

SENATE BILL No. 287

April 9, 2013, Introduced by Senator HUNTER and referred to the Committee on Economic Development.

A bill to amend 2003 PA 258, entitled
"Land bank fast track act,"
by amending section 23 (MCL 124.773).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 23. (1) An authority may enter into an intergovernmental
2 agreement with the Michigan economic development corporation for
3 the joint exercise of powers and duties under this act, of the
4 powers and duties of the authority and the Michigan economic
5 development corporation, and for the provision of economic
6 development services related to the activities of the authority.

7 (2) An authority may enter into an intergovernmental agreement
8 with the Michigan state housing development authority for the joint

1 exercise of powers and duties under this act, of the powers and
2 duties of the authority and the Michigan state housing development
3 authority, and for the provision of redevelopment services related
4 to the activities of the authority.

5 (3) A county, city, qualified city, township, or village may
6 enter into an intergovernmental agreement with the state authority
7 providing for the transfer to the authority of tax reverted
8 property held by the county, city, township, or village, for title
9 clearance, for the disposition of the proceeds from the sale of the
10 property, and for other activities authorized under this act,
11 including the return or transfer of property under the control of
12 the authority to the county, city, township, or village. An
13 intergovernmental agreement under this subsection may not provide
14 for a separate legal or administrative entity to administer or
15 execute the agreement under section 7 of the urban cooperation act
16 of 1967, 1967 (Ex Sess) PA 7, MCL 124.507.

17 (4) A county foreclosing governmental unit may, with the
18 approval of the board of commissioners for that county and, if that
19 county has an elected county executive, with the concurrence of the
20 elected county executive, enter into an intergovernmental agreement
21 with the state authority providing for the exercise of the powers,
22 duties, functions, and responsibilities of an authority under this
23 act and for the creation of a county authority to exercise those
24 functions. If a county authority is created under this subsection,
25 the treasurer of the county shall be a member of the authority
26 board. **IF A COUNTY AUTHORITY IS CREATED IN A COUNTY WITH A**
27 **POPULATION OF 1,500,000 OR MORE, THE GOVERNING AUTHORITY BOARD OF**

1 THAT COUNTY AUTHORITY IS DISSOLVED AND SHALL BE REPLACED WITH A NEW
2 GOVERNING AUTHORITY BOARD 30 DAYS AFTER THE DISSOLUTION THAT
3 CONSISTS OF 7 MEMBERS AS FOLLOWS:

4 (A) THE COUNTY TREASURER OF THE COUNTY OR HIS OR HER DESIGNEE.

5 (B) TWO INDIVIDUALS APPOINTED BY THE BOARD OF COMMISSIONERS OF
6 THE COUNTY.

7 (C) TWO INDIVIDUALS APPOINTED BY THE COUNTY EXECUTIVE OF THE
8 COUNTY IF THAT COUNTY HAS AN ELECTED COUNTY EXECUTIVE. IF THAT
9 COUNTY DOES NOT HAVE AN ELECTED COUNTY EXECUTIVE, THEN THE
10 INDIVIDUALS SHALL BE APPOINTED BY THE BOARD OF COMMISSIONERS OF
11 THAT COUNTY.

12 (D) TWO INDIVIDUALS APPOINTED JOINTLY BY THE COUNTY EXECUTIVE
13 OF THE COUNTY, IF THAT COUNTY HAS AN ELECTED COUNTY EXECUTIVE, AND
14 THE BOARD OF COMMISSIONERS OF THE COUNTY. IF THAT COUNTY DOES NOT
15 HAVE AN ELECTED COUNTY EXECUTIVE, THEN THE INDIVIDUALS SHALL BE
16 APPOINTED BY THE BOARD OF COMMISSIONERS OF THAT COUNTY. THE
17 CHAIRPERSON OF THE AUTHORITY BOARD SHALL BE SELECTED BY A MAJORITY
18 OF THE AUTHORITY BOARD.

19 (5) A qualified city may enter into an intergovernmental
20 agreement with the state authority providing for the exercise of
21 the powers, duties, functions, and responsibilities of an authority
22 under this act and for the creation of a local authority to
23 exercise those functions.

24 (6) An intergovernmental agreement under subsection (4) or (5)
25 shall provide for all of the following:

26 (a) The incorporation of a county or local authority as a
27 public body corporate.

1 (b) The name of the authority.

2 (c) The size of the initial governing body of the county or
3 local authority, which shall be composed of an odd number of
4 members.

5 (d) ~~The~~ **EXCEPT AS PROVIDED IN SUBSECTION (4), THE**
6 qualifications, method of selection, and terms of office of the
7 initial board members.

8 (e) A method for the adoption of articles of incorporation by
9 the governing body of the county or local authority.

10 (f) A method for the distribution of proceeds from the
11 activities of the county or local authority.

12 (g) A method for the dissolution of the local or county
13 authority and for the withdrawal from the authority of any
14 governmental agencies involved.

