph
14 is necessary to reduce unemployment, promote economic growth, and
15 increase capital investment in the authority district.

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

18 (A) Ad valorem property taxes or specific local taxes that are
19 excluded from and not made part of the tax increment financing
20 plan. Ad valorem personal property taxes or specific local taxes
21 associated with personal property may be excluded from and may not
22 be part of the tax increment financing plan.

23 (B) Ad valorem property taxes and specific local taxes
24 attributable to ad valorem property taxes excluded by the tax
25 increment financing plan of the authority from the determination of
26 the amount of tax increment revenues to be transmitted to the
27 authority.

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

4 (D) Ad valorem property taxes specifically levied for the
5 payment of principal and interest of obligations approved by the
6 electors or obligations pledging the unlimited taxing power of the
7 local governmental unit or specific local taxes attributable to
8 such ad valorem property taxes.

9 (E) The amount of ad valorem property taxes or specific taxes
10 captured by a downtown development authority under 1975 PA 197, MCL
11 125.1651 to 125.1681, tax increment financing authority under the
12 tax increment finance authority act, 1980 PA 450, MCL 125.1801 to
13 125.1830, or brownfield redevelopment authority under the
14 brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651
15 to 125.2672, if those taxes were captured by these other
16 authorities on the date that the initial assessed value of a parcel
17 of property was established under this act.

18 (F) AD VALOREM PROPERTY TAXES LEVIED UNDER 1 OR MORE OF THE
19 FOLLOWING OR SPECIFIC LOCAL TAXES ATTRIBUTABLE TO THOSE AD VALOREM
20 PROPERTY TAXES:

21 (I) THE ZOOLOGICAL AUTHORITIES ACT, 2008 PA 49, MCL 123.1161
22 TO 123.1183.

23 (II) THE ART INSTITUTE AUTHORITIES ACT, 2010 PA 296, MCL
24 123.1201 TO 123.1229.

25 (iv) The amount of tax increment revenues authorized to be
26 included under subparagraph (ii), and required to be transmitted to
27 the authority under section 13(1), from ad valorem property taxes

1 and specific local taxes attributable to the application of the
2 levy of the state education tax act, 1993 PA 331, MCL 211.901 to
3 211.906, or a local school district or an intermediate school
4 district upon the captured assessed value of real and personal
5 property in a development area shall be determined separately for
6 the levy by the state, each school district, and each intermediate
7 school district as the product of sub-subparagraphs (A) and (B):

8 (A) The percentage that the total ad valorem taxes and
9 specific local taxes available for distribution by law to the
10 state, local school district, or intermediate school district,
11 respectively, bears to the aggregate amount of ad valorem millage
12 taxes and specific taxes available for distribution by law to the
13 state, each local school district, and each intermediate school
14 district.

15 (B) The maximum amount of ad valorem property taxes and
16 specific local taxes considered tax increment revenues under
17 subparagraph (ii).

18 (kk) "Transit-oriented development" means infrastructure
19 improvements that are located within 1/2 mile of a transit station
20 or transit-oriented facility that promotes transit ridership or
21 passenger rail use as determined by the board and approved by the
22 municipality in which it is located.

23 (ll) "Transit-oriented facility" means a facility that houses a
24 transit station in a manner that promotes transit ridership or
25 passenger rail use.

26 (mm) "Urban township" means a township that meets 1 or more of
27 the following:

1 (i) Meets all of the following requirements:

2 (A) Has a population of 20,000 or more, or has a population of
3 10,000 or more but is located in a county with a population of
4 400,000 or more.

5 (B) Adopted a master zoning plan before February 1, 1987.

6 (C) Provides sewer, water, and other public services to all or
7 a part of the township.

8 (ii) Meets all of the following requirements:

9 (A) Has a population of less than 20,000.

10 (B) Is located in a county with a population of 250,000 or
11 more but less than 400,000, and that county is located in a
12 metropolitan statistical area.

13 (C) Has within its boundaries a parcel of property under
14 common ownership that is 800 acres or larger and is capable of
15 being served by a railroad, and located within 3 miles of a limited
16 access highway.

17 (D) Establishes an authority before December 31, 1998.

18 (iii) Meets all of the following requirements:

19 (A) Has a population of less than 20,000.

20 (B) Has a state equalized valuation for all real and personal
21 property located in the township of more than \$200,000,000.00.

22 (C) Adopted a master zoning plan before February 1, 1987.

23 (D) Is a charter township under the charter township act, 1947
24 PA 359, MCL 42.1 to 42.34.

25 (E) Has within its boundaries a combination of parcels under
26 common ownership that is 800 acres or larger, is immediately
27 adjacent to a limited access highway, is capable of being served by

1 a railroad, and is immediately adjacent to an existing sewer line.

2 (F) Establishes an authority before March 1, 1999.

3 (iv) Meets all of the following requirements:

4 (A) Has a population of 13,000 or more.

5 (B) Is located in a county with a population of 150,000 or
6 more.

7 (C) Adopted a master zoning plan before February 1, 1987.

8 (v) Meets all of the following requirements:

9 (A) Is located in a county with a population of 1,000,000 or
10 more.

11 (B) Has a written agreement with an adjoining township to
12 develop 1 or more public facilities on contiguous property located
13 in both townships.

14 (C) Has a master plan in effect.

15 (vi) Meets all of the following requirements:

16 (A) Has a population of less than 10,000.

17 (B) Has a state equalized valuation for all real and personal
18 property located in the township of more than \$280,000,000.00.

19 (C) Adopted a master zoning plan before February 1, 1987.

20 (D) Has within its boundaries a combination of parcels under
21 common ownership that is 199 acres or larger, is located within 1
22 mile of a limited access highway, and is located within 1 mile of
23 an existing sewer line.

24 (E) Has rail service.

25 (F) Establishes an authority before May 7, 2009.

26 (vii) Has joined an authority under section 3(2) which is
27 seeking or has entered into an agreement for a certified technology

1 park.

2 (viii) Has established an authority which is seeking or has

3 entered into an agreement for a certified alternative energy park.