

HOUSE BILL No. 5718

July 30, 2014, Introduced by Rep. Leonard 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 section 7 (MCL 125.1657), as amended by 2008 PA 226.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The board may:

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

1 (b) Study and analyze the impact of metropolitan growth upon
2 the downtown district.

3 (c) Plan and propose the construction, renovation, repair,
4 remodeling, rehabilitation, restoration, preservation, or
5 reconstruction of a public facility, an existing building, or a
6 multiple-family dwelling unit which may be necessary or appropriate
7 to the execution of a plan which, in the opinion of the board, aids
8 in the economic growth of the downtown district.

9 (d) Plan, propose, and implement an improvement to a public
10 facility within the development area to comply with the barrier
11 free design requirements of the state construction code promulgated
12 under the Stille-DeRossett-Hale single state construction code act,
13 1972 PA 230, MCL 125.1501 to 125.1531.

14 (e) Develop long-range plans, in cooperation with the agency
15 which is chiefly responsible for planning in the municipality,
16 designed to halt the deterioration of property values in the
17 downtown district and to promote the economic growth of the
18 downtown district, and take such steps as may be necessary to
19 persuade property owners to implement the plans to the fullest
20 extent possible.

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

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

26 (h) Acquire by purchase or otherwise, on terms and conditions
27 and in a manner the authority considers proper or own, convey, or

1 otherwise dispose of, or lease as lessor or lessee, land and other
2 property, real or personal, or rights or interests in property,
3 which the authority determines is reasonably necessary to achieve
4 the purposes of this act, and to grant or acquire licenses,
5 easements, and options with respect to that property.

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

12 (j) Fix, charge, and collect fees, rents, and charges for the
13 use of any building or property under its control or any part
14 thereof, or facility therein, and pledge the fees, rents, and
15 charges for the payment of revenue bonds issued by the authority.

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

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

20 (m) Acquire and construct public facilities.

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

23 (o) Contract for broadband service and wireless technology
24 service in the downtown district.

25 (p) Operate and perform all duties and exercise all
26 responsibilities described in this section in a qualified township
27 if the qualified township has entered into an agreement with the

1 municipality under section 3(7).

2 (q) Create, operate, and fund a loan program to fund
3 improvements for existing buildings located in a downtown district
4 to make them marketable for sale or lease. The board may make loans
5 with interest at a market rate or may make loans with interest at a
6 below market rate, as determined by the board.

7 (r) Create, operate, and fund retail business incubators in
8 the downtown district.

9 (2) If it is the express determination of the board to create,
10 operate, or fund a retail business incubator in the downtown
11 district, the board shall give preference to tenants who will
12 provide goods or services that are not available or that are
13 underserved in the downtown area. If the board creates, operates,
14 or funds retail business incubators in the downtown district, the
15 board and each tenant who leases space in a retail business
16 incubator shall enter into a written contract that includes, but is
17 not limited to, all of the following:

18 (a) The lease or rental rate that may be below the fair market
19 rate as determined by the board.

20 (b) The requirement that a tenant may lease space in the
21 retail business incubator for a period not to exceed 18 months.

22 (c) The terms of a joint operating plan with 1 or more other
23 businesses located in the downtown district.

24 (d) A copy of the business plan of the tenant that contains
25 measurable goals and objectives.

26 (e) The requirement that the tenant participate in basic
27 management classes, business seminars, or other business education

1 programs offered by the authority, the local chamber of commerce,
2 local community colleges, or institutions of higher education, as
3 determined by the board.

4 (3) THE AUTHORITY SHALL CREATE, OPERATE, AND REGULARLY
5 MAINTAIN A USER FRIENDLY WEBSITE WITH ALL AUTHORITY RECORDS AND
6 DOCUMENTS INCLUDING ALL OF THE FOLLOWING:

7 (A) MINUTES OF ALL BOARD MEETINGS.

8 (B) ANNUAL BUDGET.

9 (C) ANNUAL BUDGET AUDITS.

10 (D) CURRENTLY ADOPTED DEVELOPMENT PLAN.

11 (E) CURRENTLY ADOPTED TAX INCREMENT FINANCE PLAN.

12 (F) LIST OF ALL AUTHORITY SPONSORED AND MANAGED EVENTS.

13 (G) AUTHORITY STAFF CONTACT INFORMATION.

14 (H) ALL PROMOTIONAL AND MARKETING MATERIALS.

15 (I) AMOUNT OF TAX INCREMENT REVENUES CAPTURED FOR EACH TAXING
16 JURISDICTION THAT LEVIES AD VALOREM PROPERTY TAXES OR SPECIFIC
17 LOCAL TAXES WITHIN THE BOUNDARIES OF THE AUTHORITY.

18 (J) OTHER DOCUMENTS RELATED TO MANAGEMENT OF THE AUTHORITY.