15 (h) Any other matters considered advisable by the
16 participating governmental agencies, consistent with this act.

17 (7) If under the charter of a qualified city the qualified
18 city collects delinquent city real property taxes and does not
19 return the delinquent taxes to the treasurer of the county in which
20 the qualified city is located under the general property tax act,
21 1893 PA 206, MCL 211.1 to ~~211.157~~, **211.155**, any of the following
22 property held by the qualified city may be transferred to a local
23 authority:

24 (a) Tax delinquent real property for which a lien has been
25 deemed sold to a city department director under the charter or
26 ordinances of the qualified city, except for property that was
27 deeded to a department director less than 2 years before the

1 proposed transfer to the local authority.

2 (b) Tax delinquent real property held by the city that has
3 been foreclosed by the qualified city and for which title has
4 vested in the city pursuant to procedures established under the
5 charter or ordinances of the qualified city.

6 (c) Any tax reverted property owned or under the control of
7 the qualified city.

8 (8) A qualified city may authorize the transfer with or
9 without consideration of any real property or interest in real
10 property to a local authority including, but not limited to, tax
11 reverted property or interests in tax reverted property held or
12 acquired after the creation of the local authority by the qualified
13 city, with the consent of the local authority.

14 (9) A qualified city and any agency or department of a
15 qualified city, or any other official public body, may do 1 or more
16 of the following:

17 (a) Anything necessary or convenient to aid a local authority
18 in fulfilling its purposes under this act.

19 (b) Lend, grant, transfer, appropriate, or contribute funds to
20 a local authority in furtherance of its purposes.

21 (c) Lend, grant, transfer, or convey funds to a local
22 authority that are received from the federal government or this
23 state or from any nongovernmental entity in aid of the purposes of
24 this act.

25 (10) A local authority may reimburse advances made by a
26 qualified city under subsection (9) or by any other person for
27 costs eligible to be incurred by the local authority with any

1 source of revenue available for use of the local authority under
2 this act and enter into agreements related to these reimbursements.
3 A reimbursement agreement under this subsection is not subject to
4 section 305 of the revised municipal finance act, 2001 PA 34, MCL
5 141.2305.

6 (11) A local authority may enter into agreements with the
7 county treasurer of the county in which the qualified city is
8 located for the collection of property taxes or the enforcement and
9 consolidation of tax liens within that qualified city for any
10 property or interest in property transferred to the local
11 authority.

12 (12) Unless specifically reserved or conditioned upon the
13 approval of the governing body of a qualified city, all powers
14 granted under this act to a local authority may be exercised by the
15 local authority without the approval of the governing body of the
16 qualified city, notwithstanding any charter, ordinance, or
17 resolution to the contrary.

18 (13) Prior to its effectiveness, an intergovernmental
19 agreement under this section shall be filed with the county clerk
20 of each county where a party to the agreement is located and with
21 the secretary of state.

22 (14) A COUNTY AUTHORITY CREATED UNDER SUBSECTION (4) AFTER THE
23 EFFECTIVE DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION
24 SHALL COMPLY WITH ALL OF THE FOLLOWING:

25 (A) THE EXECUTIVE DIRECTOR AND EVERY OTHER EMPLOYEE OF THE
26 COUNTY AUTHORITY SHALL NOT MAKE ANY EXPENDITURE OF FUNDS WITHOUT
27 APPROVAL OF THE AUTHORITY BOARD.

1 (B) THE AUTHORITY BOARD SHALL APPROVE ALL CONTRACTS THAT THE
2 COUNTY AUTHORITY ENTERS INTO. HOWEVER, THE COUNTY AUTHORITY BOARD
3 MAY DELEGATE PURCHASING AUTHORITY TO THE EXECUTIVE DIRECTOR FOR
4 INCIDENTAL ADMINISTRATIVE EXPENSES OF LESS THAN \$5,000.00.

5 (C) THE COUNTY AUTHORITY SHALL HAVE WRITTEN GUIDELINES FOR ANY
6 PROGRAM OPERATED BY THE COUNTY AUTHORITY AND SHALL HAVE THOSE
7 WRITTEN GUIDELINES MADE AVAILABLE TO THE PUBLIC ON ITS INTERNET
8 WEBSITE.

9 (D) THE COUNTY AUTHORITY SHALL CREATE OR ADOPT A WRITTEN
10 ETHICS POLICY FOR GOVERNING THE CONDUCT OF COUNTY AUTHORITY
11 BUSINESS, CONSISTENT WITH 1973 PA 196, MCL 15.341 TO 15.348.

12 (E) THE COUNTY AUTHORITY SHALL ESTABLISH WRITTEN POLICIES AND
13 PROCEDURES FOR ESTABLISHING PRIORITY FOR THE ACQUISITION,
14 DISPOSITION, AND TRANSFER OF ALL PROPERTIES.

