

HOUSE BILL NO. 4077

January 23, 2019, Introduced by Rep. Neeley and referred to the Committee on Commerce and Tourism.

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,

1 the commission shall issue to the applicant a commercial
2 rehabilitation exemption certificate in the form the commission
3 determines, which shall contain all of the following:

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

6 (b) A statement that unless revoked as provided in this act
7 the certificate shall remain in force for the period stated in the
8 certificate.

9 (c) A statement of the taxable value of the qualified
10 facility, separately stated for real and personal property, for the
11 tax year immediately preceding the effective date of the
12 certificate after deducting the taxable value of the land and
13 personal property other than personal property assessed pursuant to
14 sections 8(d) and 14(6) of the general property tax act, 1893 PA
15 206, MCL 211.8 and 211.14.

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

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

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

28 (4) The commission shall file with the clerk of the qualified
29 local governmental unit a copy of the commercial rehabilitation

1 exemption certificate, and the commission shall maintain a record
2 of all certificates filed. The commission shall also send, by
3 certified mail, a copy of the commercial rehabilitation exemption
4 certificate to the applicant and the assessor of the local tax
5 collecting unit in which the qualified facility is located.

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

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

22 (a) Except as otherwise provided in this subdivision or
23 subsection (3), the commencement of the rehabilitation of the
24 qualified facility does not occur earlier than 6 months before the
25 applicant files the application for the commercial rehabilitation
26 exemption certificate. However, through December 31, 2009, for a
27 qualified facility that is a qualified retail food establishment,
28 the commencement of the rehabilitation does not occur earlier than
29 42 months before the applicant files the application for the

1 commercial rehabilitation exemption certificate.

2 (b) The application relates to a rehabilitation program that
3 when completed constitutes a qualified facility within the meaning
4 of this act and that shall be situated within a commercial
5 rehabilitation district established in a qualified local
6 governmental unit eligible under this act.

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

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

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

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

28 **(4) If an application for a certificate was approved by the**
29 **legislative body of a qualified local government unit in February**

1 2017 for a qualified facility that is located in a district that
2 was established by the legislative body of a qualified local
3 government unit in January 2017 and that application was approved
4 by the commission in 2018, then upon request of the owner of the
5 qualified facility, the effective date of the application is
6 December 31, 2017.