

**SUBSTITUTE FOR
HOUSE BILL NO. 4077**

A bill to amend 2005 PA 210, entitled
"Commercial rehabilitation act,"
by amending sections 6 and 8 (MCL 207.846 and 207.848), section 8
as amended by 2011 PA 82.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) Not more than 60 days after receipt of a copy of
2 the application and resolution adopted under section 5, the
3 commission shall approve or disapprove the resolution.

4 (2) Following approval of the application by the legislative
5 body of the qualified local governmental unit and the commission,
6 the commission shall issue to the applicant a commercial
7 rehabilitation exemption certificate in the form the commission
8 determines, which shall contain all of the following:



1 (a) A legal description of the real property on which the
2 qualified facility is located.

3 (b) A statement that unless revoked as provided in this act
4 the certificate shall remain in force for the period stated in the
5 certificate.

6 (c) A statement of the taxable value of the qualified
7 facility, separately stated for real and personal property, for the
8 tax year immediately preceding the effective date of the
9 certificate after deducting the taxable value of the land and
10 personal property other than personal property assessed pursuant to
11 sections 8(d) and 14(6) of the general property tax act, 1893 PA
12 206, MCL 211.8 and 211.14.

13 (d) A statement of the period of time authorized by the
14 legislative body of the qualified local governmental unit within
15 which the rehabilitation shall be completed.

16 (e) If the period of time authorized by the legislative body
17 of the qualified local governmental unit pursuant to subdivision
18 (b) is less than 10 years, the exemption certificate shall contain
19 the factors, criteria, and objectives, as determined by the
20 resolution of the qualified local governmental unit, necessary for
21 extending the period of time, if any.

22 (3) ~~The~~ **Except as otherwise provided in section 8(4), the**
23 effective date of the certificate is the December 31 immediately
24 following the date of issuance of the certificate.

25 (4) The commission shall file with the clerk of the qualified
26 local governmental unit a copy of the commercial rehabilitation
27 exemption certificate, and the commission shall maintain a record
28 of all certificates filed. The commission shall also send, by
29 certified mail, a copy of the commercial rehabilitation exemption



1 certificate to the applicant and the assessor of the local tax
2 collecting unit in which the qualified facility is located.

3 Sec. 8. (1) If the taxable value of the property proposed to
4 be exempt pursuant to an application under consideration,
5 considered together with the aggregate taxable value of property
6 exempt under certificates previously granted and currently in force
7 under this act or under 1974 PA 198, MCL 207.551 to 207.572,
8 exceeds 5% of the taxable value of the qualified local governmental
9 unit, the legislative body of the qualified local governmental unit
10 shall make a separate finding and shall include a statement in its
11 resolution approving the application that exceeding that amount
12 shall not have the effect of substantially impeding the operation
13 of the qualified local governmental unit or impairing the financial
14 soundness of an affected taxing unit.

15 (2) The legislative body of the qualified local governmental
16 unit shall not approve an application for a commercial
17 rehabilitation exemption certificate unless the applicant complies
18 with all of the following requirements:

19 (a) Except as otherwise provided in this subdivision or
20 subsection (3), the commencement of the rehabilitation of the
21 qualified facility does not occur earlier than 6 months before the
22 applicant files the application for the commercial rehabilitation
23 exemption certificate. However, through December 31, 2009, for a
24 qualified facility that is a qualified retail food establishment,
25 the commencement of the rehabilitation does not occur earlier than
26 42 months before the applicant files the application for the
27 commercial rehabilitation exemption certificate.

28 (b) The application relates to a rehabilitation program that
29 when completed constitutes a qualified facility within the meaning



1 of this act and that shall be situated within a commercial
2 rehabilitation district established in a qualified local
3 governmental unit eligible under this act.

4 (c) Completion of the qualified facility is calculated to, and
5 will at the time of issuance of the certificate have the reasonable
6 likelihood to, increase commercial activity, create employment,
7 retain employment, prevent a loss of employment, revitalize urban
8 areas, or increase the number of residents in the community in
9 which the qualified facility is situated.

10 (d) The applicant states, in writing, that the rehabilitation
11 of the qualified facility, excluding qualified retail food
12 establishments through December 31, 2009, would not be undertaken
13 without the applicant's receipt of the exemption certificate.

14 (e) The applicant is not delinquent in the payment of any
15 taxes related to the qualified facility.

16 (3) The provisions of subsection (2)(a) and (d) and the
17 provision contained in section 4(1) that provides that the district
18 must be established before an application is filed do not apply to
19 the rehabilitation of a qualified facility located in a commercial
20 rehabilitation district established by the legislative body of the
21 qualified local governmental unit in 2011 for construction or
22 rehabilitation that was commenced in August 2010 and for which an
23 application for a commercial rehabilitation exemption certificate
24 was filed in June 2010.

25 **(4) For certificates issued by the commission after January 1,**
26 **2018, if the clerk of the qualified local governmental unit failed**
27 **to forward an application that was approved by the legislative body**
28 **of the qualified local governmental unit before October 31 of that**
29 **year to the commission before October 31 of that same year but**



1 filed the application with the commission before October 31 of the
2 immediately succeeding year and the commission approves that
3 application, then the effective date of that certificate is
4 December 31 of the year in which the qualified local governmental
5 unit approved the application.

6 Enacting section 1. This amendatory act is intended to be
7 retroactive and effective beginning December 31, 2017.