15 (F) THE COUNTY AUTHORITY SHALL ESTABLISH WRITTEN POLICIES AND
16 PROCEDURES REGARDING THE APPROVAL AND MANAGEMENT OF ALL COUNTY
17 AUTHORITY PROCUREMENTS.

18 (G) THE COUNTY AUTHORITY SHALL CREATE AND MAINTAIN AN INTERNET
19 WEBSITE AND POST ALL COMPETITIVE BIDS SOLICITED BY AND COPIES OF
20 ALL CONTRACTS ENTERED INTO BY THE COUNTY AUTHORITY.

21 (H) THE EXECUTIVE DIRECTOR OF THE COUNTY AUTHORITY, AT LEAST
22 TWICE EACH YEAR, SHALL SUBMIT PERFORMANCE OBJECTIVES TO THE
23 AUTHORITY BOARD. THE AUTHORITY BOARD SHALL REVIEW THE PERFORMANCE
24 OBJECTIVES SUBMITTED BY THE EXECUTIVE DIRECTOR AT A MEETING OF THE
25 AUTHORITY BOARD AND EVALUATE WHETHER THE PERFORMANCE OBJECTIVES
26 HAVE BEEN ACHIEVED.

27 (I) THE COUNTY AUTHORITY SHALL DEVELOP WRITTEN PROGRAMS AND

1 POLICIES, IN CONSULTATION WITH THE STATE LAND BANK FAST TRACK
2 AUTHORITY AND THE DEPARTMENT OF TREASURY, THAT INCLUDE, BUT ARE NOT
3 LIMITED TO, ALL OF THE FOLLOWING:

4 (i) ENCOURAGE COLLABORATION WITH INDIVIDUALS, NONPROFIT
5 ORGANIZATIONS, AND COMMUNITY DEVELOPMENT ORGANIZATIONS TO RETURN
6 TAX REVERTED PROPERTIES, PROPERTIES OWNED OR ACQUIRED BY A LAND
7 BANK FAST TRACK AUTHORITY, AND ANY OTHER PROPERTIES TO PRODUCTIVE
8 USE AND RETURN THEM TO THE TAX ROLLS.

9 (ii) CREATE A SIDE-LOT TRANSFER PROGRAM THAT PROMOTES THE
10 TRANSFER OF SIDE-LOTS TO ADJOINING PROPERTY OWNERS. PREFERENCE
11 SHALL BE GIVEN TO ADJOINING PROPERTY OWNERS WHO OCCUPY THE
12 ADJOINING PROPERTY. THE PROGRAM SHALL PROVIDE THE ADJOINING
13 PROPERTY OWNERS WITH AN OPTION TO APPLY FOR AND PURCHASE THE
14 PROPERTY FOR NOMINAL CONSIDERATION.

15 (iii) PROMOTE URBAN GARDENING. AS USED IN THIS SUBPARAGRAPH,
16 "URBAN GARDENING" MEANS ALLOWING INDIVIDUALS OR GROUPS OF
17 INDIVIDUALS WITHIN THE COMMUNITY TO APPLY WITH THE AUTHORITY FOR
18 USE OF VACANT LAND FOR COMMUNITY GARDENING PROJECTS.

19 (iv) PROMOTE RESIDENTIAL REHABILITATION PROGRAMS. AS USED IN
20 THIS SUBPARAGRAPH, "RESIDENTIAL REHABILITATION PROGRAM" MEANS A
21 PROGRAM THAT ALLOWS ANY INDIVIDUAL OR GROUP OF INDIVIDUALS TO APPLY
22 FOR THE ACQUISITION OF ANY PROPERTY OWNED OR ACQUIRED BY THE
23 AUTHORITY FOR REHABILITATION. THE PROGRAM SHALL ALLOW THE APPLICANT
24 TO WORK WITH THE AUTHORITY TO IDENTIFY A PROPERTY FOR
25 REHABILITATION, AND THE AMOUNT OF THE INVESTMENT TO BE MADE IN THE
26 REHABILITATION MAY BE CONSIDERED IN DETERMINING THE SALE PRICE OF
27 THAT PROPERTY.

1 (v) PROMOTE A COMMERCIAL PROPERTIES PROGRAM. AS USED IN THIS
2 SUBPARAGRAPH, "COMMERCIAL PROPERTIES PROGRAM" MEANS A PROGRAM THAT
3 PROMOTES THE ACQUISITION AND IMPROVEMENT OF CERTAIN COMMERCIAL
4 PROPERTIES BY THE AUTHORITY TO ALLOW FOR THE MOST PRODUCTIVE USE.

5 (vi) PROMOTE ANY OTHER ACTIVITIES OR PROGRAMS THAT WOULD REDUCE
6 BLIGHT, INCREASE PROPERTY VALUES, SPUR ECONOMIC DEVELOPMENT, OR
7 OTHERWISE IMPROVE THE QUALITY OF THE COMMUNITY.